



# JOSHUA BASIN WATER DISTRICT

P.O. BOX 675 • 61750 CHOLLITA ROAD • JOSHUA TREE • CALIFORNIA 92252  
TELEPHONE (760) 366-8438 FAX (760) 366-9528 E-MAIL [jbwd@jbwd.com](mailto:jbwd@jbwd.com)

JOSHUA BASIN WATER DISTRICT  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
WEDNESDAY OCTOBER 21, 2009, 7:00 PM  
61750 CHOLLITA ROAD, JOSHUA TREE, CA 92252

## AGENDA

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. DETERMINATION OF QUORUM
4. APPROVAL OF AGENDA
5. PUBLIC COMMENT
6. CONSENT CALENDAR
  - A. Approve Minutes of the Regular Meeting of October 7, 2009
  - B. Approve Financial Report for August 2009
7. ESCROW AGREEMENT FOR PURCHASE OF PROPERTY FOR GROUNDWATER PONDS  
Recommend that the Board authorize the Board President to sign the Purchase and Sales Agreement and Joint Escrow Instructions, and authorize the General Manager to execute other documents as necessary to acquire approximately 30 acres generally east of Sunburst and north of Highway 62 for the Groundwater Recharge Ponds at a cost not to exceed \$195,000 plus escrow expenses.
8. TEMPORARY PUBLIC INFORMATION SERVICES  
Recommend that the Board authorize staff to solicit local proposals for public information services for six months at a cost estimate of \$25,000.

Pages 1-2  
Pages 3-22

Pages 23-37

Pages 38-39

- |             |   |
|-------------|---|
| Pages 40-41 | 9. CERTIFICATION OF URBAN WATER MANAGEMENT PLAN BY STATE DEPARTMENT OF WATER RESOURCES<br>Recommend that the Board accept the report for information.   |
| Page 42     | 10. REPORT ON PROPOSITION 1A BORROWING BY STATE OF CALIFORNIA<br>Recommend that the Board decline to participate in the Prop. 1A Loan Securitization Program.   |
| Pages 43-45 | 11. PROJECT PRIORITY LIST<br>An update on staff's progress with assigned projects.  |
|             | 12. PUBLIC COMMENT  |
|             | 13. GENERAL MANAGER REPORT  |
|             | 14. DIRECTOR COMMENTS/REPORTS   |
|             | 15. CLOSED SESSION<br>Property Acquisition; pursuant to Government Code 54956.8, Conference with Real Property Negotiator regarding price and terms. District negotiator: Joe Guzzetta.<br>APN: 603-231-06. |
|             | 16. REPORT ON CLOSED SESSION  |
|             | 17. ADJOURNMENT   |

The Board of Directors reserves the right to take action on items reserved for discussion only.

#### INFORMATION

During either "Public Comment" Item, please use the podium microphone. State your name and have your information prepared and be ready to provide your comments to the Board. The District is interested and appreciates your comments. A 3-minute time limit may be imposed. Thank you.

Any person with a disability who requires accommodation in order to participate in this meeting should telephone Joshua Basin Water District at (760) 366-8438, at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the District's office located at 61750 Chollita Road, Joshua Tree, California 92252 during normal business hours.

**JOSHUA BASIN WATER DISTRICT**  
**Minutes of the**  
**REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**October 7, 2009**

1. **CALL TO ORDER** **7:00 PM**

2. **PLEDGE OF ALLEGIANCE**

3. **DETERMINATION OF QUORUM:** By roll-call:  
Gary Given Present  
Bill Long Present  
Mickey Luckman Present  
Mike Reynolds Present  
Gary Wilson Present

**STAFF PRESENT:** Joe Guzzetta, General Manager  
Susan Greer, Assistant GM/Controller  
Terry Spurrier, HR/Administrative Services Supervisor  
Keith Faul, GIS Coordinator  
Marie Salsberry, Executive Secretary

**GUESTS:** **13**

4. **APPROVAL OF AGENDA**

MSC Luckman/Reynolds 5/0 to approve the agenda for the October 7, 2009 Regular Meeting of the Board of Directors.

5. **PUBLIC COMMENT**

None.

6. **CONSENT CALENDAR**

MSC Long/Luckman 5/0 to approve the minutes of the Special Meeting of September 14, 2009; to approve the minutes of the Regular Meeting of September 16, 2009; and to approve the minutes of the Special Meeting of September 23, 2009.

7. **WATER CONSERVATION EFFORTS AT JOSHUA TREE MEMORIAL PARK**

General Manager Guzzetta reported that the District's conservation consultant Deborah Bollinger conducted a water audit at the Joshua Tree Memorial Park and recommended several changes that would result in significant savings of water. The Memorial Park manager made some of these changes which resulted in a 24% reduction in water use. President Given presented a certificate to Joshua Tree Memorial Park manager Karen Moran. Ms. Moran thanked the Bollingers as well as General Manager Guzzetta and Interim Chief of Operations Joe Bocanegra, and noted that she will be implementing more of the suggested changes to further conserve water.

8. **SERVICE VEHICLE, HEAVY EQUIPMENT AND GENERATOR MAINTENANCE AND REPAIR**

Human Resources/Administrative Services Supervisor Terry Spurrier reported on the San Bernardino County Fleet Management Department. Representatives from the Fleet Management Department explained more about the services they offer, and fees. The department not only performs vehicle maintenance and repairs, but also keeps track of mandatory compliance issues such as those set by the air quality management district for

diesel emissions. Discussion ensued with Director Reynolds suggesting that the District obtain proposals from some local shops to compare. Director Long noted that the District can enter into an agreement with County and still obtain proposals from local shops as the District would not be committing to having all work done through the County.

MSC Long/Luckman 5/0 to approve staff recommendation to authorize the agreement with the County of San Bernardino Fleet Management Department to use their maintenance and repair services.

**9. MEMBERSHIP/SIGNATORY TO THE CALIFORNIA URBAN WATER CONSERVATION COUNCIL**

HR/Administrative Services Supervisor Spurrier reported that due to pending legislation that may change water conservation requirements and other factors staff recommends waiting rather than becoming a member of the California Urban Water Conservation Council at this time. Membership would cost 24 thousand dollars over ten years, but there is not a guarantee of any benefit in return at this time.

MSC Reynolds/Long 5/0 to approve staff recommendation to withhold authorization to join the California Urban Water Conservation Council or become signatory to the Memorandum of Understanding at this time.

**10. PROJECT PRIORITY LIST**

GM Guzzetta reported that Well 16 will need some cleanup before being put into service; Krieger and Stewart will have a draft report on the status of Well 17 next week. Interim Chief of Operations Bocanegra is working on a report on Well 11 to present to the Board. Preventive maintenance on the system continues, the field crew are doing an outstanding job.

**11. PUBLIC COMMENT**

None.

**12. GENERAL MANAGER REPORT**

The General Manager had nothing further to report.

**13. DIRECTOR COMMENTS/REPORTS**

Director Wilson commented that yesterday a truck with no driver knocked out a fire hydrant on Park Boulevard; no water was coming out but if water had been running from the hydrant there would have been more damage. He noted that Steve Spitz was on the scene and put hazard cones out at the area.

**16. ADJOURNMENT 7:52 PM**

MSC Long/Given 5/0 to adjourn the October 7, 2009 Regular Meeting of the Joshua Basin Water District Board of Directors.

Respectfully submitted;

---

Joe Guzzetta, General Manager

The next Regular Meeting of the Board of Directors is scheduled for October 21, 2009.

JOSHUA BASIN WATER DISTRICT

**FINANCIAL REPORT HILIGHTS – AUGUST 2009**

FROM: Susan Greer 

**This report represents the second month of our 09/10 fiscal year.**

**ACCOUNT RECAP (CASH STATEMENT)**

Total cash is decreased \$138,000 from last month and decreased \$1,191,000 from one year ago. This is the result of significant investment into capital projects over the past year combined with recent debt service payments.

**CASH FLOW STATEMENT**

Water collections are 4% less than the same *month* last year. Water usage for the *month* is 9% more than the same *month* last year although year-to-date usage is 4% less than last year. Capital expenditures of \$2,272 for the month represent a decrease of \$159,000 over the previous month and a \$133,800 decrease compared to the same month last year. This is due to completion of several large projects. Operating expenses for the *month* are also 18% less than last year. Meter installation sales for the month are 0; compared to 1 last year and 3 two years ago.

**BOARD REPORT**

**This is the second month of the fiscal year; if evenly distributed throughout the year, expenses and revenues should be at 17% year-to-date.**

**REVENUES – total revenues are 11% year-to-date**

- Metered Water Sales are not equally distributed throughout the year since water usage is higher in the summer. We are at 21% of budget, almost identical to last year. Last year's metered water sales revenue ending balance was 8% less than budget.
- Basic Fees are equally distributed, and at 16% of budget, very close to target.
- Property Taxes including Standbys, a major source of revenue, have NOT YET been billed by the County. We will record the revenue in October and tax bill collections typically begin in November. Not yet billing the estimated \$1.9M in tax revenues skews the total revenue results.

**EXPENSES- total expenses are 12% for the year.**

**Production**

Including allocated costs, Production expenses are 7% year-to-date.

**Distribution**

Distribution expenses are 13% year-to-date, including allocated costs.

JOSHUA BASIN WATER DISTRICT

**Customer Service**

Including allocated costs, Customer Service expenses are 14% year-to-date.

**Administration**

Administration expenses are 13% year-to-date including allocated expenses.

**Engineering**

Engineering expenses are 10% year-to-date including allocations.

**Accounting**

Including allocated expenses, Accounting expenses are 17% year-to-date, due to payment of the audit fees which are billed at the beginning of the fiscal year.

**Personnel**

Including allocations, Personnel expense is 13% year-to-date.

**Legal**

Legal Services expense is 15% year-to-date.

**Bonds & Loans**

Bonds and Loans expense is 15% year-to-date.

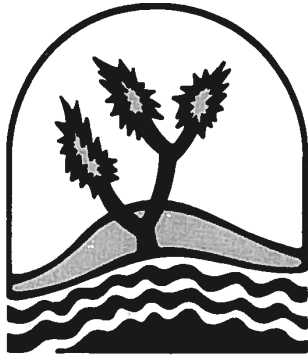
**Capital Replacement Expense**

Capital Replacement Expense	August	\$ 98,148
	Year-to-date	\$ 196,298

Revenues total 11% year-to-date; with expenses at 12% year-to-date. With property taxes not yet billed, expenses exceed revenues by \$7,079 before Capital Replacement Expense and \$203,377 after.

Please contact me if you have any questions, comments or suggestions.

		BEGINNING BALANCE	TOTAL DEBITS	TOTAL CREDITS	ENDING BALANCE	AVERAGE DAILY BALANCE
<b>GENERAL FUND</b>						
01 -11100	PETTY CASH FUND	600.00	0.00	0.00	600.00	600.00
01 -11110	CHANGE FUND	1,500.00	0.00	0.00	1,500.00	1,500.00
01 -11200	GENERAL FUND-U S	2,355.56	16,756.82	966.58CR	18,145.80	18,145.80
01 -11210	PAYROLL FUND - U	5,000.00	6.19	0.00	5,006.19	5,006.19
01 -11220	CREDIT CARD ACCO	37,338.39	561.67	1,109.26CR	36,790.80	36,790.80
01 -11300	LAIF-INVESTMENT	3,499,646.94	0.00	0.00	3,499,646.94	3,499,646.94
01 -11305	LAIF-RESERVE FUN	1,000,000.00	0.00	0.00	1,000,000.00	1,000,000.00
01 -11306	EQUIP & TECH REP	300,000.00	0.00	0.00	300,000.00	300,000.00
01 -11310	LAIF - CAPACITY	815,188.39	0.00	0.00	815,188.39	815,188.39
01 -11315	LAIF-CAPITAL PRO	0.00	0.00	0.00	0.00	0.00
01 -11320	LAIF- CMM REDEMP	213,528.87	0.00	0.00	213,528.87	213,528.87
01 -11325	LAIF - CMM RESER	269,417.38	0.00	0.00	269,417.38	269,417.38
01 -11330	LAIF CMM PREPAYM	248.90	0.00	0.00	248.90	248.90
	<b>FUND TOTAL</b>	<b>6,144,824.43</b>	<b>17,324.68</b>	<b>2,075.84CR</b>	<b><u>6,160,073.27</u></b>	<b>6,160,073.27</b>



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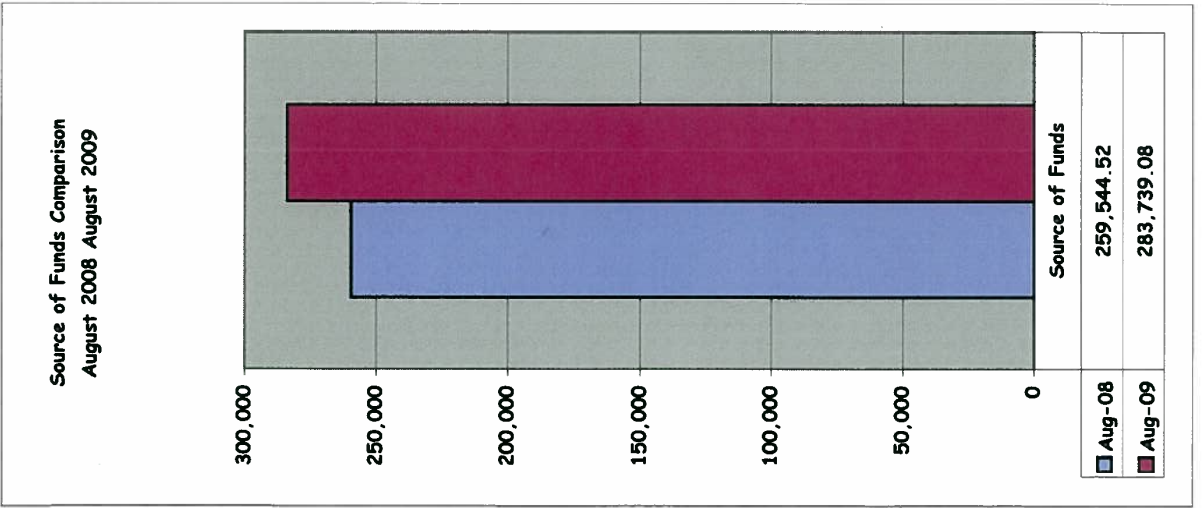
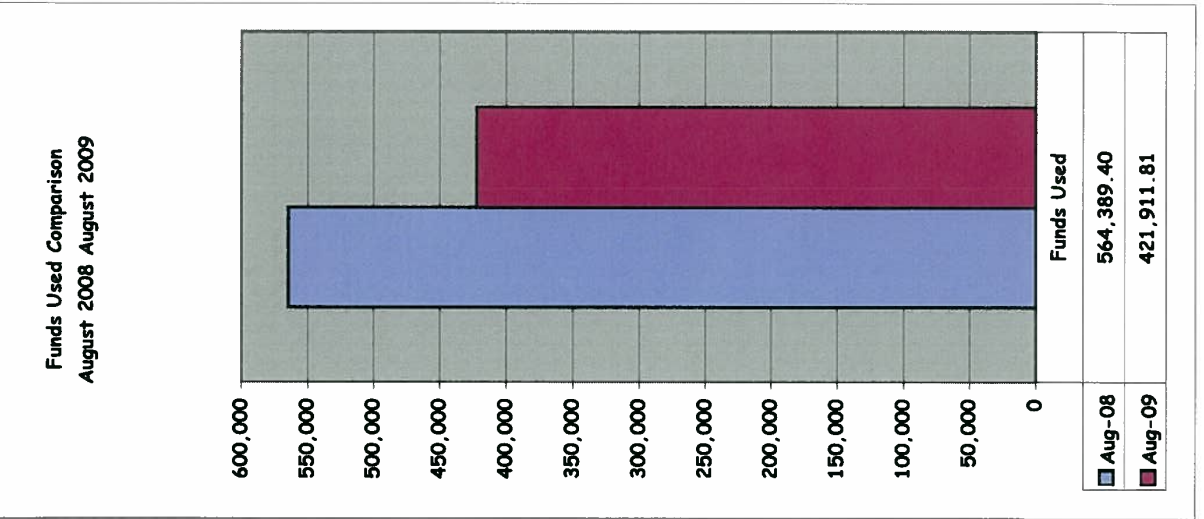
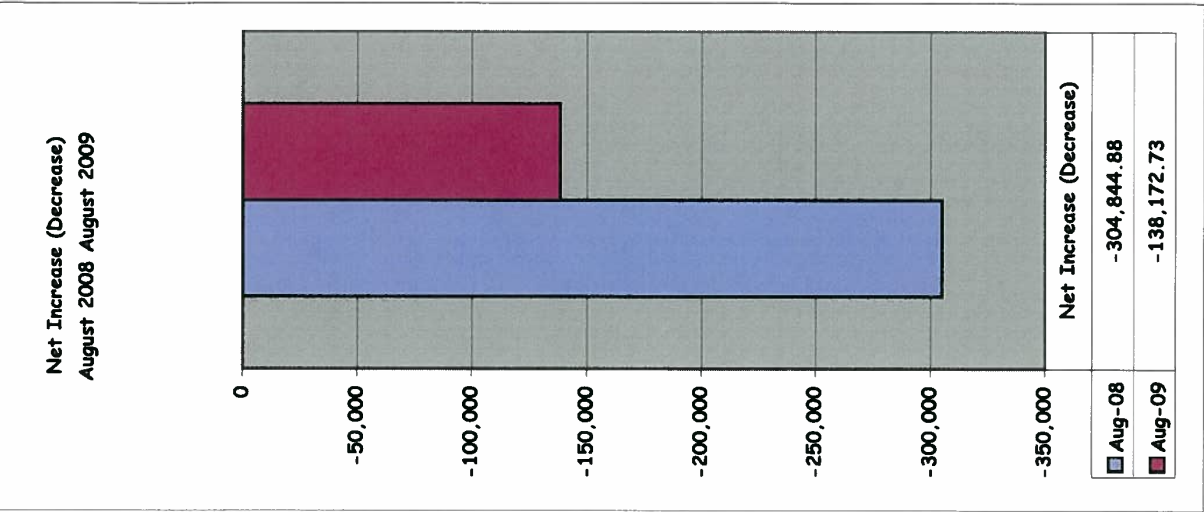
## Cash Flow August 31, 2009

Beginning Cash		6,298,246.00
SOURCE OF FUNDS:		
Water A/R Collections	235,405.25	
Turn On/Misc	3,830.21	
Consumer Deposits	10,685.00	
Project Deposits	0.00	
Grant Revenue	33,429.17	
Property Taxes G.D.	298.13	
ID #2 Tax Collections	0.10	
Standby Collections - Prior	0.00	
Standby Collections - Current	0.00	
CMM Assessment Collections	0.00	
LAIF CMM Payoff	0.00	
Capacity Charges	0.00	
Meter Installation Fees	0.00	
Interest	91.22	
TOTAL SOURCE OF FUNDS		<u>283,739.08</u>
FUNDS USED:		
Debt Service	175,389.85	<u>175,389.85</u>
Capital Additions	2,271.55	
Operating Expenses	111,994.10	
Bank Transfer Payroll Taxes	32,222.36	
CalPERS Transfer	16,591.12	<u>163,079.13</u>
Bank Transfer Payroll	78,340.14	
Employee Funded 457 Transfer	4,136.11	
Bank Transfer Fees/Charges	966.58	83,442.83
TOTAL USE OF FUNDS		<u>421,911.81</u>
Net Increase (Decrease)		(138,172.73)
Cash Balance at End of Period		<u><u>6,160,073.27</u></u>

*Handwritten initials/signature*

PROVIDE • PROTECT • PROMOTE





01 -GENERAL FUND

% OF YEAR COMPLETED: 16.67

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
01-41010 METERED WATER SALES	1,518,268	179,272.37	316,649.39	0.00	1,201,618.61	20.86
01-41011 CUSTOMER REFUND CLEARING ACCT	0	0.00	0.00	0.00	0.00	0.00
01-41012 ALLOW FOR WAAP/BILLING ADJ (	4,932)	0.00	0.00	0.00	( 4,932.00)	0.00
01-41015 BASIC FEES	1,299,086	102,382.07	205,327.98	0.00	1,093,758.02	15.81
01-41016 BASIC FEES - LOCKED/PULLED	18,920	0.00	0.00	0.00	18,920.00	0.00
01-41030 PRIVATE FIRE PROTECTION SERV.	17,534	1,481.43	2,962.86	0.00	14,571.14	16.90
01-41040 SPECIAL SERVICES REVENUE	119,590	9,716.56	20,692.54	0.00	98,897.46	17.30
01-41050 CROSS CONNECTION REVENUE	0	0.00	0.00	0.00	0.00	0.00
01-42100 STANDBY REVENUE-CURRENT	1,158,204	0.00	0.00	0.00	1,158,204.00	0.00
01-42110 UNCOLLECTED STANDBY/CURRENT (	250,000)	0.00	0.00	0.00	( 250,000.00)	0.00
01-42200 STNBY INCOME PRIOR	250,000	0.00	7,032.58	0.00	242,967.42	2.81
01-42341 PRIOR YR REFUNDED REVENUE	0	0.00	( 2,979.00)	0.00	2,979.00	0.00
01-43000 PROPERTY TAX - G.D.	399,953	0.00	0.00	0.00	399,953.00	0.00
01-43010 PROPERTY TAX I.D. #2	120,000	0.00	0.00	0.00	120,000.00	0.00
01-43020 PROPERTY TAX REVENUE -CMM	258,515	0.00	0.00	0.00	258,515.00	0.00
01-43030 CMM BOND CALL REVENUE	0	0.00	0.00	0.00	0.00	0.00
01-44000 CONNECTION FEES-HYDRANT,ML EXT	0	0.00	0.00	0.00	0.00	0.00
01-44001 MAINLINE REIMBURSEMENT FEES	0	0.00	0.00	0.00	0.00	0.00
01-44010 CAPACITY CHARGES	0	0.00	0.00	0.00	0.00	0.00
01-44020 PLAN CHECK/INSPECTION FEES	0	0.00	0.00	0.00	0.00	0.00
01-44030 METER INSTALLATION FEES	0	0.00	0.00	0.00	0.00	0.00
01-45000 INTEREST REVENUE G.D.	260,000	91.22	195.87	0.00	259,804.13	0.08
01-45010 DIVIDEND INCOME-1ST AMERICAN 3	149	0.00	0.00	0.00	149.00	0.00
01-46100 GRANT REVENUE	0	18,429.17	18,429.17	0.00	( 18,429.17)	0.00
01-47000 MISCELLANEOUS REVENUE	5,268	10.77	84.43	0.00	5,183.57	1.60
01-47010 GAIN/LOSS ON SALE OF ASSETS	0	0.00	0.00	0.00	0.00	0.00
01-47020 CHANGE IN MARKET VALUE	0	0.00	0.00	0.00	0.00	0.00
<b>TOTAL REVENUE</b>	<b>5,170,555</b>	<b>311,383.59</b>	<b>568,395.82</b>	<b>0.00</b>	<b>4,602,159.18</b>	<b>10.99</b>

CASH ACCOUNT: 01 -11200

CHECK NO	CHECK DATE	STATUS	VENDOR INFO	CHECK AMOUNT
046402	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120169 NUNEZ, NORA LYNN	37.63 ----- 37.63
046403	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120170 VEACH, NOEL	62.08 ----- 62.08
046404	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120171 ECKENROTH CONSTRUCTION INC.	100.00 ----- 100.00
046405	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120172 DENTALI, ANNA	46.10 ----- 46.10
046406	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120173 PACHECO, MANUEL	78.16 ----- 78.16
046407	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120174 PACHECO, MANUEL	78.16 ----- 78.16
046408	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120175 JONES, LARRY D	76.28 ----- 76.28
046409	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120176 HULL-TUELL, AFTON	3.06 ----- 3.06
046410	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120177 KAPLAN, KEITH A	89.68 ----- 89.68
046411	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120178 AARUP, CHRISTINE	25.68 ----- 25.68

CASH ACCOUNT: 01 -11200

CHECK NO	CHECK DATE	STATUS	VENDOR INFO	CHECK AMOUNT
046412	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120179 EB INVESTMENTS	60.90 ----- 60.90
046413	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120180 RUSH, MARY CLAIRE	49.32 ----- 49.32
046414	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120181 WOODRING, NATHANIEL	39.02 ----- 39.02
046415	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120182 BROWN, KATHIE	74.65 ----- 74.65
046416	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120183 WILLIAMS, JUDI	66.34 ----- 66.34
046417	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120184 BOESEL, DESIREE	23.24 ----- 23.24
046418	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120185 WILSON, SHANNA	88.89 ----- 88.89
046419	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120186 MORRIS, CECILIA	66.07 ----- 66.07
046420	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120187 HERNANDEZ, KEVIN	16.12 ----- 16.12
046421	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120188 JONES, ROGER	80.57 ----- 80.57

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
046422	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120189 SHARGHI, ABBAS		76.89 ----- 76.89
046423	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120190 GONZALES, FREDDIE R		21.72 ----- 21.72
046424	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120191 SILVER RIDGE HOMES		106.43 ----- 106.43
046425	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120192 ELLIS, DORINE		8.71 ----- 8.71
046426	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120193 GARWOOD, DAVID		100.00 ----- 100.00
046427	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120194 LUCKEY, GALE R		2.84 ----- 2.84
046428	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120195 HILL, TROY		61.58 ----- 61.58
046429	8/13/2009	R 1	MISCELLANEOUS VENDOR I-000200908120196 MEAGHER, BRIAN		70.88 ----- 70.88
046430	8/13/2009	R 001630	AT&T MOBILITY I-829480028X08052009 COMMUNICATIONS - JULY 2009		490.03 ----- 490.03
046431	8/13/2009	R 001602	COACHELLA VALLEY PRINTING I-66494 OFFICE SUPPLIES		223.08 ----- 223.08

CASH ACCOUNT: 01 -11200

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
046432	8/13/2009	R	000058	GARDA CL WEST, INC.	
			I-148-300609	COURIER FEES - AUGUST 09	380.41
					-----
					380.41
046433	8/13/2009	R	003680	GARY J GIVEN	
			I-G0080509	08/05/09 BOARD MEETING	173.63
					-----
					173.63
046434	8/13/2009	R	004195	HOME DEPOT CREDIT SERVICES	
			I-HD080509	VALVE&HYDR SUP/SM TOOLS/BLDG	1,561.10
					-----
					1,561.10
046435	8/13/2009	R	005025	JERNIGAN'S SPORTING GOODS	
			I-22435	UNIFORMS	533.22
			I-22461	UNIFORMS	343.03
			I-22496	UNIFORMS	234.78
			I-22497	UNIFORMS	300.90
					-----
					1,411.93
046436	8/13/2009	R	006045	WILLIAM C. LONG	
			I-WL080509	08/05/09 BOARD MEETING	173.63
					-----
					173.63
046437	8/13/2009	R	000018	MICKEY C. LUCKMAN	
			I-ML080509	08/05/09 BOARD MEETING	173.63
					-----
					173.63
046438	8/13/2009	R	008300	POSTMASTER	
			I-PO081209	POSTAGE FOR WATER BILLING	3,000.00
					-----
					3,000.00
046439	8/13/2009	R	008405	PRECISION ASSEMBLY	
			I-13438	JULY WATER BILLING & PUBL INPO	1,636.79
					-----
					1,636.79
046440	8/13/2009	R	008415	PRUDENTIAL OVERALL SPLY.	
			I-0458582	SHOP EXPENSE	64.11
					-----
					64.11
046441	8/13/2009	R	000017	MICHAEL PAUL REYNOLDS	
			I-MR080509	08/05/09 BOARD MEETING	173.63
					-----
					173.63

CASH ACCOUNT: 01 -11200

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
046442	8/13/2009	R	009618	SAMS MARKET	
			I-SH080409	SHOP EXPENSE	2,169.98
					-----
					2,169.98
046443	8/13/2009	R	009912	TERRY SPURRIER	
			I-TS081109	MILEAGE REIMBURSEMENT	10.56
					-----
					10.56
046444	8/13/2009	R	009951	STEVE'S OFFICE SUPPLY	
			I-169219-0	OFFICE SUPPLIES	44.61
			I-169388-0	OFFICE SUPPLIES	57.52
					-----
					102.13
046445	8/13/2009	R	011615	WESTERN EXTERMINATOR CO.	
			I-WE073109A	EXTERMINATOR - JULY 09	29.50
			I-WE073109B	EXTERMINATOR - JULY 09	68.50
					-----
					98.00
046446	8/13/2009	R	011701	GARY WILSON	
			I-GW080509	08/05/09 BOARD MEETING	173.63
					-----
					173.63
046447	8/13/2009	R	1	MISCELLANEOUS VENDOR	
			I-000200908130197	BELL, CHRISTOPHER	100.00
					-----
					100.00
046448	8/21/2009	R	000507	ACWA HEALTH BENEFITS AUTHORITY	
			I-ACWA0909	HE HEALTH BENEFIT - SEPT 09	9,874.72
					-----
					9,874.72
046449	8/21/2009	R	001010	BARR LUMBER COMPANY, INC	
			I-9514404	SHOP EXPENSE	282.68
			I-9514507	PUMPING PLANT SUPPLIES	272.70
			I-9515124	PUMPING PLANT SUPPLIES	3.09
					-----
					558.47
046450	8/21/2009	R	001445	REFUJIO BOCANEGRA	
			I-JB081709	CONTRACT LABOR	5,000.00
					-----
					5,000.00
046451	8/21/2009	R	000048	DANIEL BOCK	

CHECK NO	CHECK DATE	STATUS	VENDOR INFO	CHECK AMOUNT
			I-DB081809      DOT MEDICAL EXAM-REIMB.	75.00
				-----
				75.00
046452	8/21/2009	R	001461      DEBORAH BOLLINGER	
			I-400            WATER CONSERV & GRANT PROJECT	2,475.00
			I-400a          AB1420 COMPLIANCE	25.00
				-----
				2,500.00
046453	8/21/2009	R	001528      CARPI & CLAY, INC	
			I-CC0709       LOBBYIST - JULY 09	3,500.00
				-----
				3,500.00
046454	8/21/2009	R	001530      CARQUEST/SOUTHERN AUTO SUPPLY	
			C-7340-258251    CREDIT: TRACTOR SUPPLIES	58.98CR
			I-7340-259940    WELDING TRAILER SUPPLIES	78.75
			I-7340-261916    VEHICLE REPAIR SUPPLIES	17.99
				-----
				37.76
046455	8/21/2009	R	001595      CHEM-TECH INTERNATIONAL, INC.	
			I-JEWD118        WATER TREATMENT EXPENSES	1,164.43
				-----
				1,164.43
046456	8/21/2009	R	001850      CLINICAL LAB OF S.B. INC	
			I-903135        SAMPLING	689.00
				-----
				689.00
046457	8/21/2009	R	002201      DEPARTMENT OF JUSTICE	
			I-750306        EE RECRUITING EXPENSE	102.00
				-----
				102.00
046458	8/21/2009	R	002525      JEFF DROZD	
			I-JD081409      MAPPING SYSTEM UPGRADES	1,012.00
				-----
				1,012.00
046459	8/21/2009	R	003680      GARY J GIVEN	
			I-GG081909      08/19/09 SPEC BOARD MEETING	173.63
				-----
				173.63
046460	8/21/2009	R	004152      HI-DESERT STAR	
			I-01544147      PUBLIC NOTICE- WASTEWATER FEE	169.74
				-----
				169.74



CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
046461	8/21/2009	R	000067	ICBG I-ICBG081909      BACKFLOW TRAINING	130.00 ----- 130.00
046462	8/21/2009	R	004720	INLAND WATER WORKS I-213116      INVENTORY/MAINLINE, MTR SUPPLY I-213567      METER REPAIR SUPPLIES I-213568      METER REPAIR SUPPLY	2,594.74 184.44 34.63 ----- 2,813.81
046463	8/21/2009	R	006029	LIEBERT CASSIDY WHITMORE I-106410      LEGAL SERVICES TROUGH 07/31/09	432.00 ----- 432.00
046464	8/21/2009	R	006045	WILLIAM C. LONG I-WL081909      08/19/09 SPEC BOARD MEETING	173.63 ----- 173.63
046465	8/21/2009	R	000018	MICKEY C. LUCKMAN I-ML081909      08/19/09 SPEC BOARD MEETING	173.63 ----- 173.63
046466	8/21/2009	R	006555	MESSNER & HADLEY, LLP I-1174      FINANCIAL AUDIT 08/09	15,000.00 ----- 15,000.00
046467	8/21/2009	R	006790	MOBILE MINI, LLC - CA I-941358893      23" RECORD STORAGE- SEP 09	227.74 ----- 227.74
046468	8/21/2009	R	007053	NEW LIBERTY ADMINISTRATION I-NL0809      CAFETERIA PLAN - AUG 09	666.33 ----- 666.33
046469	8/21/2009	R	008101	OCB REPROGRAPHICS I-5674787      REPRO - JBWD/CMC DEMO GARDEN	121.55 ----- 121.55
046470	8/21/2009	R	008137	PARKHOUSE TIRE INC I-2030061821      VEHICLE REPAIRS	23.50 ----- 23.50

CASH ACCOUNT: 01 -11200

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
046471	8/21/2009	R	008001	FERRIS FENCE & SUPPLY	
			I-26836	FENCING - D3-1 TANK	2,691.60
					-----
					2,691.60
046472	8/21/2009	R	000017	MICHAEL PAUL REYNOLDS	
			I-MR081909	08/19/09 SPEC BOARD MEETING	173.63
					-----
					173.63
046473	8/21/2009	R	009880	SO CALIFORNIA EDISON CO	
			I-ED0809	POWER FOR PUMPING - AUG 09	2,557.34
					-----
					2,557.34
046474	8/21/2009	R	009920	STANDARD INSURANCE CO	
			I-ST0809	EE LIFE INSURANCE- AUG 09	345.78
					-----
					345.78
046475	8/21/2009	R	000510	TIME WARNER CABLE	
			I-TW0809	CABLE SERVICE - AUG 09	58.03
					-----
					58.03
046476	8/21/2009	R	010850	UNDERGROUND SERVICE ALERT	
			I-720090316	TICKET DELIV SERVICE- JULY 09	42.00
					-----
					42.00
046477	8/21/2009	R	010900	USABUEBOOK	
			I-871463	PUMPING PLANT SUPPLIES	990.71
					-----
					990.71
046478	8/21/2009	R	010956	DOI-USGS	
			I-9-9677-09338	NITRATE STUDY	36,745.00
			I-9-9677-09339	MONITORING SITE & MICROBIOLOGY	1,284.00
					-----
					38,029.00
046479	8/21/2009	R	010990	UTI	
			I-126991-Q	CONTRACT LOCATING EXPENSE	25.87
			I-127521-Q	CONTRACT LOCATING EXPENSE	34.44
					-----
					60.31
046480	8/21/2009	R	003595	VERIZON CALIFORNIA	
			I-V0809	TELEPHONE (SHOP) - AUG 09	240.97
					-----
					240.97

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
046481	8/21/2009	R	000009	WESTERN PUMP, INC.	
			C-0078756-CM	CREDIT: TRAVEL LABOR	140.00CR
			I-0078756-IN	REPAIRS: VAPOR RECOVERY SYS	331.76
			I-0078826-IN	REPAIRS: GAS PUMP	374.28
					-----
					566.04
046482	8/21/2009	R	011701	GARY WILSON	
			I-GW081909	08/19/09 SPEC BOARD MEETING	173.63
					-----
					173.63
046483	8/28/2009	R	1	MISCELLANEOUS VENDOR	
			I-000200908250198	ALKIRE, GREGORY R	33.67
					-----
					33.67
046484	8/28/2009	R	1	MISCELLANEOUS VENDOR	
			I-000200908250199	ABEL, MERL R	83.67
					-----
					83.67
046485	8/28/2009	R	1	MISCELLANEOUS VENDOR	
			I-000200908250200	SLANEC, STEPHANIE	52.13
					-----
					52.13
046486	8/28/2009	R	1	MISCELLANEOUS VENDOR	
			I-000200908250201	BOZEMAN, JOHN	47.30
					-----
					47.30
046487	8/28/2009	R	1	MISCELLANEOUS VENDOR	
			I-000200908250202	BRITANNIA DEVELOPMENT COMPANY	74.22
					-----
					74.22
046488	8/28/2009	R	1	MISCELLANEOUS VENDOR	
			I-000200908250203	KURLANDER, KEITH M	53.11
					-----
					53.11
046489	8/28/2009	R	1	MISCELLANEOUS VENDOR	
			I-000200908250204	BACH, DANA	14.66
					-----
					14.66
046490	8/28/2009	R	1	MISCELLANEOUS VENDOR	
			I-000200908250205	ZELENZ, GEORGE	72.34
					-----
					72.34

CASH ACCOUNT: 01 -11200

CHECK NO	CHECK DATE	STATUS	VENDOR INFO	CHECK AMOUNT
046491	8/28/2009	R 1	MISCELLANEOUS VENDOR I-000200908250206 PINKERTON, TINA M	89.08 ----- 89.08
046492	8/28/2009	R 1	MISCELLANEOUS VENDOR I-000200908250207 RODRIGUEZ, MATTHEW R	44.74 ----- 44.74
046493	8/28/2009	R 1	MISCELLANEOUS VENDOR I-000200908250208 KIEFFER, JIM	74.60 ----- 74.60
046494	8/28/2009	R 1	MISCELLANEOUS VENDOR I-000200908250209 SPRAUER, EMILY	23.30 ----- 23.30
046495	8/28/2009	R 1	MISCELLANEOUS VENDOR I-000200908250210 CHEUNG, JODY RAE	95.27 ----- 95.27
046496	8/28/2009	R 1	MISCELLANEOUS VENDOR I-000200908250211 BEAMER, CARL	31.55 ----- 31.55
046497	8/28/2009	R 1	MISCELLANEOUS VENDOR I-000200908250212 NGUYEN, HANG	52.68 ----- 52.68
046498	8/28/2009	R 1	MISCELLANEOUS VENDOR I-000200908250213 ANDERSEN, DEBORAH	63.90 ----- 63.90
046499	8/28/2009	R 000654	ALLIANCE FOR WATER AWARENESS I-AWAC082509 MEMBER CONTR - 09/10	2,000.00 ----- 2,000.00
046500	8/28/2009	R 001540	F.C. COMPTON DBA C & S I-13211 PUMPING PLANT SUPPLIES I-13232 PUMPING PLANT SUPPLIES	13.55 48.22 ----- 61.77

CASH ACCOUNT: 01 -11200

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
046501	8/28/2009	R	005621	KENNY STRICKLAND, INC	
			I-249185	FUEL FOR VEHICLES	3,418.12
					-----
					3,418.12
046502	8/28/2009	R	000069	LIONEL GOODROW	
			I-2610	A/C SERVICE - 4 UNITS	1,029.00
					-----
					1,029.00
046503	8/28/2009	R	000017	MICHAEL PAUL REYNOLDS	
			I-MR061909	06/17-06/19 SDBMI - DIR FEE	520.89
			I-MR061909REIMB	06/17-06/19 SDBMI-MILEAGE REIM	502.70
			I-MR082009	08/20/09 S.B. WATER CONF.	173.63
			I-MR082009REIMB	08/20/09 SB WATER CONF-MILES	103.40
					-----
					1,300.62
046504	8/28/2009	R	009920	STANDARD INSURANCE CO	
			I-ST0909	EE LIFE INSURANCE - SEPT 09	345.78
					-----
					345.78
046505	8/28/2009	R	003600	VERIZON CALIFORNIA	
			I-V0809	TELEPHONE (OFFICE) - AUG 09	643.89
					-----
					643.89
046506	8/28/2009	R	000068	WILLIAM CLARK	
			I-WC082609	WINDSHIELD REPLACEMENT	285.00
					-----
					285.00
*900025	8/10/2009	D	001517	CalPERS	
			I-PFE 7-31-09	PAY PERIOD ENDING 7/31/09	7,891.42
					-----
					7,891.42
900026	8/10/2009	D	004800	INTERNAL REVENUE SERVICE	
			I-PD 08/07/09	FRD W/R, SOC SEC, MEDICARE	14,888.59
					-----
					14,888.59
900027	8/10/2009	D	002822	EMPLOYMENT DEVELOPMENT	
			I-PD 08/07/09	STATE & SDI W/R	2,721.66
					-----
					2,721.66
900028	8/24/2009	D	001517	CalPERS	
			I-PFE 0 8-14-09	PAY PERIOD ENDING 08-14-09	8,699.70
					-----
					8,699.70

CASH ACCOUNT: 01 -11200

CHECK NO	CHECK DATE	STATUS	VENDOR INFO	CHECK AMOUNT
900029	8/24/2009	D	004800 INTERNAL REVENUE SERVICE I-PD 08/21/09 FED W/H, SOC SEC, MEDICARE	12,450.70 ----- 12,450.70
900030	8/24/2009	D	002822 EMPLOYMENT DEVELOPMENT I-PD 08/21/09 STATE & SDI W/H	2,161.41 ----- 2,161.41
TOTALS:	111			163,079.13

\*\*\* TOTALS \*\*\*

	NO	CHECK AMOUNT	DISCOUNTS	TOTAL APPLIED
REGULAR CHECKS:	105	114,265.65	0.00	114,265.65
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	6	48,813.48	0.00	48,813.48
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
		VOID DEBITS	VOID DISCOUNTS	VOID CREDITS
VOID CHECKS:	0	0.00	0.00	0.00

TOTAL ERRORS: 0

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SELECTION CRITERIA  
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ACCOUNT: 01 -11200  
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CHECK SELECTION

CHECK RANGE: 000000 THRU 999999

DATE RANGE: 8/01/2009 THRU 8/31/2009

CHECK AMOUNT RANGE: 0.00 THRU 9,999,999.99  
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PRINT OPTIONS

DETAIL: Vendor Info  
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JOSHUA BASIN WATER DISTRICT  
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

October 21, 2009

Report to: President and Members of the Board  
From: Joe Guzzetta, General Manager



TOPIC: ESCROW AGREEMENT FOR PURCHASE OF PROPERTY FOR  
GROUNDWATER PONDS

RECOMMENDATION: That the Board authorize the Board President to sign the attached Purchase and Sales Agreement and Joint Escrow Instructions, and authorize the General Manager to execute other documents as necessary to acquire approximately 30 acres generally east of Sunburst and north of Highway 62 for the Groundwater Recharge Ponds at a cost not to exceed \$195,000 plus escrow expenses.

ANALYSIS: The attached agreements provide for Joshua Basin Water District (JBWD) to acquire 32.5 acres of property for the groundwater recharge ponds at a cost of \$195,000. The property value was determined by JBWD's appraiser. The location was subject to an Environmental Impact Report certified by the Board on September 23, 2009.

The agreement authorizes JBWD to install a test well to be completed by the United States Geological Survey (USGS) to assure that the site is viable and suitable for a recharge project. USGS has completed surface tests that indicated suitability. If, after completing the well test, JBWD determines that the site is not suitable, this agreement will be terminated.

During the interim, JBWD will pay non-refundable \$1,000 per month until the JBWD determines that the site is unsuitable or completes the purchase transaction. If JBWD purchases the site the \$1,000 will be applicable to the purchase price.

The agreement and instructions were prepared by JBWD's land acquisition consultants, CE Prime, and by Redwine & Sherrill, Attorneys.

Approval of the agreement will allow JBWD to proceed with the groundwater recharge project.

## PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

**THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS** (this "Agreement") is entered into as of \_\_\_\_\_, 2009 ("Effective Date") for identification purposes only, by and between **TREVOR FINCH and JENNIFER THACHER, husband and wife, PATRICIA G. BROWN, Trustee of the Brown Family Trust UTD \_\_\_\_\_ and ROBERT M. THACHER, Trustee of the Thacher Family Trust UTD \_\_\_\_\_** (collectively, "Seller") and **JOSHUA BASIN WATER DISTRICT, a public agency of the State of California** ("Purchaser").

### RECITALS:

A. Seller is the owner of that certain real property located in the County of San Bernardino, State of California, more particularly described on **Exhibit "A"** attached hereto and incorporated herein by this reference (the "**Property**").

B. Purchaser desires to acquire and Seller desires to sell the Property for the consideration and on the terms and conditions set forth in this Agreement.

**NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:**

#### **1. DESCRIPTION OF THE PROPERTY**

Seller hereby agrees to sell, assign and convey to Purchaser, and Purchaser hereby agrees to purchase from Seller, all of Seller's right, title and interest in and to the Property.

#### **2. PURCHASE PRICE**

(a) The purchase price for the Property is One Hundred Ninety-Five Thousand Dollars (\$195,000.00) (the "**Purchase Price**"). The Purchase Price shall be paid in cash to Seller by Purchaser on or before the Closing in accordance with the provisions and requirements of this Agreement.

(b) The parties shall open escrow ("**Escrow**") with Lawyers Title Insurance Corporation ("**Escrow Company**") for the purpose of consummating this Agreement.

3. **TITLE**

(a) Attached hereto as **Exhibit "B"** and by this reference incorporated herein is a preliminary report ("**PTR**") pertaining to the Property prepared by Lawyers Title Insurance Corporation ("**Title Company**") dated as of August 10, 2009 and referenced as Order No. 11707567.

(b) Purchaser shall take title subject to all exceptions shown in the PTR except for exceptions B, 5, 6, 7 and [9] which exceptions must be removed as of the Close of Escrow (as hereinafter defined) ("**Permitted Exceptions**").

(c) Except as set forth in the PTR, no liens and encumbrances shall be recorded against the Property without the prior written consent of the Purchaser, which consent may be withheld in the Purchaser's sole and absolute discretion.

(d) Upon the issuance of any amendment or supplement to the PTR which has additional exceptions not shown on the original PTR, Purchaser shall have ten (10) days after receipt thereof to approve or disapprove of the exceptions not shown in the original PTR. Nothing herein shall excuse Seller from complying with the terms of subsection (c) above. Notwithstanding the foregoing, exceptions that evidence the obligation to pay money are automatically disapproved and shall be removed as of the Close of Escrow. As to these items disapproved by Purchaser, Seller shall use its best efforts to remove and/or cure the same. Seller shall notify Purchaser in writing of any disapproved title exceptions which Seller cannot remedy or insure against prior to the Closing (as defined herein), and Purchaser shall then, within five (5) business days thereafter elect, by giving written notice to Seller and Escrow Company, (i) to terminate this Agreement, or (ii) to waive its disapproval of such exceptions, in which case such exceptions shall then be deemed to be Permitted Exceptions. In the event Purchaser elects to terminate this Agreement, both parties shall be relieved from any liabilities and/or obligations under this Agreement.

4. **REPRESENTATIONS**

Seller makes the following representations to Purchaser, all of which shall be true as of the date hereof and as of the Close of Escrow and which shall survive the Close of Escrow and delivery of the Grant Deed (as defined herein):

(a) The Brown Family Trust UTD \_\_\_\_\_ and The Thacher Family Trust UTD \_\_\_\_\_ are duly organized and validly existing as trusts under the laws of the State of California.

(b) Seller has the full legal power, right and authority to: (i) enter into and sign this Agreement and the instruments and documents referred to herein; (ii) consummate the transaction contemplated hereby; and (iii) perform its obligations hereunder.

(c) Seller is and shall be at the Close of Escrow, the owner in fee simple of the Property.

(d) At the Closing, and except as otherwise expressly set forth herein, there will be no agreements (whether oral or written) affecting or relating to the right of any party regarding the Property (or possession thereof), or any portion thereof, which are obligations which will affect the Property, or any portion thereof, subsequent to the recordation of the Grant Deed except for the Permitted Exceptions.

(e) To the best of Seller's knowledge, the Property is not in violation of any federal, state or local law, ordinance or regulation relating to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater. Neither Seller, nor to Seller's knowledge, any third party, has used, generated, produced, stored or disposed of hazardous materials, hazardous substances or hazardous waste (as defined under federal, state or local law), in, on, under or across the Property.

(f) Seller has not received a notice of any violations of city, county, state, federal, building, zoning, fire, health codes or ordinances or other governmental laws or regulations pertaining to the Property.

(g) All requisite action has been taken by Purchaser and all requisite consents have been obtained in connection with entering into this Agreement and the instruments and documents referenced herein to which Seller is a party.

## 5. INSPECTION

(a) Purchaser and its agents and representatives shall have an irrevocable right, through the Close of Escrow, to enter onto the Property to (i) perform inspections and tests of the Property and (ii) construct and install a well including all necessary appurtenances thereto ("Well") on that portion of the Property as shall be determined by Purchaser in its sole and absolute discretion. Seller hereby acknowledges that Purchaser has fully informed Seller regarding the size, scope and nature of the Well. The purpose of the Well is for the Purchaser to make a determination, in the Purchaser's sole and absolute discretion, whether the Property is hydro-geologically viable ("Viable") for the Purchaser's intended use. In the event that the Purchaser determines that the Property is not Viable, Purchaser shall: (i) provide Seller with written notice of the same; (ii) remove or cause to be removed all of Purchaser's personal property therefrom; and (iii) plug the Well in accordance with Purchaser's standards.

(b) In consideration of the Purchaser's right to drill the Well on the Property, and plug and leave the Well in place in the event Purchaser should determine that the Property is not Viable, Purchaser shall pay to Seller One Thousand Dollars (\$1,000.00) per month ("Monthly Payment") beginning on the Effective Date and ending as provided herein. Purchaser shall deposit the Monthly Payment with the Escrow Company on or about the first

(1<sup>st</sup>) day of each calendar month. Upon the deposit of a Monthly Payment by Purchaser, such Monthly Deposit shall be nonrefundable to Purchaser. Upon receipt of the Monthly Payment, Escrow Company shall release such amount to Seller.

In the event that Purchaser acquires the Property, all of the Monthly Payments pursuant to this Section 5 shall be applicable to the Purchase Price. If Escrow Company has not received a Monthly Payment by the first (1<sup>st</sup>) day of each month, Escrow Company shall give Purchaser written notice of the same. Purchaser shall have five (5) business days after receipt of the written notice from Escrow Company to deposit the Monthly Payment.

(c) The obligation of Purchaser to make the Monthly Payment shall terminate (i) upon written notice by Purchaser to Seller that the Property is Viable, (ii) upon written notice by Purchaser to Seller that the Property is not Viable, or (iii) as hereinafter set forth. In the event that a Monthly Payment is not paid as provided herein, this Agreement shall terminate and Purchaser shall immediately enter the Property to remove all personal property therefrom and plug the Well. The obligation to make the Monthly Payment terminates upon the date that such payment is not paid as provided herein.

(d) Purchaser agrees to keep the Property free from all liens and to indemnify, defend and hold harmless Seller from all loss, casualty, damage, cost and fees incurred, suffered by, or claimed against injury to persons caused by Purchaser and/or its agents, employees or contractors in exercising its rights above. This indemnity shall survive the Closing or any termination of this Agreement.

## 6. COVENANTS

Seller hereby covenants with Purchaser as follows:

(a) Upon the Closing, the Property shall be in clean condition, free of all trash, rubbish and debris.

(b) Seller agrees that it will not, prior to Closing, permit any alteration, modification or addition to the Property, except for insubstantial and immaterial changes.

## 7. CONDITIONS

(a) Precedent to Closing The following shall be conditions precedent to Purchaser's obligation to consummate the purchase and sale transaction contemplated herein:

(i) Purchaser shall not have terminated this Agreement in accordance with the terms of this Agreement.

(ii) Title Company shall stand ready to issue, at the Closing, an ALTA Standard Owners Policy of Title Insurance (the "Title Policy") together

with endorsements reasonably requested by Purchaser, with liability equal to the Purchase Price, subject only to (A) the Permitted Exceptions; (B) the standard printed exceptions and conditions in the Title Policy; and (C) the general and special taxes and assessments not then delinquent and a lien, if any, for current real property taxes for the fiscal year in effect at the time of the Closing.

(iii) Seller shall have delivered to the Escrow Company the items described in Section 8.

(iv) Approval and ratification of the terms of this Agreement by the board of directors of the Purchaser (“**Board**”). In the event the Board fails to approve or ratify this Agreement for any reason whatsoever, this Agreement shall become null and void.

(v) Certification of the environmental impact report in accordance with federal and state law for the project for which Purchaser intends to use the Property, including the running of all statutes of limitation for the challenging of such certification;

(vi) Certification that the Property is Viable for the Purchaser’s intended use as more particularly described in Section 5 of this Agreement.

The conditions set forth in this Section are solely for the benefit of Purchaser and may be waived only by Purchaser. Purchaser shall, at all times prior to the termination of this Agreement, have the right to waive any of these conditions; provided that such waiver is in writing. In the event that the conditions are not satisfied or waived by the Purchaser, both parties shall be released from any liabilities or obligations under this Agreement.

(b) The following shall be conditions precedent to Seller's obligation to consummate the purchase and sale transaction contemplated herein:

(i) Purchaser shall not have terminated the Agreement in accordance with the terms of this Agreement.

(ii) Purchaser shall have delivered to Escrow Company, prior to the Closing, for disbursement as directed hereunder, all cash or other immediately available funds due from Purchaser in accordance with this Agreement.

(iii) Purchaser shall have delivered to Escrow Company the items described in Section 9.

The conditions set forth in this Section are solely for the benefit of Seller and may be waived only by Seller. Seller shall, at all times prior to the termination of this

Agreement, have the right to waive any of these conditions; provided that such waiver is in writing. In the event that the conditions are not satisfied or waived by the Seller both parties shall be released from any liabilities or obligations under this Agreement.

**8. SELLER'S CLOSING DELIVERIES**

At least one (1) business day prior to the Closing, Seller shall deliver or cause to be delivered to Purchaser or Escrow Company the following:

(a) A deed in the form and content as set forth in Exhibit "C" attached hereto and by this reference incorporated herein (the "Grant Deed").

(b) An affidavit certifying that Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986 (the "Certificate of Non-Foreign Status").

(c) A properly executed California form 590 or other evidence sufficient to establish that Purchaser is not required to withhold any portion of the Purchase Price pursuant to the California Revenue and Taxation Code.

(d) Any other documents, instruments or agreements reasonably necessary to effectuate the transaction contemplated by this Agreement.

**9. PURCHASER'S CLOSING DELIVERIES**

At least one (1) business day prior to the Closing, Purchaser shall deliver to Seller or Escrow Company:

(a) The Purchase Price, together with such other sums as Escrow Company shall require to pay Purchaser's share of the closing costs, prorations and adjustments set forth herein, in immediately available funds.

(b) Any other documents, instruments or agreements reasonably necessary to effectuate the transaction as contemplated by this Agreement.

**10. PRORATIONS AND ADJUSTMENTS.**

Escrow Company is authorized and instructed to comply with the following tax proration procedures:

(a) Pay and charge Seller for any unpaid delinquent taxes and/or penalties and interest thereon and for any delinquent or non-delinquent assessments or bonds against the Property.

(b) Pay and charge Seller for that portion of the current taxes and any penalties and costs that are allocable during Seller's ownership of the Property.

Escrow Company shall prorate real property taxes and assessments on the Property as of the Close of Escrow for the current fiscal year based on the most current official real property tax information available from the County Assessor's office where the Property is located or other assessing authorities. If real property tax and assessment figures for the current fiscal year are not available, real property taxes shall be prorated based on real property taxes for the previous year. Purchaser is a public agency and generally not liable for real property taxes for its period of ownership of the Property.

**11. CLOSING**

The purchase and sale contemplated herein shall close (the "Closing" or "Close of Escrow") thirty (30) days after the satisfaction of the contingencies in Section 7(a).

**12. CLOSING COSTS**

Purchaser shall pay: (a) the documentary transfer tax due, if any in connection with the consummation of this transaction, (b) the cost of the fee for recording the Grant Deed, (c) the premium for the Title Policy equal to the amount of an ALTA standard coverage owner's policy and (d) one hundred percent (100%) of all other escrow and closing costs.

**13. BROKER'S COMMISSION**

Purchaser represents and warrants to Seller that there is no broker and no brokerage commission, finder's fee or other compensation due or payable with respect to the transaction contemplated hereby. Seller represents and warrants to Purchaser that he/she/it has not entered into any agreement under which a brokerage commission, finder's fee or other compensation would be due or payable with respect to the transaction contemplated hereby. Each party hereby agrees to indemnify, defend, and hold the other harmless from and against any losses, damages, costs and expenses (including, but not limited to, attorneys' fees and costs) incurred by such party by reason of any breach or inaccuracy of the representations and warranties contained in this Section 13. The provisions of Section 13 shall survive the Closing.

**14. ESCROW**

(a) Within two (2) days after their respective execution of this Agreement, Purchaser and Seller each shall deposit a counterpart original of this Agreement executed by such party (or either of them shall deposit a counterpart executed by both Purchaser and Seller) with Escrow Company. This Agreement, together with such further instructions, if any, as the parties shall provide to Escrow Company by written agreement, shall constitute the escrow instructions. If any requirements relating to the duties or obligations of Escrow Company hereunder are not acceptable to Escrow Company, or if Escrow Company requires additional



instructions, the parties hereto agree to make such deletions, substitutions and additions hereto as counsel for Purchaser and Seller shall mutually approve, which additional instructions shall not substantially alter the terms of this Agreement unless otherwise expressly provided therein.

(b) Seller shall make its deposits into escrow in accordance with Section 8. Purchaser shall make its deposits into escrow in accordance with Section 9. Escrow Company is hereby authorized to close the escrow only if and when: (i) Escrow Company has received all items to be delivered by Seller and Purchaser pursuant to Sections 8 and 9; and (ii) Title Company can and will issue the Title Policy concurrently with the Closing.

(c) Provided that Escrow Company shall not have received written notice in a timely manner from Purchaser or Seller of the failure of any condition to the Closing or of the termination of the escrow, and if and when Purchaser and Seller have deposited into the escrow the matters required by this Agreement and Title Company can and will issue the Title Policy concurrently with the Closing, Escrow Company shall:

(i) Deliver to Purchaser: (A) the Grant Deed by causing it to be recorded in the Official Records of the Office of the County Recorder of San Bernardino County, California; and immediately upon recording, delivering to Purchaser a conformed copy of the Grant Deed; (B) California form 590; (C) the Certificate of Non-Foreign Status; (D) any funds deposited by Purchaser, and any interest earned thereon, in excess of the amount required to be paid by Purchaser hereunder; and (E) the Title Policy issued by Title Company to Purchaser.

(ii) Deliver to Seller: the Purchase Price, after satisfying the prorations and adjustments to be paid by Seller.

(d) Escrow Company is hereby designated the "real estate reporting person" for purposes of Section 6045 of Title 26 of the United States Code and Treasury Regulation 1.6045-4 and any instructions or settlement statement prepared by Escrow Company shall so provide. Upon the consummation of the transaction contemplated by this Agreement, Escrow Company shall file Form 1099 information return and send the statement to Seller as required under the aforementioned statute and regulation.

(e) Each individual and entity executing this Agreement hereby represents and warrants that he/she/it has the capacity set forth on the signature pages hereof with full power and authority to bind the party on whose behalf he or it is executing this Agreement to the terms hereof.

(f) This Agreement is the entire Agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, whether oral or written, between the parties with respect to the matters contained in this Agreement. Any waiver, modification, consent or acquiescence with respect to any provision of this Agreement shall be set forth in writing and duly executed by or in behalf of the party to be

bound thereby. No waiver by any party of any breach hereunder shall be deemed a waiver of any other or subsequent breach.

(g) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signatures(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this Agreement attached thereto.

(h) Time is of the essence in the performance of and compliance with each of the provisions and conditions of this Agreement.

(i) Any communication, notice or demand of any kind whatsoever which either party may be required or may desire to give to or serve upon the other shall be in writing and delivered by personal service (including express or courier service), by electronic communication, whether by telex, telegram or telecopying (if confirmed in writing sent by registered or certified mail, postage prepaid, return receipt requested), or by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

Seller: JENNIFER A. THACHER, et al  
7144 Airway Avenue  
Yucca Valley CA 92284  
Telephone: (760) 365-1100  
Facsimile: (760) 365-7113

Purchaser: JOSHUA BASIN WATER DISTRICT  
P O Box 675  
61750 Chollita Rd  
Joshua Tree CA 92252  
Attn: Joe Guzzetta, General Manager  
Telephone: 760-366-84381  
Facsimile: 760-366-9528

Copy to: Dana Abney  
CE Prime, Inc.  
10597 Double R Blvd  
Reno NV 89521  
Telephone: (775) 335-9009  
Facsimile: (775) 996-1761

Escrow Company: LAWYERS TITLE INSURANCE CORPORATION  
4100 Newport Place Dr Ste 120  
Newport Beach CA 92660  
Attention: Kristi Dunne  
Telephone: (619) 709-1482  
Facsimile: (714) 844-9127

Any party may change its address for notice by written notice given to the other in the manner provided in this Section. Any such communication, notice or demand shall be deemed to have been duly given or served on the date personally served, if by personal service, one (1) day after the date of confirmed dispatch, if by electronic communication, or three (3) days after being placed in the U.S. mail, if mailed.

(j) The parties agree to execute such instructions to Escrow Company and such other instruments and to do such further acts as may be reasonably necessary to carry out the provisions of this Agreement.

(k) Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law; but, if any provision of this Agreement shall be invalid or prohibited thereunder, such invalidity or prohibition shall be construed as if such invalid or prohibited provision had not been inserted herein and shall not affect the remainder of such provision or the remaining provisions of this Agreement.

(l) The language in all parts of this Agreement shall be in all cases construed simply according to its fair meaning and not strictly for or against any of the parties hereto. Section headings of this Agreement are solely for convenience of reference and shall not govern the interpretation of any of the provisions of this Agreement. References to "Sections" are to Sections of this Agreement, unless otherwise specifically provided.

(m) This Agreement shall be governed by and construed in accordance with the laws of the State of California.

(n) If any action is brought by either party against the other party, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such action. For purposes of this Agreement, the term "**attorneys' fees**" or "**attorneys' fees and costs**" shall mean the fees and expenses of counsel to the parties hereto, which may include printing, photostating, duplicating and other expenses, air freight charges, and fees billed for law clerks, paralegals and other persons not admitted to the bar but performing services under the supervision of an attorney.

(o) Notwithstanding anything to the contrary contained herein, this Agreement shall not be deemed or construed to make the parties hereto partners or joint venturers, or to render either party liable for any of the debts or obligations of the other, it being

the intention of the parties to merely create the relationship of Seller and Purchaser with respect to the Property to be conveyed as contemplated hereby.

(p) This Agreement shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties hereto.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

**PURCHASER:**

JOSHUA BASIN WATER DISTRICT  
a public agency of the State of California

By \_\_\_\_\_

Its \_\_\_\_\_

**SELLER:**

\_\_\_\_\_  
Trevor Finch

\_\_\_\_\_  
Jennifer Thacher

Brown Family Trust UTD \_\_\_\_\_

By \_\_\_\_\_  
Patricia G. Brown, Trustee

Thacher Family Trust UTD \_\_\_\_\_

By \_\_\_\_\_  
Robert M. Thacher, Trustee

**EXHIBIT LIST**

EXHIBIT "A"	DESCRIPTION OF LAND
EXHIBIT "B"	PRELIMINARY REPORT
EXHIBIT "C"	GRANT DEED

**EXHIBIT "A"**

**TO**

**PURCHASE AND SALE AGREEMENT  
AND JOINT ESCROW INSTRUCTIONS**

**LEGAL DESCRIPTION OF PROPERTY**

All that certain real property situated in the County of San Bernardino, State of California, described as follows:

A portion of the Northeast  $\frac{1}{4}$  of the Southeast  $\frac{1}{4}$  of Section 25, Township 1 North, Range 6 East, in the County of San Bernardino, State of California, lying Southerly of Parcel "A" and Northwesterly of Parcel "B", as described in Deed to San Bernardino County Flood Control District, recorded December 28, 1978 in Book 9589, Page(s) 893 of Official Records.

APN: 0603-191-41-0-000

**EXHIBIT "B"**

**TO**

**PURCHASE AND SALE AGREEMENT  
AND JOINT ESCROW INSTRUCTIONS**

**PRELIMINARY REPORT**

JOSHUA BASIN WATER DISTRICT  
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

October 21, 2009

Report to: President and Members of the Board  
From: Board Ad Hoc Public Information Committee (President Given and Board Member Luckman)

TOPIC: TEMPORARY PUBLIC INFORMATION SERVICES

RECOMMENDATION: That the Board authorize staff to solicit local proposals for public information services for six months at a cost estimate of \$25,000.

ANALYSIS: The Board Ad Hoc Public Information Committee, together with staff, have proposed that the District solicit public information services from local providers who are familiar with the Morongo Basin, if not Joshua Basin Water District specific issues.

The purpose of a temporary program would be to help develop a program and determine if there is a need for an on-going program, and what that program should consist of.

Specifically, during the six months the following activities should be addressed:

- Develop program requirements
- Coordinate AWAC (Alliance for Water Awareness and Conservation) radio and newspaper conservation messages with JBWD messages to take advantage of AWAC funds that are available.
- Organize special events such as a District tour, Demonstration Garden dedication, Chamber of Commerce mixers, etc.
- Coordinate with TMG for messages concerning the ground water recharge project when that is funded.
- Consider other ways to inform the public about water issues such as identifying videos of interest that could be run before the Board meetings (e.g. Huell Howser Water Series), and advertising landscape workshops.

Some of these items will take time to develop, but will take much less time to continue once they are established.



Public information has been an important Board goal. The Committee is looking for local talent that can provide services within the cost that is typical for the High Desert, rather than Public Information firms that bill at a much higher rate.

It is proposed that the District advertise locally for this service with the Board to approve an agreement for services with the best proposal submitted. The Ad Hoc Public Information Committee and staff will participate in selecting a contractor.

JOSHUA BASIN WATER DISTRICT  
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

October 21, 2009

Report to: President and Members of the Board  
From: Joe Guzzetta, General Manager



TOPIC: CERTIFICATION OF URBAN WATER MANAGEMENT PLAN BY  
STATE DEPARTMENT OF WATER RESOURCES

RECOMMENDATION: That the Board accept this for information.

ANALYSIS: The Department of Water Resources DWR has sent the  
attached letter advising that the Joshua Basin Urban Water  
Management Plan has been approved.

The approved plan provides much more emphasis on water  
conservation efforts based on the State's new focus on water  
issues.

The approved plan should provide the framework for the 2010  
Urban Water Management Plan that will be prepared next  
year.

Staff intends to issue a Request for Proposal for the 2010 Plan  
within the next few weeks to begin preparation of the new  
Plan.

**DEPARTMENT OF WATER RESOURCES**

1416 NINTH STREET, P.O. BOX 942836  
SACRAMENTO, CA 94236-0001  
(916) 653-5791



07 October 2009

Mr. Joe Guzzetta  
General Manager  
Joshua Basin Water District  
61750 Chollita Road  
Joshua Tree, CA 92252



Dear Mr. Guzzetta:

The Department of Water Resources (DWR) has reviewed the Joshua Basin Water District's 2005 Urban Water Management Plan (Plan) submitted on 03 January, 2006 in accordance with the Urban Water Management Planning Act. Based on our review, your plan is complete. DWR's review is attached.

The Joshua Basin Water District can amend its 2005 Plan at any time. Urban water suppliers that make significant additions or changes to their plan should adopt these additions or changes in compliance with the Act's requirements. We suggest consulting with legal counsel if there are questions. If you submit an amended or updated urban water management plan to DWR, we request that you submit three hard copies, one electronic copy, and proof of adoption to:

Mr. David Todd  
Office of Water Use Efficiency & Transfers  
Department of Water Resources  
Post Office Box 942836  
Sacramento, California 94236-0001

If you have questions about our review of your Plan, the changes to the Act, or amending or updating your Plan, you may contact me at (916) 651-7027 or by email at [dtodd@water.ca.gov](mailto:dtodd@water.ca.gov) for further assistance.

Sincerely,

A handwritten signature in cursive that reads "David Todd".

David Todd, Chief  
Technical Assistance and  
Outreach Branch

Enclosure

cc: Sergio Fierro  
DWR Southern District Office

JOSHUA BASIN WATER DISTRICT  
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

October 21, 2009

To: President and Board of Directors  
From: Susan Greer 

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TOPIC: Report on Proposition 1A Borrowing by State of California

RECOMMENDATION: That the Board decline to participate in the Prop. 1A Loan Securitization Program.

ANALYSIS: Proposition 1A, approved in 2004, allows the State of California to borrow up to 8% of total local property tax revenues during a Governor-declared fiscal emergency. The Governor formally declared the fiscal emergency in July and legislators set about closing the \$60Billion budget deficit.

Ultimately, Proposition 1A was invoked and the State intends to borrow 8% of city, county and special district property tax revenues. That equates to approximately \$36,000 for Joshua Basin Water District in the current budget year. The State will pay 2% interest and must repay within three years. The State budget also provides the opportunity to receive the money being borrowed by the State up front through a financing offered by California Communities, a joint powers authority. Over 1,100 local agencies have already enrolled in the program. The State will pay all costs associated with the financing and repay the bondholders, including interest costs. The amount paid up front to the local agencies will be 100% of the property tax reduction. The only costs associated with participation in the program will be internal personnel costs plus legal fees.

Enrollment in the program would require the District to execute multiple documents including a 28-page agreement, resolution and certification by counsel. The cost of participation in the program likely exceeds the benefit to be derived. The \$36,000 will neither make nor break us in the three years and the District is currently earning less than 1% interest at LAIF.

Interest earnings from the State if we wait 3 years to be repaid are approximately \$2,200. If the District participated in the program and invested the tax proceeds at LAIF, we estimate earnings at approximately \$1,500. When we add the legal costs associated with participation in the program, we will earn quite a bit more by waiting and it will cause no hardship to the District.

## ***Project Priority List***

### ***PROJECTS NEARING COMPLETION***

**Miscellaneous Pipeline Replacement Project: Juniper north of Hwy 62, Veterans Way and Center St. between Chollita Rd. and Commercial St., easement behind Hwy 62 (south side) between El Reposo Circle and Sunset Rd., easement behind Hwy 62 (south side) Conejo Ave. and Outpost Rd; Torres Ave., Division St., San Angelo Way; Sunflower Rd., Sun Mesa Rd. between Sunever Ave. and Sun Kist Rd.**

Project is ready to go to bid, awaiting possible grant funds.

**Conservation Landscape Demonstration Garden & Residential Landscape Designs**

Construction is underway.

**Review of Community Service District (CSD)**

The Board referred to the Citizens Advisory Committee consideration of the impacts of a CSD on Joshua Basin Water District. Committee recommendations were presented at the July 18<sup>th</sup> 2007 Board meeting and continued to a later date.

**Conduct Fee Study** (Susan)

Water rates, capacity and inter-agency fee studies have been completed. Miscellaneous fees are being developed, based upon resources used – staff, vehicle, equipment, etc.

**Well #16** (Joe Bocanegra)

Contractor is scheduled to begin installation of equipment at Well #16 in two to three weeks.

**Personnel Policy Manual** (Joe Guzzetta)

Completed and under review by the labor counsel.

**Landscape Ordinance** (Joe Guzzetta)

AWAC will draft a new model ordinance to comply with new state legislation AB 8118

### ***PROJECTS UNDERWAY***

**Develop Public Outreach Program**

The Ad Hoc committee met July 16. Public information for the Groundwater Recharge Project and the Water and Land Use Forum are underway.

**Land Use/Water Policy Forum** (Joe Guzzetta)

Staff and Ad Hoc Public Information committee met with Water Resources Institute to continue planning for a forum. Agreement with CSUSB was approved at March 18<sup>th</sup> Board meeting. Planning for forum is ongoing.

**Record Archival System** (Susan)

Staff had second presentation.

**Recharge Site Evaluation/USGS Study**

The Draft EIR has been circulated for comments and consultants are preparing responses to comments.

**C-2 Tank Relocation** (Joe Bocanegra)

Ready to go to bid pending funding. A USDA Grant Pre-Application has been submitted for this project.

## ***PROJECTS NOT BEGUN***

**Final Phase of 4” Pipe Replacement** (Joe Guzzetta, Joe Bocanegra, Keith Faul)  
Staff met to more clearly define needed replacements. A USDA Grant pre-application has been submitted.

**Develop/Update Board Policies and Procedures** (Susan Greer)

**Emergency Preparedness/Response Exercises**

**Update 3030 Plan** (Joe Guzzetta)

Staff intends to solicit proposals for this project.

**Equipment Carport at Shop** (Joe Bocanegra)

Needs are being evaluated.

**Election to Charge Private Wells for Replacement Water**

Attorney is reviewing election options.

## ***PROJECTS COMPLETED***

- **Implement “Best Management Practices” of the California Urban Water Conservation Council** (Terry Spurrier)  
Completed.

**Complete Wastewater Treatment Strategy and Implementation Mechanisms** (Joe Guzzetta, Susan Greer, Joe Bocanegra)

The Board adopted the Wastewater Strategy at the July 15<sup>th</sup>, 2009 meeting.

**Package Treatment Plant Policy Regarding Construction and Maintenance**

Complete with Board’s adoption of the Wastewater Treatment Strategy

**Site Security and Telemetry System Upgrades:**

Enhancements to security including motion sensors and intrusion alarms: complete.

**Tank Recoating** (Joe Bocanegra)

Completed and has been put into routine maintenance program.

**Replace Accounting Mainframe** (Susan)

First water bills using new system were mailed.

**Emergency Generator** (Joe Bocanegra)

Generators have been delivered.

**Remote Meter Policy** (Susan)

Board has adopted revised policy.

**Website Development /Establish District Public Information Program** (Joe Guzzetta)

The website is up and running.

**Property Acquisition for Future Water Facilities**

Property acquisition consultant was selected at the September 9<sup>th</sup> Board meeting.

**Construction of H Zone Phase II Pipeline Replacement Project**

Completed. Notice of Completion filed.

**Replace Line Printer** (Susan)

Replaced with smaller printers.

**Develop Cross-Connection Control Program**

Program is being implemented.

**Replace JD310 Tractor**

Complete.

**Replace Septic Tank at Shop**

Complete.

**Sewer Management Authority**

LAFCO designated JBWD as the wastewater authority on August 15<sup>th</sup>.

**Construction of H Zone Phase I Pipeline Replacement Project**

Construction of Phase I is complete.

**Well 17 Wellhead Construction**

Well became operational in July.

**Organization Study**

Completed. Staff is implementing the study.

**Closed Circuit Security System**

Video monitoring system is in place.

**Safety Consultant; Program**

Initial safety plans are complete.