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

April 23, 2024

**The Board of Directors of the Apple Valley Foothill County Water District met in a regular session and meeting place, 22545 Del Oro Road, Apple Valley, California. The meeting was called to order at 9:56 A.M. BOD President Suzi Smith led the Pledge of Allegiance.**

Roll Call: Suzi Smith, Duane Penfold, Scott Drake, Janet Fonseca Telephonically: None

Also Present: General Manager Daniel Smith and Office Secretary Lynn Thompson Absent: Harold Nobles

Public Present: Sharon Houts

Public Comment: Ms. Houts commented on her worry of all the new housing going in and the lot sizing becoming smaller. She is wondering about how our system is going to handle it and our water capacity.

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# General Manager Report: February 2024 maintenance report- efficiency report- water year production report

**March 2024 Maintenance Report-**

One new water service line installed by Kelley’s Construction on March 1 on 11123 Central Rd. Maintenance staff logged the district facilities and delivered the yellow tag notices. There were 3 water meters replaced by Kelley’s Construction and relocated outside the property line. Marine Industrial Tank Diving and Coating performing the inspection and cleaning. GM Smith said he will send videos & pictures. Service lines were relocated for the properties of 11125 Joshua, 10523 Chipmunk, 22882 Tussing Ranch. Disbursements will show invoices for that work.

**Water System Production Report-**

 The water meter reads for March were estimated due to the weather and running out of time and availability of the work truck. At the end of this month, we’ll be back on track.

**Efficiency Report –** For the month of March 2024 the water system produced 5.398-acre feet of water and sold 4.518-acre feet of water for an efficiency of 83.69%, the total non-revenue water (water loss) is 0.88-acre feet.

**Water Year Quarterly Report-** General Manager Smith explained that Watermaster is currently seeking further water production rundowns, but that the 53.3% figure is in the courts with a decision to be made in the next couple months.

**Water Storage Tank Inspection & Cleaning-** The General Manager informed the Board of Directors that several proposals had been received and one of those companies was already performing work for a neighboring water company (AVHCWD). Because of the saving involved with the mobilization, Marine Industrial Tank Diving and Coating was able to perform the work for only $2,500.00, which was over $3,000.00 less than the next lowest bid. With the timing of MIT being available and cost savings, the General Manager made to executive decision to accept the MIT proposal.

# Discussion/Information:

# Information: Account delinquency - RCAC water rate study – 2024 Election Filing Election filing Deadline – MWA Update – Emergency Power Source – Ampstun Billing Software – Paychex Payroll Service –

**Delinquency Report** For the month of March 2024 the office administered thirteen (13) delinquent yellow door tag notices. No red shut-off door hanger notices were posted as payment arrangements were provided to the accounts over 60 days past due.

**Rural Community Assistance Corporation (RCAC) Water Rates Study: Director Penfold suggested a special meeting be made for the water rate study. The board discussed a time and date for that meeting. To be determined later.**

**Election filing: July 15 thru August 9. GM Smith said he would get information together for the next board packet.**

**Tess Electric: GM Smith informed the board about the noise well # 1 is making. He mentioned the lighting in the Conex that needs to be looked at too. He wants to get a quote for that. A transfer switch proposal as well will allow us to have a generator at the booster station. GM Smith stated he hasn’t received any other bids. Director Penfold suggested getting more bids on this proposal.**

**Emergency Power Source: Smith reported to the BOD about our generator and different options. After discussing it President Smith asked how long can we get by with this one? GM Smith said he thought to use this one until we’re told different.**

**Paychex: GM Smith informed the BOD that our bookkeeper is no longer doing our payroll. Paychex will now be doing payroll for the district. GM Smith also informed the BOD that they will be handling the taxes and tax payments, W2’s etc. He still doesn’t know what the fee is yet.**

**2024 Election Filing Deadline** Updates were given to the Board of Directors on the filing period which opens on July 15 and closes on August 9, 2024. President Smith and Vice President Penfold are up for election come November. The General Manager recommended that even if there is a local office in the high desert to file, that driving to San Bernardino to submit the necessary paperwork would be best. Director Nobles asked to clarify why it was undetermined who needs to file for the 2024 election. The General Manager explained that the vacant positions were filled and took the oath of office at the same meeting, however, a discussion on which Director was filling which open seat on the Board.

**Emergency Power Source** with Senate Bill 552 in effect with a date no later than January 1, 2024, specifically requiring small water suppliers ensure continuous operations during power failures, provide adequate backup electrical supply: a reliable backup generator is required for any water system, without one, the system will be at risk of interrupted water supply for the customers during an unplanned power outage. Water suppliers need to be prepared for emergency power shutoffs by having a backup generator sized to fit their source capacity needs that is installed properly and maintained effectively. The General Manager explained that the district currently has back-up power for the well site, but the district’s booster station only has a gas-powered pump, which requires re-fueling every 2-hours. President Smith asked what other local small water systems are doing for back-up power. General Manager Smith informed the Board of Directors that AVHCWD is in the process of purchasing a generator as a 5-year lease to own. The General explained that the well site generator is classified as a tier 1 generator built in 1996, and that the district has a waiver to allow the district to only use it in an emergency at very limited hours of operation. Our permit registration is also listed as a mobile generator which states that it must be documented as being moved at least 1 day out of the year to another district facility. It was also noted that no later than January 1, 2027, at least one backup source of water supply, or a water system intertie that meets current water quality requirements and is sufficient to meet average daily demand will be required.

# Consent List: March 26 2024, meeting minutes and the February 2024 bills to pay

Vice-President Penfold made a motion to approve the consent list as presented. Seconded by President Smith.

BOD approved the Financial Report for February 2024 and the Financial Report for March 2024. President Smith made the motion seconded by Vice-President Penfold.

BOD approved the Operating Expenses March 2024. Director Fonseca made the motion seconded by Vice- President Penfold.

BOD approved the AVCWD Workplace Violence Prevention Plan. President Smith made the motion Vice-President Penfold seconded.

The Facilities Well Pump Start & Site Upgrades Project was tabled until we get another estimate.

The Emergency Power Source- District Purchase of Mobile Generator/Gen Set was tabled until a later date.

#  Closed Session @ 10:40. Back in session@ 11:04.

#  New Business: BOD discussed having a budget work shop the beginning of June.

## Adjournment: 11:09 A.M.

# Discussion/ Action Items: February 2024 Financial Report - January & February 2024 Expenses – SAC Ballot Staff Recommendation – Emergency Power Source – Ampstun Billing Software – Policies #3030 Fixed-Assets Accounting Control, #3032 Fixed-Assets Capitalization, and #3040 Expense Authorization

President Smith made a motion to approve the January 2024 operating expenses. Seconded by Director Penfold.

Vice President Penfold made a motion to approve the February 2024 Financial Report. Seconded by Director Nobles.

Director Nobles made a motion to approve the February 2024 expenses. Seconded by Vice President Penfold.

President Smith made a motion to approve spitting the votes 418 for Boytor and 417 for Carlson. Seconded by Vice President Penfold.

A motion was made to table the Emergency Power Source purchase for further discussion at a future meeting. Seconded by Director Nobles.

Director Nobles made a motion to approve the Ampstun billing software. Seconded by President Smith.

# Closed Session: Performance Evaluation – Government Code § 54957

Director Fonseca motioned to go into closed session at 10:05 A.M., Seconded by President Smith. Director Drake motioned to come out of closed session at 10:32 A.M., Seconded by Director Fonseca. No action was taken to report.

# New Business:

None

# Directors Comments:

None

# Adjournment:

There being no further business, the regular meeting was adjourned at 11:46 A.M.

\_ \_ Daniel Smith, General Manager

APPROVED:

 \_ Suzi Smith, President Board of Directors