



**NOTICE AND CALL OF THE  
TOWN OF APPLE VALLEY TOWN COUNCIL  
SPECIAL MEETING AND THE ADJOURNED  
REGULAR MEETING  
August 27, 2014**

**CALL TO ORDER:**

Mayor Bishop called to order the regular session of the Apple Valley Town Council at 7:02 p.m.

Roll call was taken with the following members present:

Roll Call

Present: Council Members Emick; Nassif; Stanton; Mayor Pro Tem Cusack; Mayor Bishop

Absent: None.

**OPENING CEREMONIES**

**PLEDGE OF ALLEGIANCE:** The Pledge of Allegiance was led by Council Member Emick.

**PUBLIC COMMENTS**

Tony Penna, General Manager, Apple Valley Ranchos Water Company (AVRWC) stated that the Town of Apple Valley did not inform its citizens about the survey and recommended that they make this information known at the conclusion of this meeting. He felt that contacting Apple Valley citizens about an issue is nothing more than a public information campaign. He also stated that employees of AVRWC focus on providing the best service possible. He notified Council that AVRWC is not for sale and has been here for 65 years.

**BUSINESS OF THE COUNCIL**

**1. Results of the Citizen Survey**

Kathie Martin, Marketing and Public Information Officer, presented the staff report as filed with the Town Clerk.

Dr. Tim McClarty, President of TrueNorth Research, stated that his firm specializes in working with California cities, as well as other public agencies around the state, in doing these types of surveys to develop a statistically reliable understanding of the community and the customers that they serve. He also stated that to date, he and his business partner work as a two-person team and have designed and conducted over 800 research studies for public agencies that includes 300 studies for California cities, as well as 300 studies which are called either ballot measure or proposal feasibility studies where the goal is to understand how a community or set of voters feel about a proposal and how they are going to support it. He noted that TrueNorth Research has had a 93% success rate based on the results of their research; therefore, he believed when their research says a community is willing to support a proposal, or ballot measure, they will make a recommendation to their client to move forward. He also stated that at the end of the day, on Election Day, 93% of those times, those measures have been successful;

therefore, their research is highly reliable in terms of understanding where a community is at with respect to the proposal and what they need to understand and ultimately what their voting behavior would be on that proposal.

Dr. McClarty provided the Council with a PowerPoint presentation which covers the highlights of a survey that they recently conducted. He reviewed both the purpose of the study and the methodology of how the study was conducted. He noted there were really four (4) overarching goals or purposes for conducting this study. The first was to understand what the community opinions were regarding the water services they're currently receiving, as well as, naturally, individual's opinions about the Town acquiring the water system. He further commented on their desire to understand and assess community support for the town acquiring the water system should that proposal move forward. He stated they also recognize how people's opinions of proposals can depend upon the level of information that they have about that proposal. As an example, the current information they have about a proposal may have one opinion; however, as they move forward in the coming months, the community engages in a more open debate and discussion about the proposal and may learn some things on both sides of this debate and issue that could impact the support. He also stated that the slides he shares today will help to take the read on the community support for this proposal at several points in the survey, as well as, help to understand where they are today and where they will be after they receive certain information.

Dr. McClarty reviewed, for the benefit of the Council, the key conclusions of the survey which included the following:

- Survey indicates substantial customer frustration with costs/rates with AVRWC.
- Current levels of community support for the Town acquiring the water system are solid (55% support).
- The more individuals learn about the situation, the stronger support becomes for the proposal (73% in support).
- Community outreach and education are critical moving forward. Clear, effective communications will build understanding and support for this proposal and offset opposition arguments.

Council Member Nassif requested to know whether or not there were any questions posed to the residents regarding economic development, infrastructure improvements, and expansion. He commented on the different model as to what privately owned companies are able to do versus publicly owned water companies as it relates to putting in infrastructure for housing, economic development and commercial development.

Council Member Stanton stated that she has no complaints with water quality and water service. She questioned whether or not that question was asked of the residents.

Dr. McClarty identified questions within the survey that would apply to that question.

Council Member Emick thanked the consultant for the survey results. He questioned the process used when conducting the survey.

Mayor Pro Tem Cusack believed this was an excellent sampling of the results.

Mayor Bishop verified that all individuals contacted were customers of Apple Valley Ranchos Water Company. He stated that surveys are very important within communities.

Council Member Nassif questioned the recommendation of Dr. McClarty regarding moving forward with this issue.

Dr. McClarty believed that the Town had very strong support from the community moving forward with this matter.

This was a receive and file item only. There was no reportable action taken.

**CONTINUED FROM AUGUST 26, 2014**

**7. Closed Session**

**MOTION**

Motion by Council Member Emick, seconded by Council Member Nassif, to adjourn to Closed Session at 7:45 p.m. to discuss the following:

- A. Conference with Legal Counsel – Anticipated Litigation – Significant exposure to litigation pursuant to Paragraph (2) of subdivision (d) of Section 54956.9: one or more potential cases.
- B. Conference with Legal Counsel – Anticipated Litigation – Initiation of litigation pursuant to Paragraph (4) of subdivision (d) of Section 54956.9: one potential case.
- C. Conference with Legal Counsel – Existing Litigation – Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9, Case Name: Application No. 14-01-002, In the Matter of the Application of Park Water Company-Apple Valley Ranchos Water Company Water System (U346W) for Authority to Increase Rate Charges for Water Service by \$3,127,463.00 or 14.88% in 2015, \$2,056,455.00 or 8.48% in 2016, and \$2,160,731.00 or 8.19% in 2017.
- D. Conference with Legal Counsel – Anticipated Litigation - Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9; One case: California Public Utilities Commission v. Walker et al - CIVBS1200448 - San Bernardino Superior Court

Vote: Motion carried 5-0-0-0

Yes: Council Members Emick; Nassif; Stanton; Mayor Pro Tem Cusack; Mayor Bishop.  
Absent: None.

Upon returning from Closed Session at 8:06 p.m., Mayor Bishop announced that there was no reportable action taken.

**ADJOURNMENT**

Motion by Council Member Emick, seconded by Mayor Pro Tem Cusack, and unanimously carried to adjourn the meeting of the Apple Valley Town Council at 8:07 p.m.

\_\_\_\_\_  
Art Bishop, Mayor

\_\_\_\_\_  
La Vonda M-Pearson, Town Clerk