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JOSHUA BASIN WATER DISTRICT  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
WEDNESDAY, JUNE 1, 2016 6:30 PM  
61750 CHOLLITA ROAD, JOSHUA TREE, CALIFORNIA 92252

**AGENDA**

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **DETERMINATION OF A QUORUM**
4. **APPROVAL OF AGENDA**
5. **PUBLIC COMMENT**  
Members of the public may address the Board at this time with regard to matters within the Board's jurisdiction that are not listed on the agenda. State law prohibits the Board of Directors from discussing or taking action on items not included on the agenda. Members of the public will have the opportunity for public comment on any item listed on the agenda when it is addressed on the agenda. Please limit comments to three (3) minutes or less.
6. **CONSENT CALENDAR**  
Items on the Consent Calendar are considered routine in nature and will be adopted in total by one action of the Board of Directors unless any Board Member or any individual or organization interested in one or more consent calendar items wishes to be heard.
  - A. Approve Draft Minutes of the May 18, 2016 Regular Meeting of the Board of Directors.
7. **PRESENTATION BY KATHLEEN ROLLINS MCDONALD, EXECUTIVE OFFICER, LOCAL AREA FORMATION COMMISSION**  
Recommend that the Board receive presentation on an overview of the role and interactions of LAFCO with Special Districts such as JBWD. No action is required.

8. **PUBLIC HEARING TO ADOPT THE 2015 URBAN WATER MANAGEMENT PLAN**  
Recommend that the Board adopt Resolution 16-960, approving the Urban Water Management Plan which was available for public view, with any changes which the Board may approve during the public hearing.
  - Staff Report
  - Resolution 16-960
  - UWMP with changes
  - Ordinance
9. **ADOPT 16/17-17/18 OPERATING AND CAPITAL BUDGETS**  
Recommend that the Board adopt the 2016-2017 and 2017-2018 Budgets.
10. **STANDING COMMITTEE REPORTS**
  - A. **FINANCE COMMITTEE MEETING:** President Fuller and Director Johnson. Next Meeting is scheduled for June 27, 2016 9 a.m. to 10 a.m.
  - B. **WATER RESOURCES & OPERATIONS COMMITTEE:** Vice President Luckman and Director Johnson. Next Meeting is scheduled for June 27, 2016 10 a.m. to 11 a.m.
  - C. **LEGISLATIVE AND PUBLIC INFORMATION COMMITTEE:** Vice President Luckman and Director Unger: Kathleen Radnich, Public Outreach Consultant to report. Next meeting is scheduled for July 6, 2016.
11. **DISTRICT GENERAL COUNSEL REPORT**
12. **GENERAL MANAGER REPORT**
13. **FUTURE DIRECTOR MEETINGS AND TRAINING OPPORTUNITIES**
  - Mojave Water Agency Technical Advisory Committee – June 2, 2016- Mickey Luckman
  - Morongo Basin Pipeline Commission at High Desert Water Commission – June 8, 2016 – Mickey Luckman
  - ASBCSD Dinner – June 20, 2016 – Location to be determined
  - San Bernardino County Water Conference – August 12, 2016
14. **DIRECTOR REPORTS ON MEETINGS ATTENDED, COMMENTS/FUTURE AGENDA ITEMS**
15. **ADJOURNMENT**

## INFORMATION

The public is invited to comment on any item on the agenda during discussion of that item.

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

May 18, 2016

1. **CALL TO ORDER:** 6:30 PM

2. **PLEDGE OF ALLEGIANCE**

3. **DETERMINATION OF QUORUM:**

Victoria Fuller	Present
Bob Johnson	Present
Mickey Luckman	Present
Mike Reynolds	Present
Rebecca Unger	Present

**STAFF PRESENT:**

Curt Sauer, General Manager  
Susan Greer, Assistant General Manager/Controller  
Seth Zielke, Director of Water Resources and Operations  
Keith Faul, GIS Coordinator

**CONSULTANTS PRESENT:**

Kathleen Radnich, Public Outreach Consultant  
Gil Granito, District Counsel, Redwine & Sherrill  
Deb Bollinger, Bollinger Consulting Group

**GUESTS** 17

4. **APPROVAL OF AGENDA** – MSC/ Luckman/Reynolds 5/0 to approve the Agenda with the removal of Item #9- Update on NextEra Solar Project, proposed Will Serve Letter and Water Supply Agreement.

Fuller	Aye
Luckman	Aye
Johnson	Aye
Reynolds	Aye
Unger	Aye

5. **PUBLIC COMMENT**

**Cookie Bellsborough, Joshua Tee-** Asked the Board, for future reference, how do we protect Joshua Tree from being purchased from a private company or group? Also, with detrimental toxins and chemicals as a growing concern, what research is being done to investigate using plants as clean up versus expensive other sources?

**Al Marquez, Sun Fair, Joshua Tree-** Stated that there is a need for more transparency with the community and the Board of Directors.

**Tom Baker, Joshua Tree** – Asked the BoD to reconsider the imposed monthly fee on inactive meters.

**Deborah Bollinger, Joshua Tree** – Invited the BoD and the community to a free screening of the documentary “Pumped Dry A Global Crisis on Vanishing Ground Water, followed by a discussion with the film maker Ian James. Screening will be held on June 8<sup>th</sup> from 6 p.m. - 8 p.m. at Furst World. There is limited parking so if you would like to ride share please look on the Transition Joshua Tree Website or contact Deborah Bollinger and she will provide a phone number.

**PUBLIC COMMENT CLOSED**

6. **CONSENT CALENDAR:**

Items on the Consent Calendar are considered routine in nature and will be adopted in total by one action of the Board of Directors unless any Board Member or any individual or organization interested in one or more consent calendar items wishes to be heard.

- A. Approve Draft Minutes of the April 27, 2016 Special Meeting of the Board of Directors.

**MSC/ Reynolds/Luckman 5/0 to approve the April 27, 2016 Minutes of the Special Meeting of the Board of Directors.**

Fuller	Aye
Luckman	Aye
Johnson	Aye
Reynolds	Aye
Unger	Aye

7. **FOLLOW UP WITH "YOU TUBE PLAN"**

Recommend that the Board receive for information only. No action required.

General Manager Curt Sauer informed the Board that he will proceed with contracting Bob Stevenson for uploading the BoD meetings to You Tube for a fee of \$50 per meeting.

**BOARD COMMENTS**

President Fuller asked if the \$50 was in addition to the current \$100 spent for a total of \$150.

General Manager Curt Sauer confirmed the total of \$150.

Director Reynolds, Director Unger and Vice President Luckman were in agreement for placing the meetings on YouTube because the BoD needs to be more transparent. However, DVD's will still be needed as some individuals do not have internet.

**PUBLIC COMMENT**

Karyn Sernka, Joshua Tree asked the Board for an opportunity to bid on the contract for placing the BoD meetings on You Tube.

Dorothy Etz-Joshua Tree asked if the DVD's could be available at the Public Library. The BoD informed Ms. Etz that the Public Library will no longer provide this service.

**PUBLIC COMMENT CLOSED**

8. **GOVERNOR BROWN'S MAY 9 EXECUTIVE ORDER; MAKING WATER CONSERVATION A CALIFORNIA WAY OF LIFE**

Recommend that the Board receive for information only. No action required. General Manager Curt Sauer presented the Draft conservation regulations proposed by State Water Resource Control Board.

**PUBLIC COMMENT**

Al Marquez, Sun Fair asked how much water was produced in the two months and how much was used in flushing fire hydrants. How many gallons were in leakage?

**PUBLIC COMMENT CLOSED**

9. **UPDATE ON NEXTERA SOLAR PROJECT, PROPOSED WILL SERVE LETTER AND WATER SUPPLY AGREEMENT**

Recommend that the Board authorize the General Manager to execute the Will Serve Letter and Water Supply Agreement in substantially the same format as discussed.

**Tabled until further notice.**

**10. STANDING COMMITTEE REPORTS:**

- A. FINANCE COMMITTEE MEETING: Brief reports by President Fuller and Director Johnson. Next Meeting is scheduled for May 31, 2016.
- B. WATER RESOURCES & OPERATIONS COMMITTEE: Vice President Luckman and Director Johnson. Next Meeting is scheduled for May 31, 2016. Vice President Luckman reported.
- C. LEGISLATIVE AND PUBLIC INFORMATION COMMITTEE: Vice President Luckman and Director Unger: Kathleen Radnich, Public Outreach Consultant to report. Next meeting is scheduled for June 1, 2016.

**11. DISTRICT GENERAL COUNSEL REPORT – NONE**

**12. GENERAL MANAGER REPORT –** General Manager Curt Sauer reported on the 2015 Urban Water Management draft document for review. GM Sauer also informed the BoD of the upcoming Budget meeting on May 25, 2016.

**13. FUTURE DIRECTOR MEETINGS AND TRAINING OPPORTUNITIES**

- ASBCSD
- MWA

**14. DIRECTOR REPORTS ON MEETINGS ATTENDED, COMMENTS/FUTURE AGENDA ITEMS**

- Vice President Luckman commented on the ACWA Conference that she attended.
- Director Mike Reynolds commented on the ACWA Conference that he attended.
- President Fuller commented on the ACWA Conference and the ASBCSD meeting.
- Director Johnson commented on the ACWA Conference and stated that the JBWD problems are not unique.
- Director Unger will be attending the June 11, 2016 Turtle Island dedication.

**15. ADJOURNMENT**

MSC Luckman/Reynolds, 5/0 to adjourn the Regular Meeting of the Board of Directors of May 18, 2016 at 7:30 PM.

Fuller	Aye
Luckman	Aye
Johnson	Aye
Reynolds	Aye
Unger	Aye

Respectfully submitted:

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Curt Sauer, GM and Board Secretary

**JOSHUA BASIN WATER DISTRICT  
MEETING AGENDA REPORT**

Meeting of the Board of Directors

June 1, 2016

Report to: President and Members of the Board

Prepared by: Curt Sauer

**TOPIC: PUBLIC HEARING TO ADOPT THE 2015 URBAN WATER MANAGEMENT PLAN**

**RECOMMENDTION:** Adopt Resolution 16-960, approving the Urban Water Management Plan which was available for public review, with any changes which the Board may approve during the Public Hearing.

**ANALYSIS:** Section 10610 et seq. of the California Water Code (Water Code) requires the preparation of an Urban Water Management Plan (UWMP, Pan) and periodic updates. The Water Code also specifies the contents and procedures for adoption of the Plan. Consequently, the District's updated Plan must be adopted and submitted to DWR prior to 1 July 2016.

Ms. Meredith Clements, from Kennedy/Jenks Consulting is here tonight to provide an overview of the plan and answer questions. Staff is prepared to review the Plan for public information and Board's review.

The Public Hearing should be conducted as follows:

1. Receive Staff Report, including presentation by consultant
2. Board Questions
3. Open Public Hearing; receive public comments
4. Close Public Hearing
5. Board discussion and action.

Also, attached is the DRAFT Ordinance from Appendix H – referred to in Chapter 7 of the Plan. We are not adopting the Ordinance tonight but it's included for reference.

RESOLUTION 16-960

RESOLUTION OF THE BOARD OF DIRECTORS OF JOSHUA BASIN  
WATER DISTRICT ADOPTING THE 2015 URBAN WATER  
MANAGEMENT PLAN AND THE WATER SHORTAGE CONTINGENCY  
PLAN

**WHEREAS**, the California Urban Water Management Planning Act, Water Code section 10610 et seq. (the Act) mandates that every urban water supplier providing water for municipal purposes to more than 3,000 customers or supplying more than 3,000 acre feet of water annually, prepare and adopt an updated Urban Water Management Plan at least once every five years; and

**WHEREAS**, Joshua Basin Water District (JBWD) is an urban water supplier for the purposes of the Act, and approved and adopted its most recent 2010 Urban Water Management Plan (UWMP) and submitted that UWMP to the California Department of Water Resources in July 2011; and

**WHEREAS**, JBWD, in accordance with applicable law including requirements of the Act and the Water Conservation Act of 2009 has prepared its 2015 UWMP and has undertaken certain agency coordination, public notice, public involvement and outreach, public comment, and other procedures in relation to its 2015 UWMP; and

**WHEREAS**, JBWD has prepared its 2015 UWMP with its own staff, with the assistance of consulting professionals, and in cooperation with other governmental agencies and has utilized and relied upon industry standards and the expertise of industry professionals in preparing its UWMP and has utilized and relied upon the Department of Water Resources *2015 Urban Water Management Plans Guidebook to Assist Urban Water Suppliers* (March 2016); and

**WHEREAS**, California Water Code section 10632 requires water agencies to plan for water shortages of up to 50 percent as part of their Urban Water Management Plan; and

**WHEREAS**, JBWD has prepared an update to its Water Shortage Contingency Plan (WSCP); and

**WHEREAS**, the WSCP is consistent with the California Water Code sections 350 through 359 and section 10632, and guidance provided by the California Department of Water Resources *Urban Drought Guidebook 2008 Updated Edition*; and

**WHEREAS**, in accordance with applicable law, including Water Code sections 10608.26 and 10642, and Government Code section 6066, the JBWD made its Draft

2015 UWMP and WSCP available for public inspection, and caused to be published within the jurisdiction of the JBWD at least two notices of public hearing regarding the JBWD's 2015 UWMP and WSCP, which publication dates included **May 14, 2016** and **May 21, 2016**.

**WHEREAS**, the JBWD held its public hearing on **June 1, 2016** in the Board Room of the JBWD, located at 61750 Chollita Road, Joshua Tree, California, regarding tis 2015 UWMP and WSCP, wherein, among other things, members of the public and other interested entities were provided with the opportunity to be heard in connection with the JBWD's 2015 UWMP and WSCP and the proposed adoption thereof; and

**WHEREAS**, pursuant to the public hearing on the 2015 UWMP and WSCP JBWD encouraged the active involvement of diverse social, cultural, and economic elements of the population within the JBWD service area with regard to the preparation and adoption of the 2015 UWMP and WSCP, encouraged input by members of the public and any other interested party regarding all aspects of the 2015 UWMP and WSCP, encouraged community input regarding the JBWD plan for complying with the Water Conservation Act of 2009, considered the economic impacts of complying with the Water Conservation Act of 2009; and

**WHEREAS**, the Board of Directors of JBWD has reviewed and considered the purposes and requirements of the Urban Water Management Planning Act and the Water Conservation Act of 2009, the contents of the 2015 UWMP and WSCP, the documentation contained in the administrative record in support of the 2015 UWMP and WSCP, and all public and agency input received with regard to the 2015 UWMP and WSCP, and has determined that the factual analyses and conclusions set forth in the 2015 UWMP and WSCP are supported by substantial evidence

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF DIRECTORS OF THE JBWD AS FOLLOWS:**

1. The JBWD Board of Directors hereby approves and adopts the *2015 Urban Water Management for Joshua Basin Water District, as posted on the website for public review, including those changes reviewed and approved tonight at the public hearing and the Water Shortage Contingency Plan (2016)* ordered filed with the Secretary of the Board.
2. The General Manager is hereby authorized and directed to include a copy of this Resolution in the *2015 Urban Water Management Plan for Joshua Basin Water District* and, in accordance with Water Code section 10644(a), to file the



- 2015 Urban Water Management Plan for Joshua Basin Water District* with the California Department of Water Resources, the California State Library, and any city or county within which the JBWD provides water supplies within thirty (30) days of this adoption date.
3. The General Manager is hereby authorized and directed, in accordance with Water Code section 10645, to make the *2015 Urban Water Management Plan for Joshua Basin Water District* available for public review during normal business hours not later than thirty (30) days after filing a copy thereof with the California Department of Water Resources.
  4. The General Manager is hereby authorized and directed, in accordance with Water Code section 10635(b), to provide that portion of the *2015 Urban Water Management Plan for Joshua Basin Water District* prepared pursuant to Water Code section 10635(a) to any city or county within which the JBWD provides water supplies not later than sixty (60) days after filing a copy thereof with the California Department of Water Resources.
  5. The General Manager is hereby authorized and directed to implement the components of the *2015 Urban Water Management Plan for Joshua Basin Water District* in accordance with the Urban Water Management Planning Act and the Water Conservation Act of 2009, including but not limited to, the JBWD's Water Conservation Programs and its Water Shortage Contingency Plan.
  6. The General Manager is hereby authorized and directed to recommend to the Board of Directors additional steps necessary or appropriate to effectively carry out the implementation of the *2015 Urban Water Management Plan for Joshua Basin Water District*, the Urban Water Management Planning Act and the Water Conservation Act of 2009.

PASSED AND ADOPTED at a regular meeting of the Governing Board of the Joshua Basin Water District held **June 1, 2016** by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ADOPTED this date **June 1, 2016**

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**Victoria Fuller**  
President

**June 1, 2016**

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of Resolution **16-960** adopted by the Board of Directors of Joshua Basin Water District at its Regular Meeting held **June 1, 2016**

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**Curt Sauer**  
Board Secretary

## Ordinance (XXXX)

An ordinance enacted as a measure establishing rules and regulations for allocating water during a water shortage and establishing penalties for violations thereof

Be it ordained by the Board of Directors of Joshua Basin Water District as follows:

### Section 1: Purpose and Scope

This ordinance adopts regulations to deal with water shortages, which the Board has found to exist. These regulations are effective immediately and shall be effective until the Board finds that water shortage no longer exists.

### Section 2: Findings

The Board finds, determines and declares that the following facts are true:

1. California Water Code Section 350 provides that the Board of Directors has the authority to declare water shortage emergency conditions. California Water Code Section 353 enables the Board of Directors to adopt regulations and restrictions to conserve the water supply for the greatest public benefit.
2. This Board has conducted public meeting on (INSERT DATE) to determine whether a water shortage emergency exists and, if so, what regulations should now be adopted in response to that shortage.
3. This Board adopts the following regulations, and finds that the regulations set forth herein are necessary and proper to protect the water supply for human consumption, sanitation, and fire protection during the duration of the shortage.

### Section 3: Definitions

The following terms are defined for the purpose of the ordinance:

- a. "Agricultural water user" or "Agricultural" means water use for the growing of food crops, livestock, and ornamental landscape plants.
- b. "Commercial water user" or "Commercial" means any water user whose purpose is to provide or distribute a product or service, such as hotels, restaurants, office buildings, commercial businesses or other places of commerce. A "Commercial" water user does not include multi-family residences, agricultural users, or customers that fall within the industrial or institutional classifications.
- c. "Customer" means a person receiving water from the water distribution system of the District.
- d. "District" means Joshua Basin Water District.
- e. "General Manager" means the general manager of the District, or the Manager's designate.
- f. "Landscape Irrigation water use" or "Landscape Irrigation" means water used for maintaining outdoor areas of golf courses, community parks, business parks, and common areas in

homeowner associations. "Landscape Irrigation" customers have a dedicated outdoor use meter.

- g. "Single family residential" which consists of water service to land improved with structures designed to serve as a residence for a single family.
- h. "Stage I Shortage" when total supply is 90 to 99 percent of normal for the next twelve months, there will be imposed a 10% voluntary demand reduction goal.
- i. "Stage II Shortage, when total supply is 80 to 89 percent of normal for the next twelve months, there will be imposed a 20% voluntary demand reduction goal.
- j. "Stage III Shortage" when total supply is 70 to 79 percent of normal for the next twelve months, there will be imposed a 30% mandatory demand reduction goal.
- k. "Stage IV Shortage" when total supply is 60 to 69% of normal for the next twelve months, there will be imposed a 40% mandatory demand reduction goal.
- l. "State V Shortage" when total supply is less than 60% of normal for the next twelve months, there will be imposed a 50% or greater mandatory demand reduction goal.

#### Section 4: Prohibitions of Certain Uses

- a. Water waste, including the following, is prohibited at all times
  - 1. Application of potable water to outdoor landscapes in a manner that causes runoff.
  - 2. Watering of outdoor landscapes within 48 hours of measurable rainfall.
- b. Efficient water use is required at all times:
  - 1. Water for construction purposes, including but not limited to debrushing of vacant land, compaction of fills and pads, trench backfill and other construction uses shall be in an efficient manner.
  - 2. All new construction including residential, commercial and industrial, shall be equipped with low flow toilets and fixtures.
  - 3. All new homes and commercial and industrial development, when landscaped, shall include a predominance of low water use, drought tolerant or native plant material, and drip irrigation systems.
  - 4. Dedicated (separate) landscape meters shall be installed for all irrigated landscape areas in excess of 2500 square feet except for single family residences.
  - 5. Water used for cooling systems must be recycled to the extent possible.
  - 6. Evaporation resistant covers are required for all new swimming pools and hot tubs.
- c. During a Stage I water shortage, the following restrictions are in effect:
  - 1. No hosing of hardscape surfaces, except where health and safety needs dictate.
  - 2. No car washing and outside cleaning activities except when performed with buckets and automatic hose shutoff devices.

3. Water leaks shall be repaired in a timely manner, but in no more than 48 hours, and sprinklers shall be adjusted to eliminate over-spray.
4. Operators of hotels and motels shall provide guests with the option of choosing not to have towels and linens laundered daily. The hotel or motel shall prominently display notice of this option in each guestroom.
5. The serving of drinking water other than upon request in eating or drinking establishments is prohibited.

These restrictions shall be voluntary or mandatory at the Board of Directors discretion.

- d. During a Stage II water shortage, the following voluntary restrictions are in effect:
  1. Extension of voluntary requests from Stage I.
  2. No landscape watering between 0800 and 1700 hours.
  3. Outdoor watering is limited to 3 days per week.

These restrictions shall be voluntary or mandatory at the Board of Directors discretion.

- e. During a Stage III water shortage, the following mandatory restrictions are in effect:
  1. Voluntary requests from Stage I and Stage II are mandatory
  2. Irrigation with potable water or ornamental turf on public street medians is prohibited.
  3. Outdoor watering is limited to 2 days per week.
  4. Mandatory use prohibitions will be enforced through water patrol personnel

- f. During a Stage IV water shortage, the following mandatory restrictions are in effect:
  1. All prohibitions of Stage III will be in force
  2. No new meters will be issued.
  3. Use of construction meters is prohibited.
  4. Water cannot be used to maintain fountains, reflection ponds and decorative water bodies for aesthetic or scenic purposes, except where necessary to support aquatic life
  5. Filling of new swimming pools, spas, hot tubs or the draining and refilling of existing pools is prohibited. Topping off is allowed to the extent that any designated water allocation is not exceeded.

- g. During a Stage V water shortage, the following mandatory restrictions are in effect:
  1. All prohibitions of Stages I through IV will be in force.
  2. Outdoor irrigation is prohibited.

## Section 5: Allocation

- a. In the event that a Stage IV or Stage V water shortage occurs, in addition to prohibitions, the District will establish mandatory annual allotments for each connection.
- b. The General Manager or designee shall classify each customer and calculate each customer's allotment. Each customer shall receive notice of the allotment specified above, or as modified in accordance with Section 4 herein, on each monthly billing for service. To the extent feasible, each new customer shall be notified of the General Manager's determination by first class mail before the allocations take effect.
- c. Any customer may contest the General Manager's classification on the basis of use or the General Manager's allotment on the basis of hardship or incorrect calculation. Appeals shall be processed as set forth below.
- d. During a Stage IV Shortage, allocations shall be based on the following formula
  1. Each residential connection will receive no more than 63 CCF per year (58 GPCD minimum water requirement x 2.2 persons per household x 365 days = 46,574 gallons = 63 CCF) plus 15% of average annual usage of the past 3 years in excess of 63 CCF.
  2. Each commercial, industrial, and governmental connection will receive no more than 70% of average annual usage of the past 3 years.
  3. Each landscaping connection will receive 20% of average annual usage of the past 3 years, unless the specific account has been determined by District staff to meet the District's guidelines for Xeriscaping, irrigation, and maintenance, in which case it will receive 70% of average annual usage of the past 3 years.
  4. No meters will be installed for new accounts during the declared water shortage emergency.
- e. During a Stage V Shortage, allocations shall be based on the following formula
  1. Each residential connection will receive no more than 63 CCF per year (58 GPCD minimum water requirement x 2.2 persons per household x 365 days = 46,574 gallons = 63 CCF) plus 5% of average annual usage of the past 3 years in excess of 63 CCF.
  2. Each commercial, industrial, and governmental connection will receive no more than 65% of average annual usage of the past 3 years.
  3. Each landscaping connection will receive 10% of average annual usage of the past 3 years, unless the specific account has been determined by District staff to meet the District's guidelines for Xeriscaping, irrigation, and maintenance, in which case it will receive 65% of average annual usage of the past 3 years.
  4. No meters will be installed for new accounts during the declared water shortage emergency.

## Section 5: Limits on Use during Shortage

- a. Water use in excess of the monthly amounts established below shall be subject to a charge at an increased rate in accordance with Section 7, herein.

## Section 6: Appeals

### Appeals Procedure:

1. Any person who wishes to appeal their customer classification or allotment must do so in writing, using forms provided by the District.
2. Appeals will be reviewed by District staff; site visits will be scheduled if required.
3. One of the conditions of approval will be that all applicable plumbing fixtures or irrigation systems be-replaced or modified for maximum water conservation.
4. Increased allotments may be approved for the following:
  - a. Substantial medical requirements
  - b. Residential connections with three or more residents in a household. These connections can receive additional allotments based upon the same calculations used for the standards applied in Stages IV and V per additional person. A census may be conducted to determine the actual number of residents per dwelling unit. Additional water will be approved for permanent residents only; permanent residents are defined as people who live in the specific residence a minimum of five days per week, nine months per year.
  - c. Commercial/Industrial/Intentional customers for which water supply reductions will result in unemployment or decreased production; a District water auditor must first confirm that the customer has instituted all applicable water efficiency improvements.
  - d. Non-agricultural customers can appeal for an additional allotment of 12 CCF per year per horse, cow, or other large animal, and 6 CCF per year for each efficiently irrigated mature fruit tree.
  - e. Government agencies (parks, schools, county, etc.) may have separate account allotments combined into one agency allotment.
5. In the event that an appeal for an additional allotment is requested for irrigation of trees or vegetation in residential categories or for any agricultural use, District staff may use the services of a qualified consultant in determining the validity of the request.
6. District staff will approve or deny appeals and report all appeals to the District's Board of Directors monthly.
7. If District staff and the applicant are unable to reach agreement, the appeal will then be heard by the District's General Manager, who will make the final determination.
8. All appeals will be reported monthly to the District's Board of Directors.

## Section 7: Citations for Violations of Water Use Restrictions and Water Limitations

During any declared water shortage emergency, a customer who exceeds the established allotment will pay a surcharge of two times the highest rate tier per CCF of water for excess water

delivered during the first and second billing period, and a surcharge of four times the highest rate tier per CCF for excess water delivered during the third and subsequent consecutive billing periods.

If a customer exceeds the allotment usage for three consecutive billing periods, the District will install a flow restrictor at the service meter with a capacity of two gallons per minute (gpm) for meters up to one and one-half inch sizes (and comparatively sized restrictors for larger meters). The customer must pay a flow restrictor installation and removal charge of \$100 before the normal service will be restored.

#### Section 8: Rule Making

The General Manager shall present periodical reports to the Board concerning the effectiveness of this ordinance, including a report within four months of the date of adoption of this ordinance concerning the first 3 months of ordinance administration. Said Reports shall review the nature and scope of appeals and exceptions. The Board shall periodically consider the adoption of rules implementing this ordinance in light of the Manager's reports. Such rules shall be adopted by the Board by resolution and shall deal with the administration of this ordinance. Any proposal to change the meaning of this ordinance shall be adopted by the Board by ordinance following a duly-noticed public hearing.

#### Section 9: Urgency

This ordinance is an urgency ordinance. It is necessary that the regulations set forth in this ordinance be adopted as forth herein in order to protect the supply of water for human consumption, sanitation and fire protection.



JOSHUA BASIN WATER DISTRICT  
MEETING AGENDA REPORT

Meeting of the Board of Directors

June 1, 2016

Report to: President and Members of the Board

Prepared by: Susan Greer 

TOPIC:

ADOPT 16/17 – 17/18 OPERATING AND CAPITAL BUDGETS

RECOMMENDATION:

Adopt Budgets

ANALYSIS:

A budget workshop meeting was held on 5/25/16 to review the operating and capital budgets in detail.

Operating Budget. As a result of the discussion, we noticed that the Labor Legal Fees, included in the Personnel Department, was over-funded for 17/18. We have reduced that estimated budget from \$45,000 to \$20,000 in 17/18. This increases net revenue by \$25,000.

At the same time, we noticed a typo on my presentation for the Personnel-Other account, part of the Personnel Department. The current year budget is \$13,000 and the presentation showed \$1,000 for the 16/17 budget and \$1,040 for the 17/18 budget. These numbers should have been \$10,000 for 16/17 and \$10,040 for the 17/18 budget. This results in a cost increase of \$9,000 in both the 16/17 and 17/18 budgets.

Capital Budget. One change, to increase the Chromium VI planning funding as well as costs from \$1.5M to \$2M, was discussed at the meeting, and those updates have been included in the attached documents. This correction results in *no net change to the bottom line*, since the funding from a no interest loan as well as the costs have been increased by the same amount. In addition, we changed the distribution of all costs associated with the Chromium VI planning to reflect 70% of costs incurred and funding received in 16/17, with the remaining 30% of funding and costs in fiscal 17/18. This is based on recent information received from the Regional Board related to the timeline for completion of the planning work.

In addition, Manager Sauer has added/changed a few more items in the capital budget, as indicated below:

1. Cost to repave the office parking lot has been increased from \$25,000 to \$30,000 in 16/17. This is a safety issue as there are many deep cracks in the pavement, which could cause injury to employees or customers. The asphalt was improperly installed back in the 1980's, and this is the estimated cost for a mid-level repair.

2. \$20,000 for the previously-approved office remodel has been added in 16/17. This was approved by the board several months ago, but the work has not been completed yet, so we will carry it forward. This cost is in addition to the proposed Space Needs Assessment already included in the capital budget. The space needs assessment is required to evaluate long-term space needs for the office and the shop. The office remodel solves one major problem that currently exists, but doesn't address the longer-term issues associated with the office and warehouse space that we have outgrown. We need a long-term plan.
3. \$20,000 has been added for Customer Service Security Enhancements. There have been several events recently, involving our customer service lobby area, which indicate that additional security is warranted. If desired, discussion of those particulars should occur in closed session.

As presented on 4/25/16, the operating budget resulted in net revenue of \$39,092 for 16/17 and net revenue of \$111,885 for 17/18 – total \$150,997 for two years. The changes indicated above result in net revenue of \$174,938 for two years – an increase of \$23,941.

As previously presented, the capital budget resulted in a deficit in 16/17 of (\$422,715), that would have to come from reserves, and a surplus of \$50,361 in 17/18 for a net deficit of (\$372,354) over the two years. The changes above result in a deficit of (\$192,715) in 16/17 and a deficit of (\$200,679) in 17/18, total deficit of (\$393,394) over both years – an increase to the deficit of \$45,000. This reflects (1) the increase to project costs of \$45,000 as reflected in the three projects described above, and (2) the redistribution of Chromium VI planning costs between the two years.

STRATEGIC PLAN ITEM:  
N/A

FISCAL IMPACT:

Adopting the proposed two-year Operating Budget will provide the following results:

OPERATING	16/17	17/18
Revenues	\$5,574,613	\$5,755,299
Expenses	\$5,535,521	\$5,619,453
Net Revenue	\$39,092	\$135,846

The net revenues generated above become the starting point for the capital project funding. Adopting the proposed two-year Capital Budget will provide the following results:

CAPITAL	16/17	17/18
Funding	\$1,469,092	\$817,696
Projects	\$1,661,807	\$1,018,375
Net Revenue - Deficit	(\$192,715)	(\$200,679)
Deficits will be funded from reserves		



**OPERATING BUDGET**  
2016-17 and 2017-18

**OPERATING REVENUES**

	<b>2015-2016 Approved</b>	<b>2016-2017 Proposed</b>	<b>2017-2018 Proposed</b>
01-40-41010 METERED WATER SALES	1,600,000	1,674,532	1,818,000
01-40-41016 BASIC FEES	1,380,000	1,403,988	1,463,292
01-40-41016 BASIC FEES - LOCKED/PULLED	52,500	291,341	296,986
01-40-41030 PRIVATE FIRE PROTECTION SERV.	23,335	21,642	22,271
01-40-41040 SPECIAL SERVICES REVENUE	112,208	110,793	115,225
01-40-41045 HDMC WWTP OPERATIONS REIMB REVENUE	129,432	163,255	163,255
01-40-41046 HDMC WWTP OVERHEAD REIMB REVENUE	29,068	36,732	36,732
01-40-42100 STANDBY REVENUE-CURRENT	1,151,913	1,140,297	1,140,297
01-40-43000 PROPERTY TAX - G.D.	412,000	420,000	428,000
01-40-43020 ASSESSMENT REVENUE - CMM	253,626	252,663	242,556
01-40-45000 INTEREST REVENUE - G.D.	18,600	17,028	17,028
01-40-46121 GRANT REVENUE - LOCAL (MWA)	32,930	30,200	0
01-40-47000 MISCELLANEOUS REVENUE	7,906	12,142	11,656
<b>TOTAL OPERATING REVENUES</b>	<b>5,203,518</b>	<b>5,574,613</b>	<b>5,755,299</b>



# OPERATING BUDGET

2016-17 and 2017-18

## PRODUCTION

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-01-01118 PRODUCTION SALARY	296,297	304,710	311,968
01-5-01-02205 WATER TREATMENT EXPENSE	15,395	15,000	15,000
01-5-01-02210 SMALL TOOLS - PRODUCTION	6,009	6,000	6,000
01-5-01-03102 WATER RECHARGE PURCHASE	589,000	268,000	286,500
01-5-01-03105 WATER SUPPLY MONITORING	74,325	31,725	31,725
01-5-01-03108 RECHARGE MAINT/REPAIR	0	26,280	38,700
01-5-01-03111 EQUIPMENT RENTAL	3,000	12,500	12,500
01-5-01-03115 PUMPING PLANT REPAIR & MAINT.	89,866	100,000	100,000
01-5-01-03120 TANK & RESERVOIR MAINTENANCE	20,000	74,000	83,175
01-5-01-03207 GENERATOR (LARGE) REPAIR & MAINTENANCE	23,400	27,000	27,000
01-5-01-04004 LABORATORY SERVICES	12,680	20,000	20,000
01-5-01-06105 POWER FOR PUMPING (ELECTRIC)	363,000	400,000	400,000
01-5-01-06501 TELEMETRY / SCADA EXPENSE	47,624	15,000	15,000
01-5-01-07002 RIGHT OF WAY	0	41,553	41,553
01-5-01-08001 PRIVATE WELL METERING	0	0	0
01-5-01-98001 EE BENEFITS ALLOCATED	159,030	172,715	175,951
01-5-01-98002 FIELD EXPENSES ALLOCATED	58,586	78,365	76,896
<b>TOTAL PRODUCTION</b>	<b>1,758,212</b>	<b>1,592,848</b>	<b>1,641,969</b>

## DISTRIBUTION

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-02-01130 DISTRIBUTION SALARY	432,261	395,517	404,703
01-5-02-02211 SMALL TOOLS - DISTRIBUTION	11,840	19,100	11,000
01-5-02-02920 INVENTORY-OVER & SHORT	2,300	7,159	7,445
01-5-02-03106 MAINLINE AND LEAK REPAIR	94,400	90,000	90,000
01-5-02-03130 CROSS CONNECTION CONTROL EXP	0	3,000	3,000
01-5-02-03206 TRACTOR REPAIR / MAINT.	10,281	7,000	9,000
01-5-02-04005 UTILITY LOCATING (DIG ALERT)	10,492	12,000	14,000
01-5-02-98001 EE BENEFITS ALLOCATED	246,140	247,750	252,151
01-5-02-98002 FIELD EXPENSES ALLOCATED	90,669	112,391	110,284
<b>TOTAL DISTRIBUTION</b>	<b>898,383</b>	<b>893,917</b>	<b>901,583</b>

## CUSTOMER SERVICE

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-03-01107 FIELD SALARY - CUSTOMER SERVICE	24,275	64,918	66,478
01-5-03-01114 OFFICE SALARY - CUSTOMER SERV.	104,971	104,703	107,074
01-5-03-03100 METER INSTALLATION EXPENSE	0	0	0
01-5-03-03107 METER SERVICE REPAIR	54,475	90,309	93,921
01-5-03-05201 METER READING EQUIPMENT & EXPENSE	0	0	0
01-5-03-07007 CREDIT CARD FEES (CUSTOMER)	0	0	0
01-5-03-07010 BAD DEBT	15,500	11,338	18,000
01-5-03-07015 CUSTOMER SERVICE - OTHER	24,212	35,720	37,149
01-5-03-98001 EE BENEFITS ALLOCATED	77,175	72,669	73,862
01-5-03-98002 FIELD EXPENSES ALLOCATED	4,918	6,042	5,928
01-5-03-98003 OFFICE EXPENSE ALLOCATED	43,650	42,763	42,726
<b>TOTAL CUSTOMER SERVICE</b>	<b>349,176</b>	<b>428,462</b>	<b>445,138</b>



# OPERATING BUDGET

2016-17 and 2017-18

## ADMINISTRATION

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-04-01108 ADMINISTRATION SALARY	190,939	295,718	303,065
01-5-04-01115 SAFETY SALARY	9,600	8,640	8,640
01-5-04-01121 DIRECTORS SALARY	20,836	20,836	20,836
01-5-04-01210 DIRECTORS / C.A.C. EDUCATION	9,500	9,500	9,500
01-5-04-07008 BUSINESS EXPENSE	10,000	11,200	11,100
01-5-04-07014 PUBLIC INFORMATION	47,000	56,500	56,000
01-5-04-07016 MEMBERSHIP, DUES & SUBSCRIPT	18,000	22,360	23,254
01-5-04-07020 WATER CONSERVATION EXPENSE	59,500	69,400	59,500
01-5-04-07025 LEGAL SERVICES - NON-PERSONNEL	80,000	80,000	80,000
01-5-04-07028 WATER RECHARGE SAVINGS-OPP FUND REPLENISHMI	0	18,500	20,055
01-5-04-07218 SAFETY EXPENSE (EQUIP & SUPPLIES)	14,954	25,000	17,953
01-5-04-07219 EMERGENCY PREPAREDNESS	6,000	5,000	5,000
01-5-04-07401 PROPERTY INSURANCE	107,834	70,000	72,800
01-5-04-98001 EE BENEFITS ALLOCATED	139,572	170,096	175,951
01-5-04-98003 OFFICE EXPENSE ALLOCATED	95,500	122,600	122,493
<b>TOTAL ADMINISTRATION</b>	<b>809,234</b>	<b>985,350</b>	<b>986,147</b>

## ENGINEERING

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-05-01109 ENGINEERING/GIS/IT SALARY	91,405	88,806	89,942
01-5-05-02305 MAPS/DRAFTING SUPPLIES	3,118	1,145	1,191
01-5-05-04006 PLAN CHECK / INSPECTION	0	0	0
01-5-05-04008 ENGINEERING CONTRACT SERVICES	25,000	25,000	25,000
01-5-05-04013 ENG-TRAINING, MAPPING & OTHER	1,669	0	0
01-5-05-98001 EE BENEFITS ALLOCATED	52,545	50,277	50,742
01-5-05-98003 OFFICE EXPENSE ALLOCATED	33,990	36,273	36,242
<b>TOTAL ENGINEERING</b>	<b>207,727</b>	<b>201,501</b>	<b>203,116</b>

## FINANCE

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-06-01101 FINANCE SALARY	215,364	215,717	218,879
01-5-06-04009 ACCOUNTING SERVICES	24,100	24,600	24,600
01-5-06-07001 FINANCE - OTHER	19,000	21,000	21,840
01-5-06-98001 EE BENEFITS ALLOCATED	125,369	122,354	123,391
01-5-06-98003 OFFICE EXPENSE ALLOCATED	83,372	88,135	88,057
<b>TOTAL FINANCE</b>	<b>467,205</b>	<b>471,806</b>	<b>476,768</b>



# OPERATING BUDGET

2016-17 and 2017-18

## PERSONNEL

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-07-01102 PERSONNEL SALARY	13,542	20,579	29,121
01-5-07-01215 TRAINING & EE EDUCATION	26,000	9,450	9,598
01-5-07-01905 EMPLOYMENT RECRUITING EXPENSE	5,000	5,000	5,000
01-5-07-01910 LABOR LEGAL FEES	45,000	45,000	20,000
01-5-07-01915 PERSONNEL - OTHER	13,000	10,000	10,040
01-5-07-98001 EE BENEFITS ALLOCATED	21,182	9,126	13,854
01-5-07-98003 OFFICE EXPENSE ALLOCATED	18,878	6,579	6,573
<b>TOTAL PERSONNEL</b>	<b>142,602</b>	<b>105,734</b>	<b>94,187</b>

## BONDS & LOANS

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-09-08110 ID #2 BONDS PYBLE-PRINCIPLE	0	0	0
01-5-09-08115 CMM PRINCIPLE	98,000	102,000	107,000
01-5-09-08120 MORONGO BASIN PIPELINE	219,898	219,898	219,595
01-5-09-08210 INTEREST EXPENSE I.D. #2	0	0	0
01-5-09-08215 INTEREST EXPENSE - CMM	145,260	140,760	136,058
01-5-09-08250 MAINLINE PIPELINE REPLACEMENT BORROWING INTER	0	0	0
01-5-09-08315 ID #2 BONDS COLLECTION CHARGE	0	0	0
01-5-09-08320 GENERAL TAX COLLECTION CHARGE	1,055	628	653
01-5-09-08325 ADMINISTRATION - CMM	10,366	9,903	10,299
01-5-09-09201 LOSS ON DISPOSITION OF HDMC WWTP	0	0	0
01-5-09-09205 MISC NON-OP EXPENSE	0	0	0
01-5-09-09210 ALLOWANCES AND ADJUSTMENTS	0	0	0
<b>TOTAL BONDS &amp; LOANS</b>	<b>474,580</b>	<b>473,189</b>	<b>473,604</b>

## HDMC TREATMENT *(offset by revenue)*

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-20-03101 HDMC: OTHER	64,500	66,435	66,435
01-5-20-04100 HDMC: CONTRACTED OPERATION EXP	74,000	76,220	76,220
01-5-20-06100 HDMC: PUMPING POWER	20,000	20,600	20,600
<b>TOTAL HDMC</b>	<b>158,500</b>	<b>163,255</b>	<b>163,255</b>



# OPERATING BUDGET

2016-17 and 2017-18

## BENEFITS ALLOCATED

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-51-01211 COMPENSATED LEAVE	221,500	217,110	225,760
01-5-51-01216 CAFETERIA PLAN EXPENSE	263,700	264,000	264,000
01-5-51-01220 GROUP INSURANCE EXPENSE	8,662	11,555	11,555
01-5-51-01225 WORKERS COMPENSATION INSURANCE	52,300	55,808	55,808
01-5-51-01230 RETIREMENT: PERS Classic 2%@55	125,024	139,378	148,254
01-5-51-01231 RETIREMENT: PERS Tier 2 2%@62	15,916	18,248	18,407
01-5-51-01232 RETIREMENT: PERS - TEMP	2,115	2,808	2,796
01-5-51-01233 RETIREMENT - 457 CONTRIBUTION	10,125	9,675	9,675
01-5-51-01305 PAYROLL TAXES	121,671	126,403	129,648
01-5-51-98000 ALLOCATED EXPENSES - BENEFITS	<b>(821,014)</b>	<b>(844,986)</b>	<b>(865,903)</b>
<b>ALL COSTS ALLOCATED TO OTHER DEPTS</b>	<b>0</b>	<b>0</b>	<b>0</b>

## FIELD ALLOCATED

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-52-01240 UNIFORMS (FIELD)	8,170	9,000	9,000
01-5-52-02206 SHOP EXPENSE - COMBINED	15,599	15,100	15,100
01-5-52-02212 SMALL TOOLS EXPENSE - COMBINED	7,050	10,800	10,800
01-5-52-03205 TOOL / EQUIP REPAIR	4,233	10,000	10,000
01-5-52-03905 BUILDING REPAIR/MAINT-SHOP/SITE	13,695	21,900	17,900
01-5-52-05005 FUEL-VEHICLES	42,640	41,000	41,000
01-5-52-05010 AUTO EXPENSE - FIELD	31,144	32,000	32,000
01-5-52-05015 EQUIPMENT CLEARING ACCOUNT	0	0	0
01-5-52-06305 COMMUNICATIONS	19,338	27,997	28,309
01-5-52-07009 REGULATORY - PERMITS & FEES	12,304	29,000	29,000
01-5-52-98000 ALLOCATED EXPENSES - FIELD	<b>(154,173)</b>	<b>(196,797)</b>	<b>(193,109)</b>
<b>ALL COSTS ALLOCATED TO OTHER DEPTS</b>	<b>0</b>	<b>0</b>	<b>0</b>

## OFFICE ALLOCATED

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-53-01405 TEMPORARY LABOR FEES	39,074	50,721	50,721
01-5-53-02105 OFFICE SUPPLIES & EQUIPMENT	54,409	36,300	37,740
01-5-53-02110 POSTAGE	24,720	29,309	30,481
01-5-53-03906 BUILDING REPAIR/MAINT - OFFICE	23,447	18,486	19,225
01-5-53-04015 COMPUTER SOFTWARE & SUPPORT	75,000	93,335	86,995
01-5-53-05010 AUTO EXPENSE - OFFICE	5,714	5,714	5,943
01-5-53-06205 TELEPHONE AND UTILITIES	53,025	62,486	64,986
01-5-53-98000 ALLOCATED EXPENSES - OFFICE	<b>(275,389)</b>	<b>(296,351)</b>	<b>(296,091)</b>
<b>ALL COSTS ALLOCATED TO OTHER DEPTS</b>	<b>0</b>	<b>0</b>	<b>0</b>



# OPERATING BUDGET

2016-17 and 2017-18

## RESERVE & OTHER FUNDING-OP

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-99-00010 BUILDING RESERVE (OP FUNDED)	25,000	26,000	27,040
01-5-99-00100 EQUIP&TECH RESERVE (OP FUNDED)	79,000	108,160	112,486
01-5-99-00110 EQUIP&TECH RES ( OP USED)	(46,033)	(8,700)	(4,000)
01-5-99-00150 METER REPL RESERVE (OP FUNDED)	0	0	0
01-5-99-00152 METER REPL RESERVE (OP USED)	0	0	0
01-5-99-00200 WELL/BOOSTER/TANKS RES (FUNDED IN OP)	100,000	104,000	108,160
01-5-99-00210 WELL/BOOSTER RES (OP USED)	0	(10,000)	(10,000)
01-5-99-00250 OTHER RESERVES (OP USED)	(249,000)	0	0
<b>RESERVE &amp; OTHER FUNDING-OP</b>	<b>(91,033)</b>	<b>219,460</b>	<b>233,686</b>
<b>TOTAL EXPENSES</b>	<b>5,174,585</b>	<b>5,535,521</b>	<b>5,619,453</b>
<b>NET REVENUES / (DEFICIT)</b>	<b>28,933</b>	<b>39,092</b>	<b>135,846</b>

## SUMMARY

**\*\* REVENUES \*\***

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
<b>TOTAL OPERATING REVENUES</b>	<b>5,203,518</b>	<b>5,574,613</b>	<b>5,755,299</b>

**\*\* EXPENSES \*\***

TOTAL PRODUCTION	1,758,212	1,592,848	1,641,969
TOTAL DISTRIBUTION	898,383	893,917	901,583
TOTAL CUSTOMER SERVICE	349,176	428,462	445,138
TOTAL ADMINISTRATION	809,234	985,350	986,147
TOTAL ENGINEERING	207,727	201,501	203,116
TOTAL FINANCE	467,205	471,806	476,768
TOTAL PERSONNEL	142,602	105,734	94,187
TOTAL BONDS & LOANS	474,580	473,189	473,604
TOTAL HDMC	158,500	163,255	163,255
RESERVE & OTHER FUNDING-OP	(91,033)	219,460	233,686
<b>TOTAL EXPENSES</b>	<b>5,174,585</b>	<b>5,535,521</b>	<b>5,619,453</b>
<b>NET REVENUES / (DEFICIT)</b>	<b>28,933</b>	<b>39,092</b>	<b>135,846</b>





# CAPITAL BUDGET

## 2016-17 and 2017-18

### CAPITAL REVENUES

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-41-46110 GRANT REVENUE - STATE	0	350,000	150,000
INTEREST FREE LOAN - STATE (CHROM6)		1,050,000	450,000
<b>TOTAL CAPITAL REVENUES</b>	<b>0</b>	<b>1,400,000</b>	<b>600,000</b>

### RESERVE & OTHER FUNDING

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-99-00012 BUILDING RESERVE (CAP USED)	0	0	0
01-5-99-00112 EQUIP&TECH RES (CAP USED)	226,000	30,000	81,850
01-5-99-00212 WELL/BOOSTER RES (CAP USED)	233,241	0	0
01-5-99-00251 OTHER RESERVES (CAP USED)	1,779,253	0	0
01-5-99-00310 <NET REVENUE>/DEFICIT FROM OPERATIONS	0	39,092	135,846
<b>TOTAL RESERVE &amp; OTHER FUNDING</b>	<b>2,238,495</b>	<b>69,092</b>	<b>217,696</b>
<b>TOTAL CAPITAL FUNDING - ALL SOURCES</b>	<b>2,238,495</b>	<b>1,469,092</b>	<b>817,696</b>

### CAPITAL BUDGET

	2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-7-70-71003 CP#A14014: CHROMIUM STUDY	67,867	1,219,376	780,624
01-7-70-71005 CP#A14013: ELECTRICAL WIRING DIAGR@ WELL/BO	65,000	0	65,000
01-7-70-71016 CP#___: PRESSURE STN - A ZONE	0	21,694	0
01-7-70-71017 CP#___: PRESSURE STN - B ZONE	0	21,694	0
01-7-70-71000 CP#022: CHLORINE ANALYZERS	31,380	0	0
01-7-70-71018 CP#___: CHLORINE ANALYZERS 16/17, 17/18	0	13,038	15,476
01-7-70-71019 CP#___: WELL 15 GAMMA/MOTOR INSPECT	0	42,165	0
01-7-70-71020 CP#___: WELL 17 GAMMA/MOTOR INSPECT	0	0	42,165
01-7-70-72009 ~CP#___: VEHICLE 1	0	0	34,450
01-7-70-72010 ~CP#___: VEHICLE 2	0	0	42,400
01-7-70-72300 CP#A14005: DITCHWITCH TRENCHER W/TRAILER (PI	0	0	22,260
01-7-70-72301 CP#A14006: MOLE/BORING MACHINE	0	13,780	0
01-7-70-73001 ~CP#___: VXU FOR METER READING	0	30,000	0
01-7-70-74002 CP#A14019: PAVE OFFICE PARKING LOT	0	30,000	0
01-7-70-74003 CP#A14015: MOBILE MINI	0	0	11,000
01-7-70-74006 CP#040: SPACE NEEDS ASSESSMENT FOR OFFICE	25,800	25,800	0
01-7-70-74008 CP#A14010: 2015 URBAN WATER MANAGEMENT PL/	64,000	5,000	0
01-7-70-74009 CP#A14022: STAFFING ASSESSMENT	0	30,000	0
01-7-70-74013 CP#A16003: CODIFICATION OF RECORDS	0	50,000	0
01-7-70-74015 CP#___: SEMS CUSTOM ENHANCEMENTS	0	12,760	0
01-7-70-74301 ~CP#A16005: INCODE SERVER DRIVE	0	0	5,000
01-7-70-75008 CP#___: WATER MODEL UPDATE 16/17	0	26,500	0
01-7-70-76000 CP#Z49: UPDATE DISTRICT FEES/RATES	15,000	60,000	0
01-7-70-76002 CP#A16004: INCODE/PAYMENTUS API	0	10,000	0
01-7-70-77002 CP#___: PERSONNEL MANUAL REVISIONS	0	10,000	0
CUST SVC SECURITY ENHANCEMENTS	0	20,000	0
OFFICE REMODEL	0	20,000	0
<b>TOTAL NON-CIP CAPITAL</b>	<b>269,047</b>	<b>1,661,807</b>	<b>1,018,375</b>

**ADDITIONAL RESERVE (REQUIRED) / PROVIDED**      **0**      **(192,715)**      **(200,679)**



## UNFUNDED PROJECTS

2016-17 and 2017-18

### CAP IMPROVEMENT PLAN (CIP) PRIORITIES

		2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-7-70-71014	CIP #2.2.7: K-1 BOOSTER PUMP STN (7.0)	0	513,400	0
01-7-70-71015	CIP #2.28: D2-1 TANK & F-1 BOOSTER PUMP STN (8.0)	0	0	765,500
01-7-70-72011	CIP #2.3.3: SAN ANGELO PIPELINE (T1N R6E 34.1)	0	2,133,200	0
01-7-70-72012	CIP #2.3.1: TILFORD WAY PIPELINE (T2N R7E 32.1)	0	0	2,561,500
<b>TOTAL CIP PRIORITIES</b>		<b>0</b>	<b>2,646,600</b>	<b>3,327,000</b>

### OTHER UNFUNDED PROJECTS\*

		2015-2016 Approved	2016-2017 Proposed	2017-2018 Proposed
01-5-01-03125	WELL MAINTENANCE	0	69,835	69,835
01-5-99-00111	EQUIP&TECH RESER (ADD'L FUNDING)	0	245,520	345,520
	CHROM6 LOAN PAYBACK	0	0	300,000
<b>OTHER UNFUNDED PROJECTS</b>		<b>0</b>	<b>315,355</b>	<b>715,355</b>
<b>TOTAL UNFUNDED PROJECTS</b>		<b>0</b>	<b>2,961,955</b>	<b>4,042,355</b>

\* ADDITIONAL FUNDING REQUIRED TO COMPLY WITH BEST PRACTICES AND REGULATORY REQUIREMENTS ON A CONTINUOUS BASIS.