

**RECORD OF THE REGULAR
MEETING MINUTES FOR THE
BOARD OF DIRECTORS OF THE
HIGH VALLEYS WATER DISTRICT
January 17th, 2018**

1. Call to Order, Pledge of Allegiance

President Wright called the meeting to order at 3:00 p.m. He then proceeded to lead everyone in the Pledge of Allegiance.

2. Roll Call

Secretary (and Office Administrator) Thornton called the roll. President Wright, Director Hughes, Director Van Sickle, Director Haaland and General Manager Houghton were all present. Also present were the following residents that signed in: Rose McNeil of Poppet Flats, Ann Clemens of Poppet Flats, Ann Moore of Poppet Flats, Steve Chittenden of Twin Pines, Ron Singerton of Twin Pines, Lori Cornell of Twin Pines and Kathleen Belwish of Poppet Flats. Vice President Pavey was absent due to illness.

3. Adoption and Adjustment of Agenda (additions and/or deletions)

No adjustments were needed.

Motion to approve the Agenda for January 17th, 2018 as presented, made by Director Van Sickle and seconded by Director Haaland. Directors voted to approve the Agenda for January 17th, 2018 as presented, as follows;

Haaland – Yes Hughes – Yes Wright – Yes Van Sickle – Yes

**Moved to accept the Agenda for January 17th, 2018 as presented.*

4. Public Input

Ron Singerton: Stated that the Twin Pines pipe, which is located in front of the Water District's office, was not big enough to carry large amounts of rain. He talked of the severity of damage done by heavy rains years ago. He recommended putting in a larger pipe to accommodate heavy rains and prevent future damage. He also commented on the gravel that is currently in the District's office parking lot, which he believed was being used to fix the roads in Poppet Flats. He wanted to know why the gravel can't be stored there because it is an eye sore. He wanted to have all the material removed for the sake of the region's appearance, if possible. General Manager Houghton stated that the gravel was originally placed at the District because it was intended to be used to fix a couple of the steeper hills but he recently found out that it won't, so after they use what they need to in a few more areas, the gravel will be available for pick-up to anyone who wants it. President Wright responded stating that the Board would discuss this.

Steve Chittenden: Stated that he wanted to know how much of the tax money High Valleys Water District is spending on the Poppet Flats roads because he was concerned. He wanted to know if it was the Water District's obligation to always repair the roads or the citizens' obligation. He said that the District should focus on pipes and water, not road repairs, which Twin Pines does not benefit from. General Manager Houghton clarified that no money was being spent on roads that did not pertain to the water lines, whether it's a road above exposed pipes themselves or roads that are the only direct access that lead to the lines. He stated that he does not, and will not, spend District funds repairing someone's driveway just because or roads that have absolutely nothing to do with the water lines. He then showed

the before pictures of Big Horn in Poppet Flats where an exposed pipe was. The road that lead to that pipe was undrivable, so he and the technicians needed to repair it to gain access to that pipe. He stated that lower Twin Pines roads are fixed all the time in order to access the lines, it's just not as noticeable as Poppet Flats' repairs. They also had recently fixed the back roads in Twin Pines. Upper Twin Pines roads are all paved and maintained by the County, so the District does not need to do any repairs.

Ann Clemens: Stated that she was on the Water Board for twenty years, being the Vice-President for a number of those years, so she knew a lot of what went on in the District. She said that in the late 90's, \$100,000.00 was spent on Twin Pines' road alone. By California State Water Law, the pipes are required to be buried 18-20 inches below ground and many in Poppet Flats are not due to rains and traffic. She stated that she appreciated that the District was trying to fix this before the District was reported and authorities got involved. She does not like that the rumor mill's been terribly busy with the road repairs and hopes that Poppet Flats and Twin Pines can bury the hatchet and gets things taken care of.

Rose McNeil: Stated she wanted to be present in support of the things the District has been doing. She said that Poppet Flats and Twin Pines are a community that should be interested in working together to make things better, but notices there seems to be some resentment and is unsure why. She asked if money was given, would the roads be kept up for everyone to which President Wright responded that the District is not in the business of the upkeep of the roads and streets.

Ann Moore: Stated that most of the Poppet Flats residents that were present were there in regards to the repairs that were being done on Big Horn and Bear. They heard it was being done because of the pipes, which they were all in support of, but then heard the repairs weren't going to be done so she, and the others, had just wanted clarity.

President Wright thanked everyone for their comments. He then reviewed the handout from November's Board Meeting that stated the three specific street names in Poppet Flats, which also had two options of estimated costs to repair said roads. He asked General Manager Houghton if he had an estimated time on when it could be started, but he said since it was put on hold last meeting, he could not provide those details. He said he would make some calls tomorrow once the Board decides on what to do. President Wright stated that there was no need to re-discuss and re-vote on the road maintenance in Poppet Flats, which was decided at last month's meeting, since the repairs had already been approved by unanimous vote.

5. Adoption of the Regular Meeting Minutes for December 20th, 2017

No corrections were noted.

Motion to approve the regular meeting minutes for December 20th, 2017, as presented, made by Director Hughes and seconded by Director Van Sickle. Directors voted to approve the regular meeting minutes for December 20th, 2017, as presented, as follows;

Haaland – No Hughes – Yes Wright – Yes Van Sickle – Yes

**Moved to approve the regular meeting minutes for December 20th, 2017 as presented.*

6. Discuss and Vote on BBK Classes with Cabazon Water District

Secretary/Office Administrator Thornton informed the Board that she had been contacted by Elizabeth Lemus, Board Secretary for the Cabazon Water District, regarding upcoming classes that will be conducted by Steve Anderson of Best, Best, & Krieger for their newest Board Member. To help alleviate

costs of these classes, the High Valleys Water District, as well as other surrounding Districts, were invited to attend the AB 1234 and Sexual Harassment classes. At this time, Mrs. Lemus could not give a definite cost due to not knowing the total amount of participants, but estimated \$1,000 per class. However, the total cost will then be split evenly between all participating Districts. The date of these classes was also unknown at this time, but she stated they were hoping for March. Secretary/Office Administrator Thornton informed the Board that she had found free online webinars through the Rural Community Assistance Corporation (RCAC) for the AB 1234 certification, and that although highly recommended by legal counsel, the Sexual Harassment class was not a mandatory Board Member requirement. After discussion, the Board agreed that attending the physical classes would be more beneficial than a webinar. Since Vice President Pavey had recently completed her AB 1234 certification earlier in the month through a webinar, only four Board Members would be in attendance. However, it was again recommended that all five members attend the Sexual Harassment class, which is mandatory for the General Manager.

Motion to approve attending classes with Cabazon Water District, as presented, made by Director Hughes and seconded by Director Van Sickle. Directors voted to attending classes with Cabazon Water District, as presented, as follows;

Haaland – No Hughes – Yes Wright – Yes Van Sickle – Yes

**Moved to approve attending classes with Cabazon Water District, as presented.*

7. Discuss and Vote on Changing the Current Voting Procedure

Secretary/Office Administrator Thornton informed the Board that the District was now able to begin the process of changing the current voting procedure, as discussed at the Regular Board Meeting held on May 17th, 2017. She re-iterated that the District is currently a Landowner’s District, which means that the number of votes someone has is based on their land value. Since they are one of the few Districts that still operate like this, the Board instructed her to look into changing the procedure to one vote per person, which was originally discussed at the Regular Board Meeting held on August 19th, 2015. Legal council will need to be included during the entire process, as well as the Registrar of Voters, to ensure everything is done accurately.

Motion to approve beginning the process to change the voting procedure as presented, made by Director Hughes and seconded by Director Van Sickle. Directors voted to approve beginning the process to change the voting procedure, as presented, as follows;

Haaland – Yes Hughes – Yes Wright – Yes Van Sickle – Yes

**Moved to approve beginning the process to change the voting procedure as presented.*

8. Discuss and Vote on Fedak & Brown’s Audit Draft for FYE June 30th, 2017

The Board was pleased with the presentation of the Draft Audit given by Andy Beck of Fedak & Brown at last month’s regular Board Meeting held on January 17th, 2018. At that time, President Wright gave the Board Members one month to review the entire document in detail, to allow time for questions and/or corrections. Since no questions or new comments were made, the Board voted on what was presented.

Motion to approve Fedak & Brown’s Audit Draft for FYE June 30th, 2017 as presented, made by Director Van Sickle and seconded by Director Haaland. Directors voted to approve Fedak & Brown’s Audit Draft for FYE June 30th, 2017 as presented, as follows;

Haaland – Yes Hughes – Yes Wright – Yes Van Sickle – Yes

**Moved to approve Fedak & Brown’s Audit Draft for FYE June 30th, 2017 as presented.*

9. Discuss and Vote on the Financial Reports – Summary

Per the engagement letter with the CPA, the Profit & Loss and Balance Sheet reports were sent directly to the Director’s for their review only. President Wright stated that all the figures were positive and no questions or comments were made.

Motion to approve the Financial Reports as presented, made by Director Haaland and seconded by Director Hughes. Directors voted to approve the Financial Reports as presented, as follows;

Haaland – Yes Hughes – Yes Wright – Yes Van Sickle – Yes

**Moved to approve the Financial Reports as presented.*

10. General Managers Report

a) Tests Results

Babcock: **GOOD**
System Testing: **GOOD**

b) Water Consumption

Date	Purchased	Consumed	Sold
11/27/17-12/27/17	200,000 cf	202,550 cf	138,815 cf
10/25/17-11/27/17	241,000cf	172,643 cf	172,643 cf
09/26/17-10/25/17	246,200 cf	249,700 cf	181,270 cf

Transmission Line Loss: 0%

Distribution Line Loss: 31.47

LOSS BREAKDOWN

	Consumed	Sold	Revenue Loss
Poppet Flats:	99,840 cf	62,506 cf	37.39%
Twin Pines/Mt. Edna	102,710 cf	73,963 cf	27.99%

c) Operations and Maintenance – work completed by the crew

- Routine Line Maintenance
- Took & Delivered Samples
- Shop Maintenance
- Fire Hydrant Maintenance
- Worked on Dump Truck
- Read Meters
- Delivered Shut Off Notices
- Section Out Mt. Edna
- Vehicle Maintenance
- Equipment Maintenance

LEAKS

- (2) Services on Coyote Street
- (1) Main Line – Mt. Edna
- (1) Gorgonio View

TO BE DISCUSSED

- *To be discussed in closed session*

Other: General Manager Houghton briefly updated the Board on the following:

- Had several leaks in Twin Pines this past month; fixing as they arise
- At the most recent SGPWA meeting, it was announced that the holding ponds, which were scheduled to begin building this month, are being delayed because the Beaumont Cherry Valley Water District claims a conflict of interest.
- The new dump truck is working great and proving to be beneficial; it was used today to repair the asphalt from a service that needed to be dug up due to a leak.

11. Old and New Business

11a) Twin Pines Culvert

General Manager Houghton stated that he would contact an Arborist come check out the area and look into the total costs to have the pipe enlarged.

11b) LHMP Update

Secretary/Office Administrator Thornton informed the Board that Melanie Gonzalez had notified the District via email that Riverside County's Local Hazard Mitigation Plan has been submitted with all of the annexes from the participating jurisdictions. They now are just waiting for Cal OES and FEMA to conduct and finalize their review process for all of the plans. At this time, it is unknown how long the process will take, but she will inform all participants individually of any requests and/or updates.

11c) San Gorgonio Pass Water Alliance Update

President Wright informed all present that the next SGPWA's meeting will be held on Wednesday, January 24th, 2018 at the Banning City Hall and will start promptly at 5:00 p.m.

12. Executive Board of Directors Closed Session (Pursuant to Government Code 54957)

President Wright adjourned into closed session at 3:48 p.m.

President Wright called the regular meeting back to order from closed session at 3:57 p.m. and announced the following:

- *Refund approved for incorrectly applied Standby Tax; Resident provided all proper documentations showing the parcels were exempt [per legal counsel].*
- *President Wright appointed Director Hughes and Director Van Sickle to conduct the General Manager's annual review.*

13. Adjournment

President Wright adjourned the meeting at 3:58 p.m.