



Board Meeting Minutes

Board of Directors Meeting of the
Apple Valley Foothill County Water District
June 22, 2026, | 1:00 – 3:30 PM
22545 Del Oro Road, CA 92308

Page 1 of 6

Vice-President Penfold called the regular Board of Directors meeting to order at 1:00 PM at the water district office. Those in attendance and constituting a quorum were:

Present: President Miller, Vice-President Penfold, Director Smith

Absent: Directors Nobles & Fonseca

Public Present: Sharon Silva-Houts

The transcript outlines the June 22, 2026, regularly scheduled monthly meeting. The meeting focused on procedural and financial management.

A comprehensive summary of the key issues and decisions made:

1. **Attendance and Meeting Initiation:**
 - The session opens with a roll call of present members including the President and moves forward with the Pledge of Allegiance.
2. **Public Concerns:**
 - Sharon Silvestre brings up the lack of transparency in how financial disbursements are mentioned, advocating for more specific details in financial reports.
3. **Financial Reporting Improvements:**
 - Participants discuss challenges in current financial documentation practices and suggest transitioning to QuickBooks to streamline accounting processes and improve transparency.
4. **Operational Challenges:**
 - The meeting identifies inefficiencies due to increased workload and staff constraints, suggesting digital solutions might help.
5. **Minute Accuracy and Procedural Approvals:**
 - Previous meeting minutes undergo scrutiny for completeness, office staff add to the AI generated transcripts for documenting decisions accurately.
6. **Infrastructure and Water Management:**
 - General Manager Smith reports on water production efficiency, maintenance challenges, regulatory compliance, and equipment issues, with a focus on avoiding water wastage.
7. **Financial and Rate Structuring:**
 - Extensive discussions occur on adjusting water rates, implementing surcharges, and ensuring rates cover extensive repair costs incurred by the district.
8. **Technological and Security Upgrades:**
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Board Meeting Minutes

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Page 2 of 6

- Proposals for new security systems and more effective surveillance solutions are considered to enhance operational control.
9. **Closed Session:**
- Director Penfold motion to enter the closed session at 3:00 PM. Second by Director Smith.
 - Director Penfold made the motion to come out of closed session at 3:30 PM. Second by Director Smith.
10. **Staffing and Compensation Decisions:**
- Makayla Simmons' workload and compensation were reviewed, with a pay increase to \$30.00 an hour. Current office hours total 20 per week, but may work additional hours or day as needed.
11. **Strategic and Customer Considerations:**
- Discussions emphasize strategic planning for customer communication about rate changes while ensuring internal efficiency to pre-empt and address potential customer dissatisfaction.
12. **Board Dynamics and Conclusion:**
- Members deliberate operational and staffing approaches, with an acknowledgment of the diverse perspectives enhancing decision-making but a preference for managing internal processes over direct customer interactions.

This meeting summary reveals a structured approach by the board to tackle financial management challenges, improve reporting clarity, integrate technology for efficiency, and handle water system management strategically while addressing staffing needs and customer communications proactively.

Meeting Notes

Context:

The meeting involved a comprehensive review of financial and operational processes with a focus on enhancing transparency, efficiency, and strategic planning. Discussions centered on financial disbursements, implementation of new software for financial management, the approval of meeting minutes, infrastructure improvements, and adjustments in employee compensation and responsibilities.

Actions and Responsible Parties:

1. **Improve Detailed Reporting of Financial Disbursements:**
 - Action: Include comprehensive details on disbursements in financial statements.
 - Responsible Party: Justin Miller



Board Meeting Minutes

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Apple Valley Foothill County Water District
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Page 3 of 6

- Deadline: Next scheduled meeting.
- 2. **Review and Address Financial Practices:**
 - Action: Ensure checks are accounted by date issued, investigate accounting discrepancies, and consider in-house accounting.
 - Responsible Party: Makayla
 - Deadline: Findings and action plan by the next financial quarter.
- 3. **Implement QuickBooks and Payroll Software:**
 - Action: Trial QuickBooks for financial management and consider Gusto for payroll.
 - Responsible Party: Financial Team/Committee
 - Deadline: Conduct trials by July 1st.
- 4. **Enhance Documentation of Vendor Disbursements:**
 - Action: Provide detailed descriptions for vendor purchases.
 - Responsible Party: General Manager Smith
 - Deadline: By next meeting.
- 5. **Consolidate Financial Documentation:**
 - Action: Create separate ledgers and transition to comprehensive reports.
 - Responsible Party: Makayla
 - Deadline: By July meeting.
- 6. **Address and Finalize Meeting Minutes:**
 - Approve and update the February, March, and potentially May minutes.
 - Responsible Party: Board Members
 - Deadline: Next meeting.
- 7. **Employee Compensation Review and Adjustment:**
 - Action: Increase Makayla's hourly pay to \$30 retroactively.
 - Responsible Party: Board of Directors
 - Deadline: Next payroll cycle.
- 8. **Infrastructure and Security Projects:**
 - Action: Purchase and install AOSU security cameras.
 - Responsible Party: General Manager
 - Deadline: Next meeting.
- 9. **Water Management and Compliance:**
 - Action: Water samples; PFAS tests.
 - Responsible Party: General Manager Smith
 - Deadline: End of current month.
- 10. **Public Communication of Water Rates:**
 - Action: Update the website with new rate information.
 - Responsible Party: Finance Committee
 - Deadline: Before rate changes.



Board Meeting Minutes

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Apple Valley Foothill County Water District
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Page 4 of 6

Deadlines across Action Items:

- Immediate: Reimbursement check issuance, Minutes handling, availability to work more hours for Makayla.
- By Next Meeting: Enhancements in disbursement documentation, security cameras installation, vendor descriptions, public updates on new water rates.
- By July Meeting/1st: QuickBooks trial, comprehensive financial documentation transition.
- End of Month: Water testing compliance.
- Fiscal Planning: Financial documentation consolidation, salary schedule development, water rate review.

These initiatives aim to bolster operational integrity, ensure financial clarity, streamline processes, and align employee roles with organizational needs, promoting enhanced service delivery and transparency.

Action Points

- **02:28** Contact the office before meetings to get office supply details ready for attendees interested in specifics.
- **03:44** Share updated May disbursements with the board, which include details on what the checks are for.
- **09:25** Address accounting issues at the front end during the meeting.
- **11:53** Look into the opportunity for in-house bookkeeping using QuickBooks.
- **16:01** Send check ledgers to Personalized Tax Services for financial report preparation.
- **16:40** Try to CC Sharon on emails that involve documentation for the month to improve transparency.
- **16:51** Improve check information by noting to whom checks are written on documents.
- **36:22** Include returned items on the bank statement or draft June disbursements for next month's meeting.
- **50:46** Provide certain access levels in the Gusto and QuickBooks systems to ensure appropriate financial oversight.
- **56:01** Implement QuickBooks and Gusto for accounting and payroll on a trial basis starting July 1st.
- **56:11** Assist the office in setting up QuickBooks and Gusto before July 1st.
- **59:16** Create a separate sheet with just bills for the current month being voted on.
- **64:09** Update the bacteriological site sample plan and create an asbestos monitoring plan.
- **69:22** Take PFAS water samples by the end of the month to comply with regulations.
- **70:31** Work on completing the CCR while awaiting Eagle Drilling's return for well work.
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Board Meeting Minutes

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Page 5 of 6

- **73:21** Plan the water well development for water samples and arrange a location for excess water drainage.
- **86:24** Form committees to assist with budget completion and report back to the board.
- **85:10** Finalize the budget figures for the July public hearing.
- **86:49** Enter all data into the financial system to present water rate recommendations.
- **87:13** Discuss the water rate increase information spreadsheet based on previous recommendations.
- **92:34** Itemize water surcharges and allocate collected funds into separate accounts.
- **93:08** Consider creating a separate account for customer deposits due to refundability.
- **103:04** Ensure late fees are shown on bills but not currently enforced uniformly.
- **104:15** Implement new water rates in the new fiscal year starting in August, or July 1st, depending on board approval.
- **105:13** Plan a special meeting on July 21st at 1 p.m. before the public hearing on July 27th.
- **109:23** Prepare a detailed review of water rate spreadsheets for a special meeting.
- **110:21** Make the resolution for July's special meeting 'nice and pretty'.
- **119:11** Reimburse Makayla \$129.20 for April, May, and June mileage.
- **121:50** Monitor and submit static and dynamic water levels in the drought safer portal as required by the state.
- **121:50** Implement monitoring and alarm notifications for chlorine levels below 0.2 or above 4 parts per million.
- **124:10** Purchase the AOSU security camera system on Amazon for \$349.99 following board approval.
- **133:35** Assist with the transition to QuickBooks and review financial matters during office hours.
- **140:01** Increase Makayla's hourly pay and monitor work production after implementing QuickBooks. Approve additional hours if necessary.
- **143:03** Identify someone to assist with entering data.
- **143:26** Pass off the AI minutes to the designated person for handling.
- **144:45** Plan to have some breathing room around September, October when the workload decreases.
- **145:11** Approve a motion to raise Makayla's hourly wage from \$21.15 to \$30.
- **145:55** Backdate Makayla's wage increase to the end of her 90-day probation on June 2nd.
- **146:44** Evaluate QuickBooks implementation's efficiency before approving more hours for Mikayla.
- **148:34** Publish the new water rates and related financial information on the website once approved.
- **152:21** Acquire heavy equipment to address and restructure the levee around the retention pond.



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Page 6 of 6

- **156:31** Address the \$495 invoice related to flood impact on local property; revisit decision next month.

Daniel B. Smith, General Manager
Apple Valley Foothill County Water District

APPROVED:

Justin Miller, President of the Board of Directors
Apple Valley Foothill County Water District