

**AGENDA**  
**NOTICE OF REGULAR MEETING**

**TIME: 5:30pm**

**DATE:** January 18, 2024

**Location:** Quartz Hill Water District  
5034 W Avenue L, Quartz Hill 93536

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. ADOPTION OF AGENDA  
Members of the public shall have an opportunity to comment on each agenda item as the Board is considering it, prior to action being taken.
5. PUBLIC COMMENT (Three Minute Limit)
6. DISCUSSION ITEM  
None requested.
7. ACTION ITEMS
  - A. CONSENT CALENDAR  
Matters listed under the consent calendar are considered routine and non-controversial and will be acted upon in one motion in the order listed below. There will be no separate discussion on these items unless requested by a Member of the Board or the public prior to the time the Board approves the items.
    1. Consideration and possible approval of the December 21, 2023, Minutes of the Regular Meeting of the Board of Directors.and
    2. Consideration and approval of the check register.

B. ACTION CALENDAR

1. Consideration and possible action to approve renewal of contract for annual audits with C.J. Brown & Company CPA's, An Accountancy Corporation.
2. Consideration and possible action to approve RESOLUTION 24-0118A, A RESOLUTION OF APPLICATION BY QUARTZ HILL WATER DISTRICT "DISTRICT" REQUESTING THE LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES (LAFCO) TO INITIATE PROCEEDINGS FOR REORGANIZATION OF TERRITORY.

8. INFORMATION ITEMS (Written reports included)

A. STAFF REPORTS

1. Report by Administrative Supervisor  
Debi Louie
2. Report by Assistant General Manager  
Brach Smith
3. Report by General Manager  
Brent Byrne

B. REPORT BY DIRECTORS

C. REPORT BY ATTORNEY

9. DIRECTOR REQUESTS FOR FUTURE AGENDA ITEMS

10. CLOSED SESSION

A. Conference with Legal Counsel

1. Existing Litigation (Paragraph (1) of subdivision (d) of Section 54956.9)
  - a. Diamond Farming/Bolthouse Farms Case/LA County

B. Public Employee Performance/Discipline/Dismissal/Release

C. Personnel Matters

PUBLIC EMPLOYEE EMPLOYMENT

D. Conference with Real Property Negotiators (Govt Code 54956.8)

Property: Parcel 3204-004-046  
Agency negotiator: Brent Byrne  
Negotiating party: Vista Equity LP

Property: Parcel 3204016-020  
Agency negotiator: Brent Byrne  
Negotiating party: Jing Zhang



Property: Parcel 3204-0116-021

Agency negotiator: Brent Byrne

Negotiating parties: Kenny N. Qiu and/or Huiffen Li

Property: Parcel 3204-016-093

Agency negotiator: Brent Byrne

Negotiating party: Retirement Housing Foundation.

## 11. PUBLIC REPORT ON ACTION TAKEN IN CLOSED SESSION

## 12. ADJOURNMENT

In accordance with the Americans with Disabilities Act of 1990, if requested, this agenda will be made available in an appropriate alternative format to persons with a disability. If you need disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call Debi Louie at (661) 943-3170, or inquire at Quartz Hill Water District's office, at least 48 hours prior to the meeting.

**MINUTES of the REGULAR MEETING**

**TIME: 5:30pm**

**DATE: Thursday, December 21, 2023**

**Location:** Quartz Hill Water District  
5034 W Avenue L, Quartz Hill

**1. CALL TO ORDER THE REGULAR MEETING OF THE BOARD OF DIRECTORS**

President Carter calls the meeting to order at 5:30 p.m.

**2. ROLL CALL**

President Sheldon Carter, Vice President Rod Holtz, Director Allen G. Flick, Sr., Director Lance Pierson, Director Dan Massari, Board Secretary Debi Louie, Assistant General Manager Brach Smith, General Manager Brent Byrne, and Brad Weeks of Charlton Weeks LLP.

Absent: None

Staff in Attendance:

Members of the Public in Attendance: Raymond Magana, Irene Ivnitsky,

**3. PLEDGE OF ALLEGIANCE**

Led by Director Flick

**4. ADOPTION OF AGENDA**

With no request for amendment, the agenda was adopted by assent.

**5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC- Three-minute limit)**

None

**6. DISCUSSION ITEM**

None

**7. ACTION ITEMS**

**7.A. CONSENT CALENDAR**

Matters listed under the consent calendar are considered routine and non-controversial and will be acted upon in one motion in the order listed below. There will be no separate discussion on these items unless requested by a Member of the Board or the public prior to the time the Board approves the items.

1. Consideration and possible approval of the November 16, 2023, Minutes of the Regular Meeting of the Board of Directors.

and

2. Consideration and approval of the check register.  
*The consent calendar is unanimously approved by assent.*

7.B. ACTION CALENDAR

1. Consideration and possible action to approve a new Will Serve Letter for two multi-dwelling additions (6 units each) to a parcel already served as a single-family home within the district boundaries. .

*On motion by Director Flick, and second by Director Massari, Will Serve Letter is approved unanimously.*

2. Consideration and possible action to approve Resolution 23-1221A, A RESOLUTION TO AMEND OUTDATED POLICIES, PROCEDURES, RULES, AND REGULATIONS ARTICLE 4: ORGANIZATION AND OPERATION OF THE BOARD OF DIRECTORS.

*On motion by Director Holtz, and second by Director Pierson, Resolution 23-1221A is adopted by a unanimous vote.*

3. Consideration and possible action to elect new officers of the Board of Directors and appoint/retain a Board Secretary/Clerk.

*On motion by Director Pierson, and second by Director Massari, Director Holtz will remain the Vice President for the 2024. On motion by Director Pierson and second by Director Massari, Director Carter will remain as President of the Board and by motion by Director Holtz and second Director Massari, Debi Louie will remain in her position as Secretary. The votes were unanimous.*

8. INFORMATION ITEMS (Written reports included)

A. STAFF REPORTS

1. Report by Administrative Supervisor  
Debi Louie
2. Report by Assistant General Manager  
Brach Smith
3. Report by General Manager  
Brent Byrne

B. REPORT BY DIRECTORS

Report by Director

C. REPORT BY ATTORNEY

None

9. DIRECTOR REQUESTS FUTURE AGENDA ITEMS

10. CLOSED SESSION

A. Conference with Legal Counsel

1. Existing Litigation (Paragraph (1) of subdivision (d) of Section 54956.9)
  - a. Diamond Farming/Bolthouse Farms Case/LA County
2. Anticipated Litigation  
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9

~~B. Public Employee Performance/Discipline/Dismissal/Release~~

~~C. Personnel Matters~~

~~PUBLIC EMPLOYEE EMPLOYMENT~~

11. PUBLIC REPORT ON ACTION TAKEN IN CLOSED SESSION

No reportable action.

12. ADJOURNMENT

President Carter called for any other business. When none presented, the meeting adjourned at 6:20 p.m.

\_\_\_\_\_  
Sheldon Carter, President

Attested: \_\_\_\_\_  
Debi Louie, Board Secretary

DRAFT

**Quartz Hill Water District**  
 Check/Voucher Register - CHECK REGISTER  
 From 12/1/2023 Through 12/31/2023

<u>Document Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Check Amount</u>	<u>Spoiled</u>
12/11/2023	14050	ACWA JOINT POWERS INSURANCE AUTHORITY	25,239.63	No
12/11/2023	14051	ACWA JOINT POWERS INSURANCE AUTHORITY	40,098.00	No
12/11/2023	14052	ALESHIRE & WYNDER LLP (A&W)	256.00	No
12/11/2023	14053	Antelope Valley Window Cleaning	30.00	No
12/11/2023	14054	Antelope Valley East Kern Water Agency	25.00	No
12/11/2023	14055	BHI MANAGEMENT CONSULTING	1,200.00	No
12/11/2023	14056	C.J. BROWN & COMPANY CPA's	1,820.00	No
12/11/2023	14057	FRANCISCO CRESPO	95.00	No
12/11/2023	14058	DataProse, Inc.	4,798.30	No
12/11/2023	14059	GET HOOKED CRANE SERVICE INC	375.00	No
12/11/2023	14060	PUBLIC WATER AGENCIES GROUP	963.75	No
12/19/2023	14061	AFSCME LOCAL 1902	526.34	No
12/19/2023	14062	Antelope Valley East Kern Water Agency	84,261.60	No
12/19/2023	14063	Antelope Valley East Kern Water Agency	46,157.76	No
12/19/2023	14064	Michael K. Nunley & Associates, INC.	534.31	No
12/20/2023	14065	FRANCISCO CRESPO	72.00	No
<b>Report Total</b>			<b>206,452.69</b>	

Quartz Hill Water District  
Cash Journal - Check Register  
From 12/1/2023 Through 12/31/2023

Document Number	Effective Date	Transaction Description	Journal Vouchers	Type
01	12/1/2023	CALPERS-PEPRA (11.30.23 PAYROLL)	2,914.71	JV
02	12/1/2023	CALPERS-CLASSIC (11.30.23 PAYROLL)	5,145.51	JV
03	12/4/2023	AUTHORIZE.NET-1015 (NOV 2023 BATCHES-TRANSACTIONS)	17.70	JV
04	12/4/2023	BANKCARD USA-1015 NOV 2023	162.21	JV
05	12/4/2023	AUTHORIZE.NET-GENERAL (NOV 2023 BATCHES-TRANSACTIONS)	369.80	JV
06	12/4/2023	LINCOLN (11.30.23PAYROLL)	2,334.31	JV
07	12/4/2023	BANKCARD USA-GENERAL NOV 2023	5,518.23	JV
08	12/5/2023	EDD 11.30.23 SIT PAYROLL TAXES	2,119.67	JV
08	12/5/2023	EDD 11.30.23 SDI PAYROLL TAXES	356.31	JV
09	12/6/2023	IRS 11.30.23 SOCIAL SECURITY-TAXES PAYROLL	4,909.20	JV
09	12/6/2023	IRS 11.30.23 FIT PAYABLE-TAXES PAYROLL	4,427.98	JV
09	12/6/2023	IRS 11.30.23 MEDICARE-TAXES PAYROLL	1,458.53	JV
10	12/11/2023	SCE Power Well 16 (10.26 to 11.27.23)	1,225.52	JV
11	12/11/2023	SCE Power Well 7 (10.26 to 11.27.23)	1,539.63	JV
12	12/12/2023	SCE Power Multi (well 5A) 10.02 to 10.30.23 SCE	3,667.10	JV
12	12/12/2023	SCE Power Multi (well 5A) 10.02 to 10.30.23	3,081.85	JV
12	12/12/2023	SCE Power Multi (Well 06) 10.26 to 11.2.23	2,973.34	JV
12	12/12/2023	SCE Power Multi (Well 08) 10.26 to 11.27.23	2,537.10	JV
12	12/12/2023	SCE Power Multi (Well 12) 10.26 to 11.27.23	1,770.53	JV
12	12/12/2023	SCE Power Multi (Well 15) 10.27 to 11.28.23	1,630.21	JV
12	12/12/2023	SCE Power Multi (Well 17) 10.12 to 11.12.23 SCE	1,035.36	JV
12	12/12/2023	SCE Power Multi (Forecast Pump) 10.23 to 11.21.23 SCE	845.73	JV
12	12/12/2023	SCE Power Multi (Well 17) 10.12 to 11.12.23	752.14	JV
12	12/12/2023	SCE Power Multi (Forecast Pump) 10.23 to 11.21.23	505.65	JV
12	12/12/2023	SCE Power Multi (Cal Prop) 10.02 to 10.30.23 SCE	427.64	JV
12	12/12/2023	SCE Power Multi (Cal Prop) 10.02 to 10.30.23	314.31	JV
12	12/12/2023	SCE Power Multi (Ave M Pump) 09.23 to 10.29.23 SCE	167.14	JV
12	12/12/2023	SCE Power Multi (Tanks on Hill) 10.02 to 10.30.23	153.68	JV
12	12/12/2023	SCE Power Multi (Ave M Pump) 09.23 to 10.29.23	41.36	JV
12	12/12/2023	SCE Power Multi (turn out 70th) 10.02 to 10.30.23	33.35	JV
12	12/12/2023	SCE Power Multi (Ave N turnout) 10.02 to 10.30.23 SCE	23.95	JV
12	12/12/2023	SCE Power Multi (M4 and 50th) 10.02 to 10.30.23 SCE	16.69	JV
12	12/12/2023	SCE Power Multi (Ave N turnout) 10.02 to 10.30.23	9.32	JV
12	12/12/2023	SCE Power Multi (M4 and 50th) 10.02 to 10.30.23	5.64	JV
13	12/13/2023	SCE Power Well 9 (10.26 to 11.27.23) SCE	2,370.34	JV
13	12/13/2023	SCE Power Well 9 (10.26 to 11.27.23)	1,401.96	JV
14	12/14/2023	Neo Post (Postage Machine Lease)	588.87	JV
15	12/14/2023	Neo Post (Postage for Postage Machine)	1,000.00	JV
16	12/15/2023	CINTAS (UNIFORM SERVICE) 11.10 to 12.08.23 Invoices	430.85	JV
17	12/15/2023	LINCOLN (12.14.23 payroll)	2,250.02	JV
18	12/15/2023	CALPERS-PEPRA (12.14.23 PAYROLL)	2,871.14	JV
19	12/15/2023	CALPERS-CLASSIC (12.14.23 PAYROLL)	5,130.85	JV
20	12/15/2023	EideBailly (November 2023 services)	7,415.00	JV
21	12/19/2023	EDD 12.14.23 SIT PAYROLL TAXES	2,057.49	JV

Quartz Hill Water District  
Cash Journal - Check Register  
From 12/1/2023 Through 12/31/2023

Document Number	Effective Date	Transaction Description	Journal Vouchers	Type
21	12/19/2023	EDD 12.14.23 SDI PAYROLL TAXES	441.35	JV
22	12/20/2023	IRS 12.14.23 SOCIAL SECURITY-TAXES PAYROLL	6,080.88	JV
22	12/20/2023	IRS 12.14.23 FIT PAYABLE-TAXES PAYROLL	4,076.65	JV
22	12/20/2023	IRS 12.14.23 MEDICARE-TAXES PAYROLL	1,424.94	JV
23	12/20/2023	SO CAL GAS (OPERATIONS CENTER) 10.26 to 11.28.23	28.55	JV
24	12/21/2023	Cal Bank and Trust Analysis (Bank Fees) November 2023	1,967.26	JV
25	12/21/2023	CINTAS (UNIFORM SERVICE) 12.15.23 Invoice	71.30	JV
26	12/26/2023	EDD 12.20.23 SIT PAYROLL TAXES	620.46	JV
26	12/26/2023	EDD 12.20.23 SDI PAYROLL TAXES	6.49	JV
27	12/28/2023	SCE Power Well 14 (11.13 to 12.12.23) SCE	494.61	JV
28	12/28/2023	IRS 12.20.23 FIT PAYABLE-TAXES PAYROLL	1,514.98	JV
28	12/28/2023	IRS 12.20.23 MEDICARE-TAXES PAYROLL	360.54	JV
28	12/28/2023	IRS 12.20.23 SOCIAL SECURITY-TAXES PAYROLL	89.40	JV
29	12/28/2023	SCE Power (Opp Center) 11.13 to 12.12.23 SCE	1,369.01	JV
29	12/28/2023	SCE Power (Opp Center) 11.13 to 12.12.23	1,082.42	JV
30	12/29/2023	LINCOLN 12.28.23 PAYROLL	2,268.92	JV
Report Total			99,905.68	

**Quartz Hill Water District**  
Check/Voucher Register  
From 12/1/2023 Through 12/31/2023

<u>Document Date</u>	<u>Document Number</u>	<u>Payee</u>	<u>Document Amount</u>
12/18/2023	3437	JAMES CONNELLY	71.23
12/18/2023	3438	Kristina Damon	73.10
12/18/2023	3439	John Denson	41.44
12/18/2023	3440	JOHNIE HALKYARD	5.14
12/18/2023	3441	J&A Rivera Communications	1,036.38
12/18/2023	3442	J&A Rivera Communications	1,146.14
12/18/2023	3443	JESSICA STANTON	81.99
12/18/2023	3444	Christina Tassos	<u>126.21</u>
Report Total			<u><u>2,581.63</u></u>

# **Cost Proposal for Professional Auditing Services**



**QUARTZ HILL**  
WATER DISTRICT

**Prepared by:**



**C.J. Brown & Company, CPAs – An Accountancy Corporation**

Certified Public Accountants  
Cypress, California & Riverside, California  
(657) 214-2307

## **Contact Persons:**

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**C.J. Brown & Company CPAs**  
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10805 Holder Street, Suite 150  
Cypress, California 90630  
(657) 214-2307

**Riverside Office:**  
5051 Canyon Crest Drive, Suite 203  
Riverside, California 92507  
(657) 214-2307

January 10, 2024

Mr. Brent Byrne, General Manager  
Quartz Hill Water District  
5034 West Avenue L  
Quartz Hill, California 93536

**Re: Request for Proposal for Professional Auditing Services**

Dear Mr. Byrne:

Based on our understanding of the Quartz Hill Water District (District) requirements, our all-inclusive maximum price fee for professional auditing services at our discounted rates for the fiscal year ending June 30, 2024, will be **\$20,800**. This fee is based on our understanding of the District's audit requirements.

Our estimate for out-of-pocket expenses may not be utilized in total to the amount estimated. Again, these fees are based on the estimated costs to complete the audit. The components of this audit services fee proposal and out-of-pocket costs for the fiscal year ending June 30, 2024, are itemized in the attached Exhibits.

Our not-to-exceed fee proposal is contingent upon our understanding of your requirements and the assistance we require as noted in our original audit technical proposal.

Additional services not included in this proposal will be based on our discounted billing rates based on the level of experience required. We would execute a separate contract for these services, if they are requested by the Agency.

I am authorized to make representations for C.J. Brown & Company, CPAs – An Accountancy Corporation and am duly authorized to sign a contract with the District.

Christopher J. Brown, CPA CGMA

January 10, 2024

Date

# Exhibit I – Proposed Hours and Our Fees

## Proposed Hours and Our Fees

We anticipate that, for the fiscal year ending June 30, 2024, the audit of the District will require approximately 150 audit hours. These hours, by major area, are summarized as follows:

<b>Financial Statement Audit Hours</b>				
<b>Audit Steps</b>	<b>Partner</b>	<b>Manager</b>	<b>Staff</b>	<b>Total</b>
<b>Planning</b>	2	4	4	<b>10</b>
<b>Controls Testwork</b>	4	12	24	<b>40</b>
<b>Substantive Testwork</b>	6	12	48	<b>66</b>
<b>Reporting</b>	8	12	14	<b>34</b>
	<u>20</u>	<u>40</u>	<u>90</u>	<u><b>150</b></u>

As shown above, we expect approximately 40% of engagement hours to come from the Partners and Managers/Supervisors assigned to the engagements.

Working on the premise that we will be provided with all the documents listed per our audit requirements (will be provided prior to commencement of fieldwork), we expect to perform the audit of the District at fees as stated in the attached Schedule of Professional Fees on Page 3 for the fiscal year ending June 30, 2024.

Our fees are based on the product of the time spent on the engagement and the billing rates of the individuals assigned, plus out-of-pocket costs (such as report reproductions, typing, postage, travel, copies, telephone, etc.). We will obtain the assistance of District's personnel to the extent possible and otherwise endeavor to keep these charges to a minimum. We will submit progress billings monthly to your office as our work progresses, which will be due and payable thirty days from the date of the invoice.

Based upon the present size and scope of the activities of the District, we expect to perform the services enumerated above at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to the audit.

In accordance with your request for proposal and the Office of Management and Budget Circular A-128, we will maintain our work papers for a minimum of seven years and make them available to the Agency, state agencies, the General Accounting Office, and other parties upon the direction of the District. We have provided a breakdown of our current hourly rates, which would apply to this engagement on the attached Schedule of Professional Fees by Hours on Pages 4 of this cost proposal.

We want the Board to understand that we will provide **any** assistance and answer **any** questions that the District's staff or members of the Boards may have when they arise for the entire duration of our contract. We find it important to stay abreast of the District's activities and issues during the entire engagement.

We would like to thank you and the Board for the opportunity to submit a proposal for the auditing services of the District. Because of our experience in special districts and agencies, we will provide you with accounting updates (GASB) to assist in your operations as well as meet the audit needs of the organization. We will also continually make recommendations on these and other matters that come to our attention. We are proud of the professional services we provide and encourage you to make inquiries to any of our clients about their satisfaction with our services and the quality of our staff.

## Exhibit II – Schedule of Professional Fees

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### Quartz Hill Water District

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<u>Engagement Fee By Fiscal Year</u>	<u>Audit Service Fees*</u>	<u>Not-to-Exceed Estimate of Out of Pocket Costs**</u>	<u>Not-to-Exceed Estimate of Out of Pocket Costs**</u>	<u>Total Engagement</u>
Fiscal Year 2024	\$ <u>19,100</u>	<u>800</u>	<u>900</u>	<u>20,800</u>

\* Professional fiscal audit services fees – labor only. Includes preparation of the Annual Financial Report.

\*\* Estimate of out-of-pocket costs consist of: travel, mileage, postage and printing costs.

## Exhibit III – Schedule of Professional Fees by Hours

### Quartz Hill Water District Fiscal Year 2024

#### Breakdown of Fees by Hours

<b>Fiscal Year 2024 Audit of:</b>	<b>Hours</b>		<b>Hourly Rates</b>		<b>Total</b>
District's Annual Financial Report					
Partner - Engagement & Technical	20	\$	185	\$	3,700
Manager/Supervisor	40		160		6,400
Staff	90		100		9,000
	<u>150</u>				<u>19,100</u>
<b>Total Financial Statement Audit for 2024</b>	<b>150</b>				<b>19,100</b>
<b>Preparation of the State Controller's Report</b>	<u>5</u>		160		<b>800</b>
<b>Out-of-Pocket Expenses (Travel, Postage &amp; Printing Costs)</b>					<u>900</u>
<b>Total All-Inclusive Maximum Fee for 2024</b>	<u>155</u>			\$	<u>20,800</u>



## RESOLUTION NO. 24-0118A

### A RESOLUTION OF APPLICATION BY QUARTZ HILL WATER DISTRICT "DISTRICT" REQUESTING THE LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES (LAFCO) TO INITIATE PROCEEDINGS FOR REORGANIZATION OF TERRITORY

**BE IT RESOLVED BY QUARTZ HILL WATER DISTRICT, that:**

**WHEREAS**, Quartz Hill Water District desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code, for a reorganization that would annex territory into the District; and

**WHEREAS**, this is being proposed upon a Resolution of Application to Initiate Proceedings filed by District; and

**WHEREAS**, the territory proposed to be annexed is inhabited; and

**WHEREAS**, the boundaries of the proposed area are depicted on the map Attachment 1, for annexation and are incorporated with the Resolution; and

**WHEREAS**, the proposed reorganization is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15320 of The CEQA Guidelines, for reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised and the Categorical Exemption was adopted by Quartz Hill Water District, as the lead agency on January 18, 2024.

**NOW THEREFORE, BE IT RESOLVED by Quartz Hill Water District, that:**

1. The proposal is hereby made to LAFCO for reorganization as follows:
  - a. This proposal is made pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 commencing with Section 56000 of the California Government Code.
  - b. The nature of the proposed reorganization is the annexation of the territory to Quartz Hill Water District.
  - c. The affected territory proposed to be reorganized is inhabited.
  - d. The boundaries of the proposal area are described in the attached map showing each AREA labeled AREA 1-AREA 12, wherein Quartz Hill Water District will annex Area 1, Area 2, Area 3, Area 4, Area 5, Area 6, Area 7, Area 9, Area 10, Area 11 and Area 12
  - e. Quartz Hill Water District will detach Area 8.



- f. The affected territory has overlapping areas within the Sphere of Influence (SOI) of the District. A reorganization with a concurrent SOI Amendment will be filed with LAFCO.
  - g. It is desired that the proposed reorganization provide for and made subject to the following terms and conditions:
    - i. The negotiated exchange of property tax revenue between the affected agencies resulting from said reorganization to the district.
    - ii. The annexed territory shall be subject to the payment of such service charges, assessments, or taxes as Quartz Hill Water District may legally impose.
    - iii. Any taxes, fees, charges, or assessments for Quartz Hill Water District may be collected by the County of Los Angeles Tax Collector in the same manner as ad valorem property taxes or otherwise allowed by the law.
  - h. The description of the proposal area is as follows (i.e. existing structures, commercial, residential): The proposed includes land-uses of commercial, single-family homes and multi-dwelling units, active recreational and passive open spaces.
  - i. The reason for this proposal is as follows: The proposal is necessary as it will have mutual benefits to the residents being annexed and to Quartz Hill Water District. It will ensure the District boundaries and SOI will accurately include the customers and area we serve.
2. Quartz Hill Water District consents to waiver of protest proceedings pursuant to Government Code Sections 56662 (a)(1) through 56662 (a)(3), inclusive.
  3. This Resolution of Application to Initiate Proceedings is hereby adopted and approved by Quartz Hill Water District, and LAFCO is hereby requested to initiate proceedings for the reorganization of territory as authorized and in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.
  4. The General Manager or Assistant General Manager of Quartz Hill Water District is hereby authorized and directed to file a certified copy of this Resolution with the Executive Officer of the Local Agency Formation Commission for the County of Los Angeles.

**PASSED, APPROVED AND ADOPTED** by the Board of Directors of Quartz Hill Water District at the regular meeting of said Board held on the 18th day of January 2024, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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President Sheldon Carter

ATTEST:

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Secretary Debi Louie

### 1. Community Relations

While we review billing reads, usage out of their normal patterns (over a certain %) will stand out. We reach out to individual residents and also businesses as the case may be, and we can tell them the volumes and times we see flow. By reaching out to the customers this time of year we can help them find leaks or problems more easily because they aren't watering. Our team does an excellent job of coaching customers in their efforts to find their problem.

The number of customers opting out of paper bills and using the My Water Advisor 2.0 app continues to increase each month.

### 2. Shut off for non-payment.

As depicted in the table, 40 of the 164 customers that received a Door Tag had their water turned off, and four were closed out at the end of the next business day.

	How many accounts received Shut Off Notices/Door Tags	How many accounts were Shut Off for non-payment	Number of Accounts closed out next day.	Average Amount Past Due
January	123	11	0	79.45
February	130	24	2	65.45
March	106	17	0	96.86
April	124	16	1	61.3
May	126	32	4	65.55
June	117	24	4	60.18
July	146	25	5	60.92
August	123	19	3	79.82
September	144	22	7	81.78
October	105	28	5	109.3
November	138	25	3	83.29
December	164	40	4	288.48
<b>Annual Total</b>	<b>1546</b>	<b>283</b>	<b>38</b>	<b>1132.38</b>

### 3. Noteworthy

It's interesting that the number of offs remains in line with the previous year patterns, yet the number of properties purchased is down by about 24% this year compared to last. This is measure in the number of New Accounts we open.

2021 New Accounts = 502

2022 New Accounts = 430

2023 New Accounts = 326

*Debi Louie*

Administrative Supervisor  
 Board Secretary

## 1. 2023 Metrics

The start of the new year is a great time for us to look back and review the performance of the District. Below is a high-level summary of the operation and maintenance activities performed in 2023.

- 4001 acre-feet of water supplied through 5894 meters.
- 283 disconnections for non-payment.
- 647 water quality samples collected.
- 3 new customer payment agreements entered.
- 3 fire hydrants replaced.
- 1694 Valves exercised.
- 16 mainline valves replaced.
- 0 Main line leak repairs
- 59 service line leaks repaired.
- 2 pumps replaced.

## 2. Hydrant maintenance

Staff continue to conduct routine maintenance on the 631 hydrants within our District. This generally consists of flushing, painting, replacing internal seals, and even removing weeds around the hydrant. This maintenance ensures that the hydrants are visible and ready to provide fire protection to our customers.



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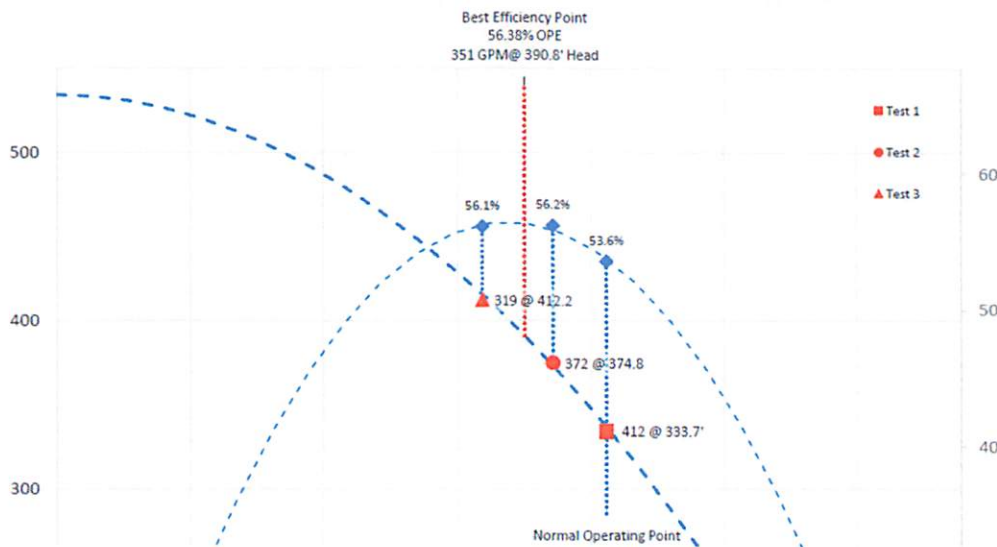
**3. Solar Inverter Replacements**

Braun Electric is making progress in commissioning the new inverters at the District's solar sites. The commissioning is scheduled to maximize production and minimize downtime at each site. Solar is one of the many ways we reduce energy consumption to minimize costs for our customers.



**4. SCE Pump Testing**

Southern California Edison completed pump efficiency testing at all sites. SCE provides this free service to water districts to monitor pump efficiency, check flow rates, and verify the accuracy of production meters. The results of the test verified that all the district's pumps are in good working order and operating efficiently. The test did identify some meters that are due for recalibration which staff will be working to correct.



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**5. Cal-Prop Tank Recoat**

The contract documents for the Cal-Prop Tank recoat have been signed and the tentative schedule was approved. Staff will begin to drain the tank on January 29th. During that process, most of the water in the tank will be delivered to our customers with only a small amount being pumped to waste. The contractor will start work February on 12th and the project completion is scheduled for April 29th.



**6. Annual AVEK Shutdown**

Staff are preparing for the AVEK annual maintenance shutdown that will begin February 5th. During this two-week time, the District will operate independently of imported water and will supply groundwater to all pressure zones. The Forecast and Avenue M pump stations are critical during this time and the redundancy of those sites will allow us to deliver water to our customers without interruption.



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**7. Water Levels**

Monthly monitoring of the district owned groundwater levels continues. These levels are currently stable and on par with historical averages. Proactive groundwater management is a priority of the District's commitment to preserving long-term reliable sources.

**8. Water Availability**

Monitoring of State water supply, groundwater supply, conservation cutbacks, and other available water resources continue to be a priority of management. Operational changes are made daily to utilize all available water resources and minimize production costs.

Thank you,

**Brach Smith**

Assistant General Manager

Dear Directors,

The month of December was a productive time for the QHWD team. The holiday season seems to always bring several challenges including staff shortages due to flu season and vacations (we all need), and calendar year end for reporting requirements. The field crew remained busy with the typical seasonal service line leaks, mainline valve replacement, facility site maintenance, customer service, and training. The administrative staff continued the customer outreach services through contacting customers who used 175% of their respective monthly usage. Many customers expressed appreciation for the phone call.

### Key Activities:

#### Strategic Plan

The BHI and QHWD team are on draft version 3 of the process and are close to a final draft to present to the Board. We are hoping to have this final draft on the February Board meeting agenda for possible approval.

#### Master Water Plan RFP

Mr. Smith has been providing data to the engineering team per their request. This process is expected to take a few more weeks. MKN is reviewing the data currently.

### Developments

#### Solar Inverter Upgrades

The solar inverter upgrades are progressing. The “test” inverter at well 9a was **successful** and I authorized the change order to proceed with the remaining 16 inverters. Well 16 had the solar panel wiring respliced due to vandalism and will be producing power again soon.

#### LAFCO

The application documentation is being presented to LAFCO in draft form to identify any errors prior to presenting to QHWD Board for approval to submit. This process is time-consuming and will most likely take place over the next two months.

QHWD staff will be handling the applications, most of the filing fees, resolutions, and CEQA exemption. District 40 will perform the mapping and geo descriptions. We plan to meet in person at the quarterly SDNLA luncheon.

The Antelope Valley has 40+ water suppliers (many are very small) whose boundaries are established through the Los Angeles County Local Agency Formation Commission (LAFCO). For many years QHWD and LA County Water Works District 40 boundaries have “overlapped”. I have been working with Mr. Bryden (GM at LACWW) and Mr. Novak (GM at LAFCO) to resolve these overlaps and establish clear boundaries between to two agencies. The LAFCO

process can be quite overwhelming and lengthy, however we are making progress and concluded who would serve the overlaps moving forward.

### Water Supply Report

The Department of Water Resources (DWR) has released the initial 2024 “Table A” allocation of 10%. Such a low percentage is typical around this time of year, as we are early in the water season. We are anticipating this number to increase as we experience more rain over the next few months (hopefully).

AVEK has reassured that their customer needs will be met through strategic planning involving carry over water stored in San Luis reservoir and water banking within the Antelope Valley. Below is a graphic of AVEK’s water portfolio going into 2024 (which is excellent in my opinion). Below is a graphic of the total 2023 production of water between QHWD owned wells and AVEK imported water.

Wells and AVEK 2023														
WELL #		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTALS
# 5A	GPM	435.07	441.65	439	424.5	418.73	414.38	393.76	396.64	611.12	730.33	419	428.98	462.7
	HRS	115.3	82.6	76.3	153.1	166.2	168	310.3	238.3	117.7	85.4	65.7	50.5	1629.4
	AF	9.24	6.72	6.16	11.97	12.82	12.82	22.5	17.41	13.25	11.49	5.07	3.99	133.4
# 6A	GPM	468.74	465.08	469.86	506.88	532.21	539.37	557.21	561.72	540.19	525.99	492.27	475.14	510
	HRS	131.7	121.7	75.2	135.7	174.9	192.2	245.6	201.4	155.1	141.1	94.9	92.5	1762.0
	AF	11.37	10.42	6.51	12.67	17.14	19.09	25.2	20.46	15.43	13.67	8.6	8.09	168.7
# 7A	GPM	699.11	783.91	732.93	327.34	650.98	632.79	632.09	634.04	636.51	639.22	665.54	641.3	640
	HRS	131.5	77.9	91.8	144.7	210.4	209.6	313.3	261	210.6	194.9	147.3	105.8	2098.8
	AF	16.93	11.25	12.39	8.72	25.22	24.42	36.47	30.47	24.68	22.94	18.05	12.49	244.0
# 8	GPM	648.46	658	647.97	623.58	657.63	665.12	668.98	665.52	666.42	649.85	662.79	581.44	650
	HRS	119	113.6	81.1	49.9	110.6	193.6	338.4	260.6	205.9	80.3	51.6	44	1648.6
	AF	14.21	13.76	9.68	5.73	13.39	23.71	41.69	31.94	25.27	9.61	6.3	4.71	200.0
# 9	GPM	803.64	808	809.61	799.36	795.24	792.86	823.78	811.7	777.72	783.39	794.05	799.87	800
	HRS	154.9	156.4	137	241.4	287	293.6	300.1	280.4	304.5	300.7	166.3	102.1	2724.4
	AF	22.92	23.28	20.42	35.53	42.03	42.87	45.52	41.91	43.61	43.38	24.32	15.04	400.8
# 12	GPM	342.8	343	343.7	343.06	321.52	324.56	318.5	318.24	324.69	333.48	343.03	347.38	334
	HRS	163.8	115.4	119	202.1	244	227.9	51.7	238.5	200.6	227.3	56.7	80.7	1927.7
	AF	10.34	7.30	7.53	12.77	14.45	13.62	3.03	13.98	11.99	13.96	3.58	5.16	117.7
# 14	GPM	268	177	272.45	265.34	264.16	261.78	249.13	252.77	259.62	264.74	269.69	272.95	256
	HRS	120.4	65.8	92.8	176.5	215.4	229.9	373.3	244.1	177.5	135.1	80.4	66.8	1978.0
	AF	5.94	2.14	4.66	8.62	10.48	11.08	17.13	11.36	8.49	6.59	3.99	3.36	93.8
# 15	GPM	576.42	592	585.45	568.47	564.12	559.1	544.58	548.37	561.89	572.35	586.51	593.49	571
	HRS	120.6	87.5	94.4	176	216	227.3	372.7	245	176.4	150.2	84	72.2	2022.3
	AF	12.8	9.54	10.18	18.42	22.44	23.4	37.38	24.74	18.25	15.83	9.07	7.89	209.9
# 16	GPM	337.08	351.79	345.74	330.64	327.4	323.54	301.24	309.22	324.13	333.22	346.05	352.13	332
	HRS	120.2	86.7	94	167.3	224.6	226.3	374.9	244.7	177.4	143.3	82.6	66.5	2008.5
	AF	7.46	5.62	5.98	10.19	13.54	13.48	20.8	13.93	10.59	8.79	5.26	4.31	120.0
# 17	GPM	393.43	409.07	402.72	380.44	374.16	366.74	333.28	340.77	358.9	382.39	368.36	395.45	375
	HRS	122.3	80.1	93.2	162.4	203.7	227.5	325	244.3	177.3	147.1	108.5	87.2	1978.6
	AF	8.86	6.03	6.91	11.38	14.03	15.36	19.95	15.33	11.72	10.36	7.36	6.35	133.6
TOTAL AVEK	AF	120.07	96.06	90.42	136.00	185.54	199.85	269.67	221.53	183.28	156.62	91.60	71.39	1822.0
N&50TH	AF	22.36	37.85	38.16	87.09	129.15	142.22	162.94	159.33	145.42	126.22	114.78	84.9	1250.4
M8&70TH	AF	17.35	34.21	34.04	59.09	92.43	110.98	132.51	124.23	107.91	94.09	67.67	54.31	928.8
w16 int														0.0
TOTAL	AF	39.71	72.06	72.2	146.18	221.58	253.20	295.45	283.56	253.33	220.31	182.45	139.21	2179.2
Combined		159.78	168.12	162.62	282.18	407.12	453.05	565.12	505.09	436.61	376.93	274.05	210.60	4001.27

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The December water supply continued to be stable. Several reports have come out showing State reservoirs are at above average levels. December usage was up 5.4% from 2022, and down 4.8% from 2020. The District supplied the water demand with 34% of the District owned wells and 66% from AVEK.

- 2020 December 105.10 Residential Gallons Per Capita Daily (R-GPCD)
- 2022 December 101.10 R-GPCD
- **2023 December 106.59 R-GPCD**

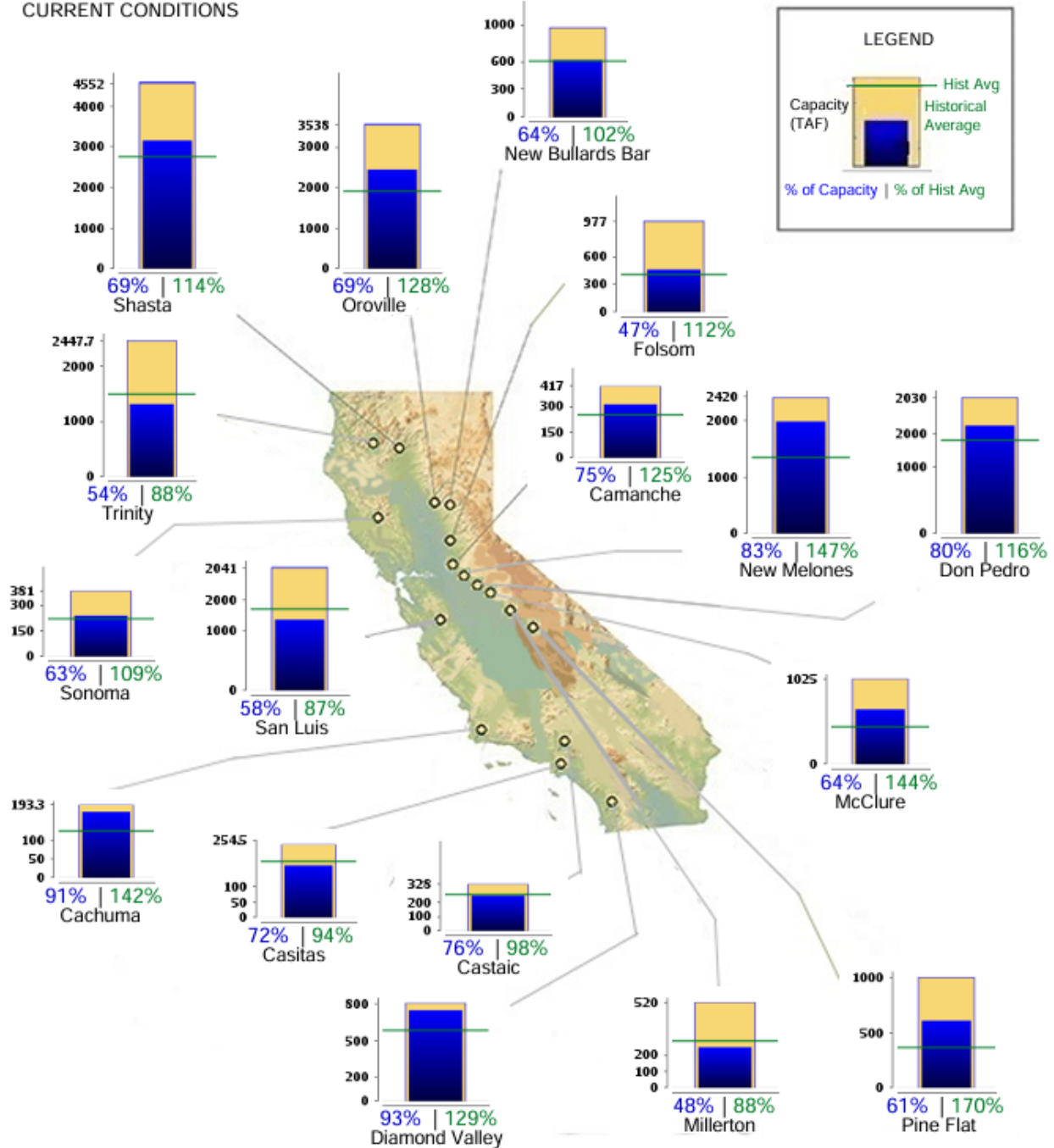
Month	Monthly usage	R-GPCD
October	406.72	205.86
November	262.5	137.29
December	199.75	101.10
January	159.78	80.87
February	168.12	94.21
March	162.62	82.31
April	282.18	147.58
May	407.12	206.06
June	453.05	236.95
July	565.12	286.03
August	505.09	255.65
September	436.61	228.35
October	376.98	190.80
November	274.05	143.33
December	210.6	106.59
<b>Total</b>	<b>8430.61</b>	<b>207.49</b>

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CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS  
CURRENT CONDITIONS

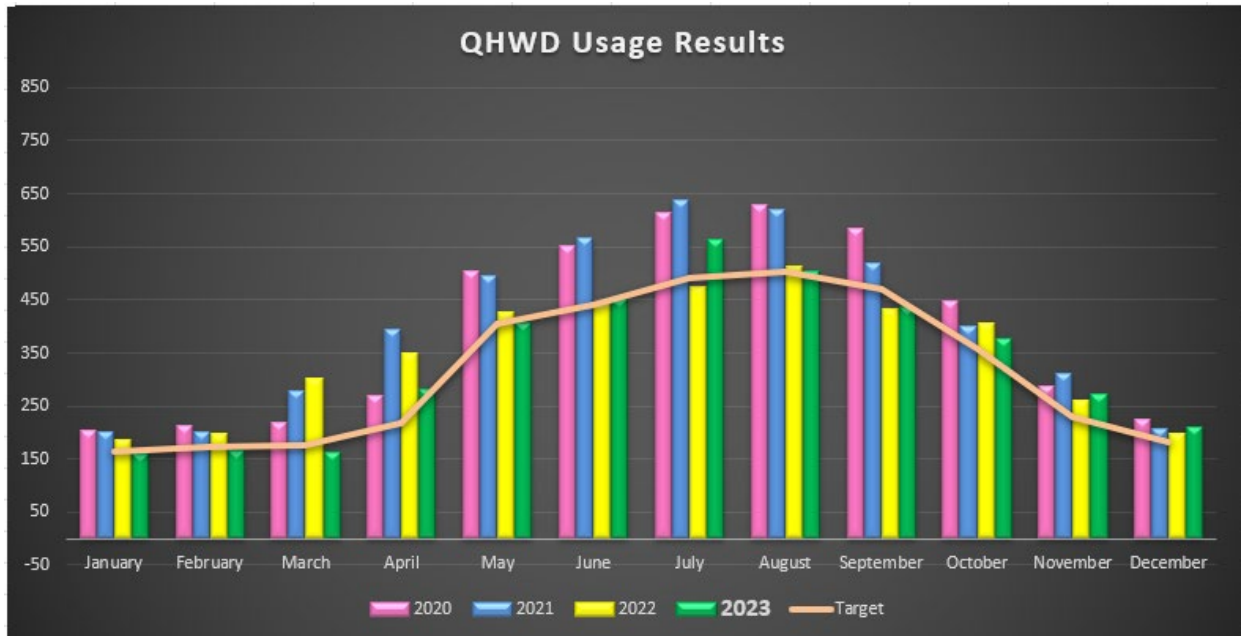
Midnight - January 9, 2024



Daily Reservoir Storage Summary: <https://cdec.water.ca.gov/reservoir.html>

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### Income/Expense Report

November was a positive month for revenues, and we did not have any abnormal expenses. The depreciation (non-cash operating expense) was fully funded. Looking forward to Decembers financials, we anticipate it too will be a positive month based on water production reports.

The capital improvements projects are proceeding on budget and the ancillary projects associated with the capital improvement are also tracking on budget (i.e. ~~truck purchases,~~ solar inverters, Cal Prop pumps, tanks coatings).

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**Quartz Hill Water District**  
Statement of Revenues and Expenditures  
From 11/1/2023 Through 11/30/2023

	Current Month	Year to Date	YTD Budget - Original FY_23
Revenues	527,366.57	3,168,004.05	6,795,236.00
Expenses	428,593.94	2,682,893.99	5,834,256.78
Net Income (Loss) Subtotal	98,772.63	485,110.06	960,979.22
Professional Services-Other	8,529.15	43,852.40	106,000.00
Non-Cash Operating Expenses	82,724.45	415,476.20	0.00
Net Income (Loss) Total	<u>7,519.03</u>	<u>25,781.46</u>	854,979.22

## Other News

1. The District will be hosting the annual safety awards dinner for staff this year at Vincent Hill Station. Our staff had a successful year with minimal insurance claims, resulting in the Presidential Recognition Award for ACWA/JPIA (our insurance carrier). The District receives significant premium discounts for years like this. Nice job to Brach and his field staff, as they work in a safety sensitive environment daily.

This concludes my report, and as always please contact me with any questions or concerns at [brentb@qhwd.org](mailto:brentb@qhwd.org).

Thank you,

*Brent Byrne*

General Manager

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