

Bighorn-Desert View Water Agency



Board of Directors

Michael McBride, President
Judy Corl-Lorono, Vice President
Terry Burkhart, Secretary
J. Larry Coulombe, Director
J. Dennis Staley, Director

Marina D West, PG, General Manager

A Public Agency

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Board of Directors' Regular Meeting Minutes

Board Meeting Office
1720 N. Cherokee Trail, Landers, CA 92285
Tuesday, July 24, 2018 - 6:00 p.m.

Call to Order

Meeting convened by Board President Michael McBride at 6:00 p.m.

Pledge of Allegiance

Led by Sharon Conkle

Roll Call

Directors Present: Michael McBride
Judy Corl-Lorono
Terry Burkhart
J. Dennis Staley
J. Larry Coulombe

Staff Present: Marina West
Seth Kish

Approval of Agenda

Motion to approve the agenda.

MSC¹ (Burkhart/Staley) unanimously approved.

Public Hearing: 2018/2019 Tax Bill – Delinquent Water Accounts

General Manager West gave the staff report. General Manager West explained that the 2018/2019 Tax Bill there were approximately 113 accounts, with a total outstanding debt of \$35,213.51 which is roughly \$10,000.00 less than last year (\$45,364.00). General Manager West goes on to explain that the reasons for the decrease from last year would be that more properties are being used and developed as well as more customers paying their bills on time. General Manager West described the process. First, the account holder is notified that their account is severely delinquent (90 days or later) and if they do not pay their bill then the Agency will attempt to make contact through a Public Notice in the newspaper. General Manager West explained that these accounts have until September 1st 2018, to pay us directly. After September 1st 2018, the Agency rolls these delinquent accounts up to the County and the customer account is adjusted accordingly. When the tax bill is paid through the County, the Agency then receives the money directly from the County. General Manager West mentioned that the delinquent account holders will also have to cover the fees associated with this process beginning with the page in the public

Notice (which totaled \$3,700.00). Director Staley asked why there are a few names listed twice in the delinquent account list. General Manager West explained that the reason for this most likely is that the customer has two water meters on one parcel. Director Staley was wondering why some of the delinquent account numbers were so small. General Manager West explained that even though the amount seems minuscule, the amount is owed to the Agency. Director Staley also asked if these were for unimproved or improved properties. General Manager West answered both, but she was unable to cite the number of each type. Director Staley was also wondering how many times the Agency tries to contact or reach out to any of the delinquent account holders and General Manager West explained that each receive a bimonthly billing statement, a bimonthly delinquent statement and the final notice of delinquency mailed in May.

Public comments: An anonymous member of the public asked if the Agency will be writing off any of these debts. General Manager West explained that these loans will be carried on the books for seven (7) years after which the remainder will be written off. She noted the amount was approximately \$1,500.00 for the 2010-2011 write off and will be presented to the Board in the next agenda item.

Motion No. 18-034

Vice President Cori-Lorono made a motion to approve Resolution NO.18R-10 - Confirming reports of delinquent accounts for Basic Service Charges, water charges, revenue bond surcharges, delinquent fees and processing fees AND authorizing the placement of property liens on the secured tax rolls of San Bernardino County for collection of delinquencies within Bighorn-Desert View Water Agency. Secretary Burkhart seconded the motion.

MSC¹ (Cori-Lorono/Burkhart) unanimously approved by a roll call vote

Roll Call Vote:

McBride	Yes
Cori-Lorono	Yes
Burkhart	Yes
Coulombe	Yes
Staley	Yes

Authorize Bad Debt Write-off in the Amount of \$1,490.56 for Uncollectable Secured Property Tax Liens

General Manager West gave the staff report. The amount of \$1,490.56 remains on the books from 2010-2011, which is the seventh full year for this lien receivable.

An anonymous member of the public asked if this was basically just to clean the books for that year. General Manager West told the member that we are going to write it off as an expense for this year.

Motion No. 18-035

Vice President Cori-Lorono made a motion to adopt Approval of Bad Debt expense "write-off" in the amount of \$1,490.56 for the Fiscal Year 2010/11 lien receivable. The motion was seconded by Director Coulombe.

MSC¹ (Cori-Lorono/Coulombe) unanimously approved.

McBride:	Y
Staley :	Y
Cori-Lorono:	Y
Burkhart:	Y
Coulombe:	Y

Adopt Resolution 18R-11 Ending the Levy and Collection of Ad Valorem Taxes within Improvement District No. 1 and Setting the Ad Valorem Tax for Fiscal Year 2018-2019 at \$0.00

General Manager West gave the staff report. Each fiscal year the Agency must notify the County of San Bernardino Auditor/Controller of the Bighorn Mountains Improvement District 1 (BH ID 1)

special assessment to the tax rolls. This assessment is necessary to generate the revenue for the annual bond payment and a repair/refurbishment fund to maintain the BH ID 1 water system which was constructed with a fixed interest rate, forty-year bond, purchased from the United States of America acting through the Farmers Home Administration (FMHA). The Agency must submit a preliminary Notification of Special Assessment by June 30, 2018, with final submission due August 10th. The fiscal year 2018/19 budget includes the BH ID 1 Ad Valorem tax levy in the amount of \$0.00. The zero dollar budget line item was adopted since this is the final year of debt service and the Board recognized that over the years the County of San Bernardino has collected more than requested due to the reduction in rate of tax delinquency. In other words, the County assumes 8% tax delinquency rate and it has been lower thus the Agency has collected additional funds that can now be used to pay the final year of debt service. The County of San Bernardino has requested the Agency submit a Resolution specifying the amount of collection at \$0.00. This is the final year for payment of the ID1 Debt Service which was issued in 1979 to pay for the water system North of Reche Rd. and West from Gibraltar St.

An anonymous member of the public asked what the original bond amount was. General Manager West answered that it was approximately 1.8 million dollars.

Another anonymous member of the public asked what the interest rate on this loan was. General Manager West answered that it is a 5% flat fixed interest rate. The anonymous member of the public asked for the total amount paid in interest and General Manager West responded that she would have to look that up and could not provide an answer at that time.

Motion No. 18-036

Vice President Corl-Lorono made a motion to Adopt Resolution 18R-11, Ending the Levy and Collection of Ad Valorem Taxes within Improvement District No.1 and Setting the Ad Valorem Tax for Fiscal Year 2018-2019 at \$0.00. Director Coulombe seconded the motion.

MSC¹ (Corl-Lorono/Coulombe) unanimously approved by a roll call vote

Roll Call Vote:

McBride	Yes
Corl-Lorono	Yes
Burkhart	Yes
Coulombe	Yes
Staley	Yes

2018 California Special Districts Association (CSDA) Board of Directors Southern Network – Seat A Election

The Board made its decision vote for Jo MacKenzie.

No public comments

Motion No. 18-037

Secretary Burkhart made a motion to vote for Jo MacKenzie. Director Coulombe seconded the motion.

MSC¹ (Burkhart/Coulombe) unanimously approved.

McBride:	Y
Staley :	Y
Corl-Lorono:	Y
Burkhart:	Y
Coulombe:	Y

Consent Items – The following items are expected to be routine and non-controversial and will be acted on by the Board at one time without discussion, unless a member of the public or member of the Board requests that the item be held for discussion or further action.

- a. Financial Statements June 2018
 1. Balance Sheet
 2. Budget Status
- b. Receive and File Disbursements June 2018
- c. Service Order Report, June 2018
- d. Production Report, June 2018
- e. Goat Mtn. Production Report, June 2018
- f. Regular Board Meeting Minutes, June 2018

No public comment.

Motion No. 18-038

Secretary Burkhart made a motion to approve consent items a - f. The motion was seconded by Director Staley.

MSC¹ (Burkhart/Staley) unanimously approved.

McBride: Y
Staley : Y
Corl-Lorono: Y
Burkhart: Y
Coulombe: Y

Public Comment Period

An anonymous member of the public asked if the Agency has sold any new meters. General Manager West answered that the Agency has sold 10 meters this calendar year.

An anonymous member of the public asked if the Well 10 Water Delivery System is working. General Manager West answered that it was active and being used.

Verbal Reports

General Manager West let the Board know that the Agency is on schedule for the pre-audit which start Monday July 30th, and the real audit begins August 6th 2018.

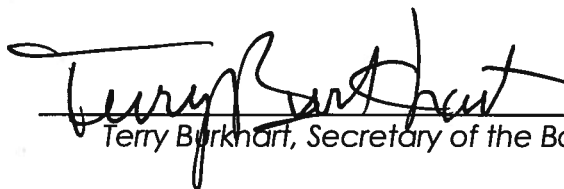
Secretary Burkhart gave a report on the required Sexual Harassment Prevention and Awareness training she recently attended.

Director Staley gave his report from the June 28, 2018 Mojave Water Agency Board Meeting.

Vice President Judy Corl-Lorono gave her report on the San Bernardino Association of Special Districts dinner meeting she attended.

Adjournment – President Michael McBride adjourned the meeting at 6:54 p.m.

Approved by:


Terry Burkhart, Secretary of the Board

MSC¹ – Motion made, seconded, and carried.