

Minutes of the Regular Board Meeting
Of the Board of Directors
Apple Valley Heights County Water District

Wednesday, September 20, 2023

The Board of Directors of the Apple Valley Heights County Water District met in regular session and held the regular meeting at the regular meeting place, 9429 Cerra Vista, Apple Valley, California. The meeting was called to order at 6:00 P.M. BOD President Duwel led the Pledge of Allegiance.

ROLL CALL:

Directors Present: Directors Duwel, Woody, Kaminsky & Roberson (AVHCWD Office).

Absent: Director Hunter.

Also Present: General Manager Smith & Secretary Patterson (AVHCWD Office).

Public Present: None.

PUBLIC COMMENT:

None.

GENERAL MANAGER REPORT:

1. September 2023 – General Manager Smith informed the BOD that one monthly sample tested positive for TC+ and that resample efforts had been completed and all repeat samples came back absent for contamination. The GM briefed the BOD on a variety of topics, to include: telemetry issues at Central Tank and the associated corrections, installation of security cameras at water storage tanks and Well # 1 site, fire hydrant leaks and repairs, service and repairs to F-150 and the scheduling of well source flowmeter accuracy tests. BOD President Duwel asked the BOD if there were any questions; None.

2. Efficiency Report – General Manager Smith briefed the BOD that, during the month of August 2023, the efficiency, for running both Well # 3 and Well # 4, calculated at 87.75%.

GRANT FUNDING UPDATE & PROGRESS/DISCUSSION/ACTION ITEMS:

1. Meeting Update – General Manager Smith briefed the BOD that no conference call took place during the month of August, as there were no updates for the state or NV5 to provide. BOD President Duwel asked the BOD if there were any additional questions related to the Grant Project; None.

DISCUSSION/INFORMATION:

1. August 2023 Delinquency: 48 Past Due Fees Applied, 1 Door Tag Hung, 1 Service Turned Off (Verbal) – Secretary Patterson briefed the BOD on the Delinquency Report for the month of August 2023. BOD President Duwel asked the BOD if there were any questions related to the August 2023 Delinquency Report; None.

2. Profit/Loss: August 2023 – Secretary Patterson briefed the BOD on the P&L Report for August 2023. BOD Vice President Duwel asked the BOD if there were any questions related to the August 2023 P&L Report; None.

3. Revenue Report: August 2023 – Secretary Patterson briefed the BOD on the Revenue Report for August 2023. BOD President Duwel asked the BOD if there were any questions related to the August 2023 Revenue Report; None.

4. Account Aging Report – Receivables as of 9/20/23 (Account Holder Names Removed) – Secretary Patterson briefed the BOD on the Account Aging Report for the month of August/September 2023. BOD President Duwel asked the BOD if there were any questions related to the Account Aging Report; None.

5. Water Production Snapshot – Secretary Patterson informed the BOD that the District, as of August 31st, 2023, has produced 93.26 AF of water. BOD President Duwel asked the BOD if there were any questions related to the Water Production Snapshot; None.

6. Well # 1 Site Survey – General Manager Smith stated there were no new updates to provide to the BOD on the Well # 1 Site Office location.

Note: At this point in the meeting, Mr. Ciampa phoned in for an introduction (see item F-12).

By Director Roberson to move Discussion/Information item # F-12 to this point in the meeting; second by Vice-President Woody. Yes: Duwel, Woody, Kaminsky & Roberson. No: None. Abstain: None. Absent: Hunter (see item # F-12 on the minutes for the summary of this Discussion/Information item).

7. Water Sales Snapshot: Total Water Sales as of 8/31/23 – Secretary Patterson briefed the BOD on the total water sales, as of 8/31/23, and how that compared to budgeted figures. BOD President Duwel asked the BOD if there were any questions related to the Water Sales Snapshot; None.

8. Internal Audit Report: G.A Hunter-April 2023 – Secretary Patterson briefed the BOD on the Internal Audit Report for April 2023. BOD President Duwel asked the BOD if there were any questions; None.

9. New AVHCWD Door Tags – Secretary Patterson briefed the BOD on the new/updated door tag format for SB 998 postings and associated shut-off efforts. BOD President Duwel asked the BOD if there were any questions; None.

10. CSDA Loan Option – GM Smith briefed the BOD on the loan terms, for a \$1,000,000 project loan, through CSDA. BOD President Duwel asked the BOD if there were any questions; None.

11. AVHCWD Policy # 2023-GM-002: GM Shut-off & Lien Placement Authority DRAFT – Secretary Patterson briefed the BOD on the DRAFT policy for the GM to be granted authority, from the BOD, to shut-off services and place property liens in certain scenarios. BOD President Duwel asked that the policy be placed on the October 2023 Regular Meeting Agenda as a “Second Reading”, as well as an “Action Item” for BOD vote.

12. Introduction of Legal Counsel Candidate: James Ciampa – Mr. Ciampa called in to the BOD Meeting, via teleconference, and introduced himself, and his firm, and gave a background on his experiences with water law, as well as with the Mojave basin Area Adjudication. BOD President Duwel asked the BOD if there were any additional questions for Mr. Ciampa; None.

CONSENT LIST:

1. Approve August 16, 2023 Regular Meeting Minutes
2. Approve Accounts Payable/Pay Warrants (Bills to be Paid).

By Vice-President Woody to approve the Consent List, as presented by staff; second by Director Kaminsky. Yes: Duwel, Woody, Kaminsky & Roberson. No: None. Abstain: None. Absent: Hunter.

DISCUSSION/ACTION ITEMS:

1. Approve September 2023 Office Rent Payment.

By Director Kaminsky to approve the September 2023 Office Rent Payment; second by Vice-President Woody. Yes: Duwel, Woody, Kaminsky & Roberson. No: None. Abstain: None. Absent: Hunter.

2. Request Authorization to Send Lien Letter and Apply Lien / SB 998 Shut-off (if no response in 30 days)

By Director Kaminsky to approve the Lien Letter List and SB 998 Shut-off list, as presented by staff; second by Director Roberson. Yes: Duwel, Woody, Kaminsky & Roberson. No: None. Abstain: None. Absent: Hunter.

3. ACCT # 27: Customer Request of Waiver of Late Fees and Water Rate Transition to Article 12 Status – Due to a lack of feedback from the property owner, this item was tabled until the customer presents the request in writing or attends a future regularly scheduled BOD Meeting.

4. Internal Audit Report Payment: G.A Hunter – April 2023.

By Director Roberson to approve the Internal Audit payment for April 2023; second by Vice-President Woody. Yes: Duwel, Woody, Kaminsky & Roberson. No: None. Abstain: None. Absent: Hunter.

5. BOD Action on Legal Counsel Candidate: James Ciampa.

By Vice-President Woody, to select James Ciampa as the legal counsel/representative for the AVHCWD; second by Director Roberson. Yes: Duwel, Woody, Kaminsky & Roberson. No: None. Abstain: None. Absent: Hunter.

BOD President Duwel directed staff to begin interfacing with Mr. Ciampa to discuss options and potential recommendations to the District's water rate related issues, as well as discussion related to possible "Excess Use Surcharges" or "Drought Surcharges".

DIRECTORS COMMENTS:

None.

ADJOURNMENT MOTION:

On motion of Director Kaminsky that there being no further business to discuss, the regular meeting be adjourned; second by Director Roberson and carried. Meeting adjourned at 7:02 PM. Yes: Duwel, Woody, Kaminsky & Roberson. No: None. Abstain: None. Absent: Hunter.

Matthew K. Patterson, Administrative Secretary-Treasurer

APPROVED:

Patricia Duwel, President
Board of Directors