

# Heber Public Utility District

## Report to the Board of Directors

Date: July 16, 2020  
From: Laura Fischer, General Manager  
Subject: General Manager's Report to Board of Directors

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### **HPUD ADMINISTRATION**

I am a bit behind on a couple of items due to some personal reasons. I haven't finished the annual budget letter, but will email it to you and publish it as soon as it is finished. I will also get started on the USDA grant/loan applications and have information on potential projects and applications for the Board to consider in August.

### **Employee Release.**

I released an employee during probation period. This creates an opening for a water/wastewater operator. I am discussing with the Chief Operator as to the best time and method to fill this position. Due to COVID it may be postponed for some months.

### **Heber Community Foundation.**

I attended a zoom meeting of the Heber Community Foundation Board. They attended some administration requirements and set a date for their next meeting at which they will discuss their goals and priorities for the coming years.

### **Annual Consumer Confidence Report.**

The Annual Consumer Confidence Report was mailed out prior to July 1, 2020 as required. We have completed this report and our Annual report was submitted to both the State Water Board and Regional Water Board.

### **Board Elections in December 2020.**

Don't forget to that we have an election for two Board of Director seats, Mr. Tabarez and Mr Nolasco, please don't forget to pull the paperwork for re-election.

**Construction Customer Border Wall/Fence.** They have not purchased any water from us as of today, but they will be able to connect if needed.

I am working to design some "**Thank you**" banners to medical professionals, first responders and HPUD employees. They will be from the HPUD Board and I'll let you know when they are ready and up.

**Return to Work Practices.** We are on the limited staff schedule. Only half of our employees are working at a time. The only employees that are working full time are Lexandra, Finance Manager, and Francisco, Chief Operator. I am also working full time, but have taken several days off for personal time.

Memo to BOD 07/16/20

Staff have all been given the return to work procedures and are following them. We take our temperature in the office every time we come in. We wear face masks, keep our distance from each other, and sanitize our work station and the office or shared work area daily. To date, we do not have anyone in the HPUD family sick or impacted by COVID.

### **HPUD PROJECTS**

We will be meeting via Zoom with The Holt Group to review several projects. The following is a list that I sent to The Holt Group via email on July 6<sup>th</sup> in preparation for our meeting. Their responses are in red.

- 1) Rec Center. I believe Juny has this under control and all contracts and documents have been signed. I signed the Building permit forms today and sent them back to Juny and mailed originals to Juan at A&N. **Yes, you are correct with regard to the current status of this project.**
- 2) Shade at WTP Shop. This project has two components, demolition of existing shade and installation of new fabric shade. A&N has the demo contract and USA Shade was approved at the 6/18 BOD meeting. I would like an update on this project. I believe we have notified USA Shade, but I'm not sure if they are applying for the permits, ordering the shade? **We are waiting for contract documents to be forwarded back from the contractor, USA Shade. It is anticipated the contract documents will be received within a week or so. Steve Walker will need to review the insurance.**
- 3) Children's Park. The BOD authorized me to sign a contract with THG for the design, engineering, bid and CM for this project. I haven't moved forward with the agreement and we need to meet and move this project along to design. Can we have a zoom meeting this week? **We should be receiving the aerial survey for the project this week. Upon receipt the existing site plan and new site plan will be prepared. We suggest meeting after the initial site plans are prepared so we can have a substantive discussion.**
- 4) Energy Audit. The RFP is out to bid and should be back by August 7<sup>th</sup>. No information needed.
- 5) Urban Flood Grant. Application is submitted. No information needed
- 6) Heberwood Development. 5A inspection completed, 5B & 5C engineering review completed. Heberwood 6, I'm not sure if the engineering review is done on 6, but I think it is. Update if engineering is done for 6. **The Unit 6 plans were conditionally approved per the attached letter dated 5/12/2020. Per the conditions, two (2) sets of wet signed plans (signed by the HPUD Engineer, County of Imperial Public Works Director and Design Engineer) are to be returned to The Holt Group for distribution to HPUD. The Design Engineer is to coordinate obtaining the signatures. To date, the wet signed plans have not been forwarded to The Holt Group.**
- 7) Heberwood Development 5A inspection cost concerns from Winfield. I reviewed your responses and our records. I will give Scott a call and discuss it with him. Thanks
- 8) Del Sol Apartments. Engineering review. Not sure of the status, please update. **The Del Sol Apartments Plan Check review was completed on April 17<sup>th</sup>, 2020. Final Improvement Plans were approved and signed by the Design Engineer, Carlos Corrales and by myself (as the HPUD District Engineer). We are in possession of the approved wet signed final approved plans for this project.**
- 9) Heber Commons. I don't know if you have plans for this project yet, please let me know. **To date, we have not received plans for this project.**
- 10) Family Dollar. Engineering review is complete. I don't think we are waiting for anything else from them. **The plan check review for this project has been completed. We**

are awaiting the applicant (or applicant's engineer) to return the final approved plans for signature.

- 11) Sanitary Survey 2019 response. I think Juny and Francisco have submitted their response, but may have some follow up from Water Board. All comments for the 2019 sanitary survey have been responded to and forwarded to the Division of Drinking Water. The only item to follow up on is for Francisco to inform the Division of Drinking Water when Clarifier-Filter Number 1 is placed back on line.
- 12) I attached our CIP for the next few years, so you can see what projects we are planning for this year and next. We have a water project and a manhole project that we should be ready to move forward within the next couple of months.

July 9, 2020

Ms. Laura Fischer  
General Manager  
Heber Public Utility District  
1078 Dogwood Road  
Heber, CA 92249

Dear Ms. Fischer:

Enclosed is our “Communication with Those Charged with Governance” letter that is issued during the planning phase of the audit. Please forward this letter to the Board of Directors. If you and/or the Board of Directors would like to meet with us in person to review any of the items in this letter, or to discuss any other issues relevant to the June 30, 2020 audit of the Heber Public Utility District, please let me know.

If you have any questions, please feel free to call me.

Very truly yours,



Daphnie Munoz, CPA

Board of Directors  
Heber Public Utility District  
Heber, California

We are engaged to audit the financial statements of the governmental activities, the business-type activities, and each major fund of the Heber Public Utility District (the District) for the year ended June 30, 2020. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and *Government Auditing Standards*

As stated in our engagement letter dated December 9, 2019, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we will consider the internal control of the District. Such considerations will be solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal controls.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will also perform tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to Management's Discussion and Analysis, Budgetary Comparison Schedules for General Fund and Major Special Revenue Funds, Schedule of Proportionate Share Net Pension Liability, and the Schedule of Contributions - Defined Benefit Pension Plans, which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

## Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards. If a member of the Board of Directors is aware of matters that have a material bearing on the financial statements taken as a whole (such as those described above in items 1-4), please contact Daphnie Munoz at (714) 978-1300 or by email at [dmunoz@wndecpa.com](mailto:dmunoz@wndecpa.com) by September 30, 2020.

We expect to begin our audit in October 2020 and issue our report on approximately December 31, 2020. Ms. Daphnie Munoz, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of the Board of Directors and management of Heber Public Utility District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

  
Carlsbad, California  
July 9, 2020