



PO Box 675 • 61750 Chollita Road • Joshua Tree CA 92252  
Phone (760) 366-8438 • Fax (760) 366-9528 • [www.jbwd.com](http://www.jbwd.com)  
An Equal Opportunity Provider

JOSHUA BASIN WATER DISTRICT  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
WEDNESDAY JUNE 20, 2012 7:00 PM  
61750 CHOLLITA ROAD, JOSHUA TREE CALIFORNIA 92252

AGENDA

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. DETERMINATION OF QUORUM
4. APPROVAL OF AGENDA
5. PUBLIC COMMENT: At this time, any member of the public may address the Board on matters within the Board's jurisdiction that are not listed on the agenda. Please use the podium microphone. The Board may not discuss at length or take action on items not on the agenda.  
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.
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 Minutes of June 6, 2012 Regular Board Meeting
  - B. Approve Minutes of June 13, 2012 Special Board Meeting
  - C. May 2012 Check Audit Report
  - D. Dissolve Board Ad Hoc GM Facilitated Performance Evaluation Committee
  - E. Dissolve Board Ad Hoc CAC Committee
  - F. Dissolve Board Ad Hoc Budget Committee
- Pg 1-5  
Pg 6-7  
Pg 8-28  
7. PUBLIC HEARING TO CONSIDER THE WATER AVAILABILITY (STANDBY) CHARGE FOR FISCAL YEAR 2012/2013  
Recommend that the Board adopt Resolution 12-889, establishing water availability charges for 12/13 and authorizing collection by San Bernardino County.
- Pg 29-40  
8. UNITED STATES GEOLOGICAL SURVEY (USGS) STUDY CONTINUATION  
Recommend that the Board approve a "No Cost Extension" Joint Funding Agreement with USGS to complete the report of the groundwater recharge project and the Transport Solute Model septic study.
- Pg 41-43  
9. AGREEMENT WITH PAY PRO ADMINISTRATORS TO ADMINISTER THE EMPLOYEE CAFETERIA PLAN – FLEXIBLE SPENDING ACCOUNT  
Recommend that the Board authorize the agreement.
- Pg 44-55

Pg 56-61

10. CONSIDER MEMORANDUM OF UNDERSTANDING (MOU) WITH JT CHAMBER OF COMMERCE REGARDING WATER SUPPLY TO THE PROPOSED TURTLE ISLAND COMMERCIAL DEMONSTRATION GARDEN  
Recommend that the Board approve the MOU with the Joshua Tree Chamber and authorize the Board President to work with District legal counsel and the Chamber to fine-tune any details.

Pg 62-64

11. CONSERVATION COORDINATOR REPORT  
District Conservation Coordinator Deborah Bollinger to report.
12. COMMITTEE REPORTS
  - A. PUBLIC INFORMATION COMMITTEE: Vice President Luckman and Director Long: Kathleen Radnich, Public Outreach Consultant to report
  - B. AD HOC GENERAL MANAGER CONTRACT NEGOTIATION COMMITTEE: President Reynolds and Director Long:
  - C. AD HOC STRATEGIC PLAN COMMITTEE: Director Coate and Director Long
  - D. AD HOC UTILITY SERVICES CONTRACT COMMITTEE: Director Coate and Director Long
  - E. AD HOC RECHARGE COMMITTEE: Director Long and Director Coate
  - F. CITIZENS ADVISORY COMMITTEE: Jay St. Gaudens, Chair
13. PUBLIC COMMENT  
At this time, any member of the public may address the Board on matters within the Board's jurisdiction that are not listed on the agenda. Please use the podium microphone. The Board may not discuss at length or take action on items not on the agenda.
14. GENERAL MANAGER REPORT
15. DISTRICT GENERAL COUNSEL REPORT
16. FUTURE AGENDA ITEMS
17. DIRECTORS COMMENTS/REPORTS
18. CLOSED SESSION  
At this time the Board will go into closed session pursuant to Government Code Section 54957.6 in order for the Board to consult with and instruct the Board's Ad Hoc Negotiation Committee (Mike Reynolds and Bill Long), which is acting as the Board's designated representative and is charged with the responsibility of negotiating a new Employment Agreement with the District's General Manager.
19. 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.

*This meeting is scheduled to be broadcast on Time Warner Cable Channel 10 on June 27 at 7:00 pm and July 4 at 7:00 pm. DVD recordings of Joshua Basin Water District Board meetings are available at the District office and at the Joshua Tree Library.*

JOSHUA BASIN WATER DISTRICT  
Minutes of the  
REGULAR MEETING OF THE BOARD OF DIRECTORS

June 6, 2012

1. CALL TO ORDER: 7:00 PM

2. PLEDGE OF ALLEGIANCE

3. DETERMINATION OF QUORUM:

Frank Coate	Present
Bill Long	Present
Mickey Luckman	Present
Mike Reynolds	Present
Gary Wilson	Present

STAFF PRESENT:

Joe Guzzetta, General Manager  
Susan Greer, Assistant General Manager/Controller  
Keith Faul, GIS Coordinator  
Anne Roman, Accountant  
Marie Salsberry, Executive Secretary

CONSULTANTS PRESENT:

Gil Granito, District Counsel  
Kathleen Radnich, Public Outreach Consultant

GUESTS 7

4. APPROVAL OF AGENDA

MSC Luckman/Coate 5/0 to approve the agenda for the regular meeting of June 6, 2012.

5. PUBLIC COMMENT

Karen Tracy of Joshua Tree commented on the definition of “bigot” and stated she opposes comments occasionally presented by the public here.

Josh Canady of Fatty’s Fencing commented on the recharge project facility fencing specifications, stating that a cost savings could be realized by changing the requirements for the type of fencing.

Jean (no last name given) commented opposing the recharge project.

6. CONSENT CALENDAR

MSC Luckman/Long 5/0 to approve the Minutes of the May 16, 2012 regular Board Meeting and special Citizens Advisory Committee Meeting; to approve the minutes of the May 16, 2012 special Board meeting; and to cancel the July 4 regular Board meeting and schedule a June 13 special Board meeting.

7. FISCAL YEAR 2013 AND 2014 BUDGET RECOMMENDATIONS FROM CITIZENS ADVISORY COMMITTEE

General Manager Joe Guzzetta reported that the chairperson of the Citizens Advisory Committee (CAC) was unable to attend this Board meeting; the general manager reported the following recommendations from the CAC regarding the proposed budget:

- The entry for “Standby Income Prior” should be deleted from the budget since it is just an accounting entry and to balance to cash statements.

- The employee and volunteer appreciation event should be budgeted for both years rather than just one year.
- The CAC supports the signage improvements proposed for the Demonstration Garden and would support installing a canvass-type canopy since the District is not able to afford the more expensive shade structure originally designed by the landscape architect.
- The CAC supports the reduction of staff proposed to streamline operations.
- The CAC supports the reduced cost of the secondary water source for the Hi Desert Medical Center complex and the proposed funding for attendance of legal counsel at the Board meetings.

GM Guzzetta reported that staff concurs with the CAC's recommendation regarding the budget and that he had advised the CAC of one staff position that he is proposing to eliminate. He noted that CAC Chairperson Jay St. Gaudens will typically make CAC meeting reports at the second Board meeting of each month.

8. FISCAL YEAR 2013 AND 2014 BUDGET RECOMMENDATIONS FROM AD HOC BUDGET COMMITTEE

Director Coate reported that he and President Reynolds (the Ad Hoc Board Budget Committee) attended the CAC meeting and concurred with the CAC recommendations. He reported that the Ad Hoc Board Budget Committee also met with District staff. President Reynolds reported that the Ad Hoc Board Budget Committee recommended a line item title for interpretive signage at the demonstration garden be changed to "Demonstration garden improvements".

9. FISCAL YEAR 2013 AND 2014 BUDGET

General Manager Guzzetta reported noting this is a balanced two year budget; the operational budget is a rollover from previous with a three percent adjustment; reserve of one million dollars for emergencies is in place; a two million dollar opportunity reserve is in place but some of that is committed to the recharge project if needed.

Jean (no last name given) commented opposing the possible use of emergency reserves for the recharge project.

Director Wilson proposed fifteen percent reduction to the budget and proposed several specific reductions to or deletions of budgeted items and measures to be taken to reduce spending. Director Coate stated he approved of budget as it is ready to be presented. Director Long stated he was not in favor of putting the District in a weakened position and he was in favor of the budget. Vice President Luckman commented in favor of the budget with recommended changes. President Reynolds thanked the CAC for their work on reviewing the budget, stating he was pleased with the budget and the recommendations.

MSC Luckman/Long 4/1 to approve the budget with the recommended changes.

Coate	Aye
Long	Aye
Luckman	Aye
Reynolds	Aye
Wilson	No

10. AWARD CONTRACT FOR DISTRICT AUDIT SERVICES

Assistant General Manager/Controller Greer reported that five bids were received; she explained the process that staff used to rank the bidders on technical aspects and on costs, reviewed the results of the rankings. Board discussion ensued.

Al Marquez of Joshua Tree commented in favor of changing to an independent auditor.

AGM/Controller Greer clarified that all of the bidders are independent auditors; it is a requirement of the profession. President Reynolds stated that there is no conflict with any of these auditors.

MSC Long/Coate 5/0 to award the contract for District audit services to Charles Z. Fedak.

11. APPOINTMENTS TO CITIZENS ADVISORY COMMITTEE

General Manager Guzzetta reported that no applications had been submitted.

MSC Luckman/Long 5/0 to table the item.

12. COMMITTEE REPORTS

A. PUBLIC INFORMATION COMMITTEE: Vice President Luckman and Director Long; Kathleen Radnich, Public Outreach Consultant reported the District website is being upgraded. The annual Consumer Confidence Report will be available at the Farmers Market in June; the theme will be "Health on Tap". A drip irrigation seminar will be offered in August.

B. AD HOC GENERAL MANAGER CONTRACT NEGOTIATION COMMITTEE: President Reynolds and Director Long: No report.

C. AD HOC STRATEGIC PLAN COMMITTEE: Director Coate and Director Long: Director Coate reported the committee reviewed a draft plan.

D. AD HOC UTILITY SERVICES CONTRACT COMMITTEE: Director Coate and Director Long: Director Long reported the committee has a lot of material to review and this is in process.

E. AD HOC RECHARGE COMMITTEE: Director Long and Director Coate: Director Coate reported that the committee met with the general manager and is hoping that the project will be out to bid by the end of this week. The general manager reported project is being advertised and proposals are expected to be received in about four weeks.

F. CITIZENS ADVISORY COMMITTEE: Jay St. Gaudens, Chair: No report

General Manager Guzzetta reported that the District has been notified that it will receive grant funds when all documentation is completed. The award has officially been committed but funds are not given in advance.

Director Wilson asked if the newsletter stating the District had grant money is false; GM Guzzetta answered it was not false; that the District has the commitment of the grants.

13. PUBLIC COMMENT

Al Marquez of Joshua Tree commented stating that grant funding has not been received by the District.

Jean (no last name given) commented opposing the recharge project.

14. GENERAL MANAGER REPORT

GM Guzzetta reported that pieces of surplus pipe will be donated to the JT Clean Team who will use them to make ashtrays to put at local businesses; unless an agenda item is requested by Board he will donate the surplus pipe.

He reported that at next Wednesday's special meeting a presentation is planned explaining the project that is going out to bid; he will ask the engineers to specifically address issues brought up related to the fencing project.

He stated the agreement with MWA goes to 2022 and exceeds agreements of other agencies such as those in the Victorville area. He noted that the water to be delivered to Joshua Tree is slightly higher than Joshua Basin water at certain times of the year in salts, and much better quality than water from the Colorado River; it is the best quality water available.

15. DISTRICT GENERAL COUNSEL REPORT

Gil reported on litigation where the District prevailed at trial court in requiring the installation of meters on pumping. An appeal was filed and today Mr. Granito received a notice from the court of appeals indicating that no further extensions will be allowed.

16. FUTURE AGENDA ITEMS

None requested.

17. DIRECTORS COMMENTS/REPORTS

Director Wilson stated this is a special day today because of the freedoms we have, referring to the sacrifices of heroic men on D-Day, 60 years ago. He stated it will cost eight hundred thousand to a million dollars a year for water.

Director Coate reported attending the Mojave Water Agency (MWA) Board meeting where that agency's budget was approved. He stated that the Ames/Reche project will store water for use by Bighorn, Pioneertown and Yucca Valley. The Regional Water Quality Control Board will not merge with LaHontan but will stay local in the low desert. He commented that the District would be remiss to not bring water in to recharge; he applauded the Board and District for doing this after the community has invested money for years to this end.

Director Long stated only water that is requested will be paid for so there is no way to predict the cost; The District is looking forward fifty to a hundred years.

Vice President Luckman stated she believes that water will be available for much longer than eight years; she thanked the executive secretary for adding the board meeting broadcast dates and availability of DVD recordings to the agendas.

President Reynolds reported attending the MWA meeting noting that approval of the Ames/Reche project was good news. He thanked the public for their comments and proposed a forum to create an educational environment that would answer any questions on projects or other concerns.

18. CLOSED SESSION

- A. Closed session pursuant to Government Code Section 54957.6 to consult with and instruct the Board's Ad Hoc Negotiation Committee (Mike Reynolds and Bill Long), which is acting as the Board's designated representative and is charged with the responsibility of negotiating a new Employment Agreement with the District's General Manager.
- B. Closed Session pursuant to Government Code Section 54957 to consult with the District's General Manager and General Counsel concerning the release of an employee due to the elimination of a position attributable to a Reduction in Force/Reorganization.

Closed session began at 8:10 pm and the meeting resumed in open session at 9:03 pm.

General Counsel, reported that the Board went into closed session at approximately 8:10PM for the matters reflected as Items 18 A and B of tonight's agenda.

General Counsel reported that Mr. Guzzetta did not participate in the first phase of the closed session which concerned item 18. A and that during this phase of the closed session, the Board Ad Hoc Negotiating Committee consulted with the Board and no further reportable action was taken.

General Counsel reported that Mr. Guzzetta joined the closed session when item 18. B was discussed.

During this phase of the closed session the Board on a 4 to 1 vote [Directors Reynolds, Long, Luckman & Coate voting in favor and Director Wilson not in favor) authorized the General Manager to enter into a Separation Agreement with the affected employee.

The Closed Session ended at approximately 9:00PM and shortly thereafter, the open session resumed.

19. ADJOURNMENT

The meeting was adjourned at 9:06 pm.

Respectfully submitted:

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Joe Guzzetta, General Manager

The next regular meeting of the Board of Directors is scheduled for June 20, 2012 at 7:00 pm.

JOSHUA BASIN WATER DISTRICT  
Minutes of the  
SPECIAL MEETING OF THE BOARD OF DIRECTORS  
June 13, 2012

1. CALL TO ORDER: 7:00 PM

2. PLEDGE OF ALLEGIANCE

3. DETERMINATION OF QUORUM:

Frank Coate	Present
Bill Long	Present
Mickey Luckman	Present
Mike Reynolds	Present
Gary Wilson	Present

STAFF PRESENT: Joe Guzzetta, General Manager  
Susan Greer, Assistant General Manager/Controller  
Marie Salsberry, Executive Secretary

CONSULTANTS PRESENT: Gil Granito, District Counsel  
Mike Metts, Engineer  
Mark Messersmith, Engineer  
Kathleen Radnich, Public Outreach Consultant

GUESTS 7

4. APPROVAL OF AGENDA

MSC Long/Luckman 5/0 to approve the agenda for the special meeting of June 13, 2012.

5. PUBLIC COMMENT

Jim Ventura, Joshua Tree resident and representative of Division 2 of Mojave Water Agency commented on the importance of the recharge project to the community. He noted the importance of regional projects such as the Ames/Reche project and stated that projects such as these are instrumental in bringing grant monies to our area.

Josh Canady of Fatty's Fence/Wonder Valley Fence commented on the fence specifications, the bid closing date and that having a contractor from out of the area do the recharge fence project creates additional cost.

6. Director Coate reported that the Ad Hoc Board Recharge Committee, the general manager and the engineer met regarding this issue and determined a recommendation to accept the bid of Westbrook Fence Incorporated. Director Long expressed concern about liability in the future if the fencing specs were to be changed from the engineer's specifications. Legal Counsel Gil Granito reported that there is no statute mandating these standards for fencing; however if an incident was to occur resulting in an injury it would be relevant in a court of law; if the District deviated from the green book "standard specifications for public works construction" an argument might be present for liability.

Discussion ensued.

MSC Reynolds/Wilson 2/3 to reject all bids and re-advertise the project locally and contact local contractors. The motion failed with the following vote:

Coate	No
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Long	No
Luckman	No
Reynolds	Aye
Wilson	Aye

MSC Coate/Long 4/1 to accept the bid of Westbrook Fence Incorporated in the amount of \$112,564 to install fencing for the recharge site.

7. GM Guzzetta noted the groundwater recharge project is out to bid; he introduced Mike Metts of Dudek and Mark Messersmith of Krieger and Stewart who presented information on studies and other preparation for construction of the project and the project design.

8. **ADJOURNMENT**

The meeting was adjourned at 8:12 pm.

Respectfully submitted:

Joe Guzzetta, General Manager

The next regular meeting of the Board of Directors is scheduled for June 20, 2012 at 7:00 pm.

DRAFT

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
051339	5/03/2012	R	001002	BUSINESS CARD	
			I-BA0512	BUSINESS EXPENSES	176.33
					-----
					176.33
051340	5/03/2012	R	001004	BUSINESS CARD	
			I-BA0512	TRN EXP/BUS EXP/OFFC EQP/MISC	6,005.94
					-----
					6,005.94
051341	5/03/2012	R	001015	BAVCO	
			I-575038	CALIBRATION CHECK TEST KIT	94.20
					-----
					94.20
051342	5/03/2012	R	000048	DANIEL BOCK	
			I-DB042611	REIMB: VNC VIEWER FOR SCADA	9.99
					-----
					9.99
051343	5/03/2012	R	001932	COUNTY OF SAN BERNARDINO	
			I-104976	JAN & APR 12 MAP REVISIONS	4.50
					-----
					4.50
051344	5/03/2012	R	001865	COMPUTER GALLERY	
			I-306354	CUSTOMER SERVICE COLOR PRINTER	3,515.92
			I-306356	SHOP SCANNER	391.37
			I-306425	ADOBE ACROBAT PRO UPGRADE LIC	1,128.21
					-----
					5,035.50
051345	5/03/2012	R	001888	RICHARD H COOK	
			I-RC050212	EMERGENCY MANAGEMENT PROGRAM	3,075.00
					-----
					3,075.00
051346	5/03/2012	R	002213	JOHN ZACCARIA	
			I-10451	OFFICE SUPPLIES	736.22
					-----
					736.22
051347	5/03/2012	R	002565	DUDEK AND ASSOCIATES, INC	
			I-20120556	ENG SERV: HDMC/RECHRG&PIPE/C2B	5,055.00
			I-20120885	ENG SERV: MULTIPLE PROJECTS	23,123.75
					-----
					28,178.75
051348	5/03/2012	V	C-CHECK	VOID CHECK	0.00
					-----
					0.00

6/04/2012 9:16 AM  
CASH ACCOUNT: 01 -11200

C H E C K   A U D I T   R E P O R T

PAGE: 2

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
051349	5/03/2012	R	004000	JOSEPH GUZZETTA	
			I-JG042612	REIMB: BUSINESS EXPENSE	146.75
					-----
					146.75
051350	5/03/2012	R	004720	INLAND WATER WORKS	
			I-241451	HYDRANT GATE VALVE	914.47
			I-241452	WELL 10 SUPPLIES	545.01
					-----
					1,459.48
051351	5/03/2012	R	005640	KILLER BEE PEST CONTROL	
			I-2171	BEE REMOVAL	70.00
					-----
					70.00
051352	5/03/2012	R	006029	LIEBERT CASSIDY WHITMORE	
			I-149019	LEGAL SERVICES - MAR 12	2,100.00
					-----
					2,100.00
051353	5/03/2012	R	009897	THE MALLANTS CORPORATION	
			I-2484	TEMPORARY LABOR	882.71
					-----
					882.71
051354	5/03/2012	R	006200	HELEN A. MCALLISTER	
			I-5656B	JANITORIAL SERVICES - APR 12	580.00
					-----
					580.00
051355	5/03/2012	R	000213	PAUL MOREHEAD	
			I-PM041612	PUBLIC OUTREACH VIDEO EDITING	500.00
					-----
					500.00
051356	5/03/2012	R	008102	OFFICEMAX CONTRACT INC.	
			I-365686	OFFICE SUPPLIES	6.28
					-----
					6.28
051357	5/03/2012	R	000070	ONLINE INFORMATION SERVICES, INC.	
			I-411777	ID VERIF. SERV. THRU 4/30/12	324.30
					-----
					324.30
051358	5/03/2012	R	008414	ROBERT L. STEPHENSON	
			I-1167	VIDEO TAPING BD MEETINGS - APR	200.00
					-----
					200.00

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051359	5/03/2012	R	000089	SEMS TECHNOLOGIES, LLC I-1121	CUSTOM DEVELOPMENT WORK 750.00
					----- 750.00
051360	5/03/2012	R	009878	SOUTHERN CALIFORNIA EDISON I-SCE0412	POWER FOR PUMPING - APR 12 20,654.91
					----- 20,654.91
051361	5/03/2012	R	010850	UNDERGROUND SERVICE ALERT I-420120328	TICKET DELIVERY SERVICE - APR 43.50
					----- 43.50
051362	5/03/2012	R	010990	UTILIQUEST L.L.C. I-181843-Q	CONTRACT LOCATING EXPENSE 67.02
					----- 67.02
051363	5/03/2012	R	013195	JEFFREY G. ZARTLER I-343063	GROUNDS & DEMO GDN CLEANUP 65.00
					----- 65.00
051364	5/03/2012	R	000214	BABCOCK LABORATORIES, INC. I-BD22748-2287	WELL 10 BACTERIA SPECIMEN TEST 45.00
					----- 45.00
051365	5/11/2012	R	000505	ACWA I-ACWA0612	EE ASSISTANCE PROGRAM JUN 12 67.26
					----- 67.26
051366	5/11/2012	R	000507	ACWA HEALTH BENEFITS AUTHORITY I-ACWA0612	EE HEALTH BENEFIT - JUN 12 10,761.91
					----- 10,761.91
051367	5/11/2012	R	001630	AT&T MOBILITY I-829480028X05052012	COMMUNICATIONS - APR 12 932.15
					----- 932.15
051368	5/11/2012	R	000215	AW DIRECT I-1018799838	EQUIPMENT FOR NEW TRUCKS 2,864.90
					----- 2,864.90

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
051369	5/11/2012	R	001461	DEBORAH BOLLINGER	
			I-496	WATER CONSERVATION - APR 12	2,500.00
			I-497	RECHARGE BASIN CONSULT SERVICE	112.50
					-----
					2,612.50
051370	5/11/2012	R	004110	BURRTEC WASTE & RECYCLING SVCS	
			I-BW0512	RECYCLING - MAY 12	54.63
			I-BW0512B	TRASH REMOVAL - MAY 12	248.81
			I-BW0512C	TRASH REMOVAL - MAY 12	79.92
					-----
					383.36
051371	5/11/2012	R	000145	CALIFORNIA STATE DISBURSEMENT UNIT	
			I-051112	EE REMITTANCE	198.92
					-----
					198.92
051372	5/11/2012	R	001526	CANYON AUTO SERVICES, INC	
			I-6585	VEHICLE REPAIRS	486.64
					-----
					486.64
051373	5/11/2012	R	001555	CENTRATEL	
			I-120503192101	DISPATCH SERVICES - APR 12	238.55
					-----
					238.55
051374	5/11/2012	R	001595	CHEM-TECH INTERNATIONAL, INC.	
			I-JBWD149	WATER TREATMENT EXPENSE	1,414.60
					-----
					1,414.60
051375	5/11/2012	R	001930	COUNTY OF SAN BERNARDINO	
			I-SBFC051012	RECHARGE PIPELINE FLOOD PERMIT	5,220.00
					-----
					5,220.00
051376	5/11/2012	R	001951	COUNTY OF SAN BERNARDINO	
			I-CSB051012	RECHARGE PIPELINE ROAD PERMIT	2,225.00
					-----
					2,225.00
051377	5/11/2012	R	000058	GARDA CL WEST, INC.	
			I-180-295612	COURIER FEES - MAY 12	444.30
					-----
					444.30
051378	5/11/2012	R	003505	LORI PARKER	
			I-6247	VEHICLE REPAIRS	22.00
					-----
					22.00

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
051379	5/11/2012	R	000217	DANIEL S KEEFER	
			I-DK051012	CPR TRAINING	65.00
					-----
					65.00
051380	5/11/2012	R	009897	THE MALLANTS CORPORATION	
			I-2486	TEMPORARY LABOR	680.64
					-----
					680.64
051381	5/11/2012	R	008405	PRECISION ASSEMBLY	
			I-14930	APR WATER BILLING & PUBL INFO	1,824.50
					-----
					1,824.50
051382	5/11/2012	R	008415	PRUDENTIAL OVERALL SPLY.	
			I-20508008	SHOP EXPENSE	97.67
					-----
					97.67
051383	5/11/2012	R	009054	KATHLEEN J. RADNICH	
			I-120422-16	PUBLIC RELATIONS SERVICES	504.00
			I-120429-17	PUBLIC RELATIONS SERVICES	648.00
					-----
					1,152.00
051384	5/11/2012	R	009072	LAW OFFICES REDWINE AND SHERRILL	
			I-RS0412	LEGAL SERVICES - APR 12	14,858.37
					-----
					14,858.37
051385	5/11/2012	R	009980	SWRCB FEES	
			I-SW051012	SWRCB FEES	350.00
					-----
					350.00
051386	5/11/2012	R	010635	TOPS N BARRICADES	
			I-1026891	SAFETY EXPENSE	135.33
					-----
					135.33
051387	5/11/2012	R	010990	UTILIQUEST L.L.C.	
			I-182105-Q	CONTRACT LOCATING EXPENSE	62.66
					-----
					62.66
051388	5/11/2012	R	011615	WESTERN EXTERMINATOR CO.	
			I-WE0412	EXTERMINATOR - APR 12	73.50
			I-WE0412B	EXTERMINATOR - APR 12	32.00
					-----
					105.50

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
051389	5/11/2012	R	000009	WESTERN PUMP, INC. I-0115288-IN REPAIRS: GAS PUMP	2,202.78 ----- 2,202.78
051390	5/17/2012	R	001526	CANYON AUTO SERVICES, INC I-6583 VEHICLE REPAIRS	844.37 ----- 844.37
051391	5/17/2012	R	001528	CARPI & CLAY, INC I-CC0412 LOBBYIST - APR 12	3,500.00 ----- 3,500.00
051392	5/17/2012	R	001951	COUNTY OF SAN BERNARDINO I-CSB051612 ANNUAL PERMIT APPLICATION	150.00 ----- 150.00
051393	5/17/2012	R	001865	COMPUTER GALLERY I-306520 PRINTER MAINTENANCE - APR 12 I-306544 PLAT. MAINTENANCE - JUN 12 I-306551 BDR BACKUP SERVICE - JUN 12	63.11 2,895.00 1,010.00 ----- 3,968.11
051394	5/17/2012	R	000218	ROBERT E WHITT I-447101 VINYL LOGO STICKERS I-447104 VINYL NUMBERS FOR TRUCKS	258.60 23.70 ----- 282.30
051395	5/17/2012	R	003025	FEDEX I-7-885-09776 SHIPPING: METER TESTING	11.20 ----- 11.20
051396	5/17/2012	R	004195	HOME DEPOT CREDIT SERVICES I-HD0512 SHOP EXP/PMP PLT/RECHRG/WELL10	924.10 ----- 924.10
051397	5/17/2012	R	006504	MC CALL'S METERS, INC. I-22425 CERTIFIED FLOW TEST	76.11 ----- 76.11
051398	5/17/2012	R	006800	MOJAVE WATER AGENCY I-0012077-IN MORONGO BASIN PIPELINE DEBT	219,544.00 ----- 219,544.00

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
051399	5/17/2012	R	008102	OFFICEMAX CONTRACT INC.	
			I-653160	OFFICE SUPPLIES	107.77
			I-738832	OFFICE SUPPLIES	222.49
					-----
					330.26
051400	5/17/2012	R	003596	SUPERMEDIA LLC	
			I-SM0512	MORONGO BASIN ADVERT - MAY 12	22.25
					-----
					22.25
051401	5/17/2012	R	010990	UTILIQUEST L.L.C.	
			I-182375-Q	CONTRACT LOCATING EXPENSE	73.83
					-----
					73.83
051402	5/17/2012	R	003595	VERIZON CALIFORNIA	
			I-V0512	TELEPHONE (SHOP) - MAY 12	353.13
					-----
					353.13
051403	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)	
			I-000201205161649	RADNICH, KATHLEEN :US REFUND	79.60
					-----
					79.60
051404	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)	
			I-000201205161650	ROSSETTI, RUTHANNE :US REFUND	61.51
					-----
					61.51
051405	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)	
			I-000201205161651	BURDETTE, JERTORA R :US REFUND	75.63
					-----
					75.63
051406	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)	
			I-000201205161652	WOODWARD, JASON :US REFUND	67.34
					-----
					67.34
051407	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)	
			I-000201205161653	SNYDER, JOHN W :US REFUND	17.45
					-----
					17.45
051408	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)	
			I-000201205161654	FUENTES, INES :US REFUND	25.38
					-----
					25.38



CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
051409	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161655 CARSTENSEN, RICHARD :US REFUND	39.76
					----- 39.76
051410	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161656 SIBBY, BLAINE :US REFUND	22.51
					----- 22.51
051411	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161657 KINYOUN, PETER :US REFUND	77.46
					----- 77.46
051412	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161658 TIPTON, DONNA :US REFUND	10.95
					----- 10.95
051413	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161659 SHTEIR, SETH D :US REFUND	44.11
					----- 44.11
051414	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161660 KIEFFER, JIM :US REFUND	77.22
					----- 77.22
051415	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161661 ALTISOURCE SOLUTIONS:US REFUND	51.39
					----- 51.39
051416	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161662 RASCOL, GABRIEL :US REFUND	44.42
					----- 44.42
051417	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161663 CRUTCHFIELD, M REYNO:US REFUND	68.48
					----- 68.48
051418	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161664 SAFEGUARD PROPERTIES:US REFUND	82.53
					----- 82.53

CHECK NO	CHECK DATE	STATUS	VENDOR INFO			CHECK AMOUNT
051419	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205161665	GARFIELD, ANDREW :US REFUND	68.72
						-----
						68.72
051420	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205161666	SERMINO, EDUARDO :US REFUND	18.57
						-----
						18.57
051421	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205161667	HUDSPETH, JOSEPH F :US REFUND	19.60
						-----
						19.60
051422	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205161668	NIELSEN, JEROD K :US REFUND	88.50
						-----
						88.50
051423	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205161669	LIBBYS REALTY :US REFUND	66.10
						-----
						66.10
051424	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205161670	DARLING, KITTEN A :US REFUND	80.26
						-----
						80.26
051425	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205161671	EVANS, RICHARD :US REFUND	288.70
						-----
						288.70
051426	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205161672	ANDERSON, SARAH L :US REFUND	24.08
						-----
						24.08
051427	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205161673	GREENSHIELDS, ED :US REFUND	76.42
						-----
						76.42
051428	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205161674	MAGURUN, JOHN R :US REFUND	60.16
						-----
						60.16

CHECK NO	CHECK DATE	STATUS		VENDOR INFO	CHECK AMOUNT
051429	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161675 COULMAN, VALERIE A :US REFUND	33.62 ----- 33.62
051430	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161676 BUSKIRK, BRYCE A :US REFUND	61.82 ----- 61.82
051431	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161677 BASTRUP, RONALD O :US REFUND	70.80 ----- 70.80
051432	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161678 CASA BELLA PROPERTIE:US REFUND	78.56 ----- 78.56
051433	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161679 NGUYEN, CHRISTINE :US REFUND	22.87 ----- 22.87
051434	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161680 MCCRADY, JAMIE L :US REFUND	28.56 ----- 28.56
051435	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161681 FIRST CHOICE PROPERT:US REFUND	77.77 ----- 77.77
051436	5/17/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205161682 UERKVITZ, BOBBIE A :US REFUND	41.66 ----- 41.66
051437	5/23/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205231683 MARTIN, MURIEL :US REFUND	60.23 ----- 60.23
051438	5/23/2012	R	1	CUSTOMER REFUNDS (MISC.) I-000201205231684 EBELING, RONALD A :US REFUND	60.78 ----- 60.78

CHECK NO	CHECK DATE	STATUS	VENDOR INFO			CHECK AMOUNT
051439	5/23/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205231685	OLSON, CARL A :US REFUND	38.68
						-----
						38.68
051440	5/23/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205231686	KEMPSTER, LISA :US REFUND	107.89
						-----
						107.89
051441	5/23/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205231687	MANNO, ELIZABETH A :US REFUND	95.24
						-----
						95.24
051442	5/23/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205231688	STANKIEWITZ, NICHOLAS:US REFUND	147.19
						-----
						147.19
051443	5/23/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205231689	FIRST CHOICE PROPERT:US REFUND	65.06
						-----
						65.06
051444	5/23/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205231690	WALSH, MAE :US REFUND	27.06
						-----
						27.06
051445	5/23/2012	R	1	CUSTOMER REFUNDS (MISC.)		
				I-000201205231691	LANE, CAROL :US REFUND	58.40
						-----
						58.40
051446	5/25/2012	R	000575	AFSCME LOCAL 1902		
				I-AFSCME0512	EE UNION DUES - MAY 12	468.00
						-----
						468.00
051447	5/25/2012	R	000656	AMERICAN HERITAGE LIFE INS CO.		
				I-ALL0412	EE LIFE INSURANCE - APR 12	304.89
						-----
						304.89
051448	5/25/2012	R	000145	CALIFORNIA STATE DISBURSEMENT UNIT		
				I-052512	EE REMITTANCE	198.92
						-----
						198.92

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
051449	5/25/2012	R	001530	CARQUEST/SOUTHERN AUTO SUPPLY	
			I-7340-408420	VEHICLE REPAIR	6.27
			I-7340-408815	TRUCK #28 BRAKE CONTROL	100.78
					-----
					107.05
051450	5/25/2012	R	001850	CLINICAL LAB OF S.B. INC	
			I-921146	SAMPLING - APR 12 & WELL 10	1,650.00
					-----
					1,650.00
051451	5/25/2012	R	001865	COMPUTER GALLERY	
			I-306468	PLAT. MAINTENANCE - MAY 12	2,895.00
			I-306484	BDR BACKUP SERVICE - MAY 12	1,010.00
					-----
					3,905.00
051452	5/25/2012	R	000222	COPPER MOUNTAIN COMMUNITY COLLEGE	
			I-042512	REIMB: DEPOSIT & WTR CPTY FEE	40,807.96
					-----
					40,807.96
051453	5/25/2012	R	002846	ESRI, INC.	
			I-92486684	GIS MAINT PROG 8/24/12-8/23/13	3,116.25
					-----
					3,116.25
051454	5/25/2012	R	000156	MICHAEL JEAN KLUTTS	
			I-20120510-207	TELEMETRY SECURITY REPAIR	122.67
					-----
					122.67
051455	5/25/2012	R	006029	LIEBERT CASSIDY WHITMORE	
			I-149794	LEGAL SERVICES - APR 12	270.00
					-----
					270.00
051456	5/25/2012	R	006507	McMASTER-CARR SUPPLY COMPANY	
			I-26057189	WATER UTILITY TRAILER PARTS	264.62
			I-26153121	WATER UTILITY TRAILER PART	558.85
					-----
					823.47
051457	5/25/2012	R	000159	OASIS OFFICE SUPPLY	
			I-205927-0	POSTAGE	11.39
					-----
					11.39
051458	5/25/2012	R	008201	PURCHASE POWER	
			I-PB051312	POSTAGE REFILL FOR METER	160.78
					-----
					160.78

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
051459	5/25/2012	R	008415	PRUDENTIAL OVERALL SPLY.	
			I-20514842	SHOP EXPENSE	141.37
					-----
					141.37
051460	5/25/2012	R	009054	KATHLEEN J. RADNICH	
			I-120506-17	PUBLIC RELATIONS SERVICES	774.00
			I-120513-18	PUBLIC RELATIONS SERVICES	514.80
					-----
					1,288.80
051461	5/25/2012	R	009880	SOUTHERN CALIFORNIA EDISON CO	
			I-SCE0512	POWER TO BUILDINGS - MAY 12	1,222.96
					-----
					1,222.96
051462	5/25/2012	R	000510	TIME WARNER CABLE	
			I-TW0512	CABLE SERVICE - MAY 12	58.32
					-----
					58.32
051463	5/25/2012	R	010635	TOPS N BARRICADES	
			I-1027054	TRAFFIC CONTROL: RCHG PIPE	1,132.95
					-----
					1,132.95
051464	5/25/2012	R	000202	TRI-STATE PUMP, INC.	
			I-81133	PUMPING PLANT MAINTENANCE	1,633.10
					-----
					1,633.10
051465	5/25/2012	R	010690	TYLER TECHNOLOGIES	
			I-025-43106	ONLINE PRODUCTS - MAY 12	185.00
			I-025-43540	ANNUAL MAINT: 23 MODULES	22,780.77
					-----
					22,965.77
051466	5/25/2012	R	010900	HD SUPPLY FACILITIES MAINTENANCE, LTD. DBA	
			I-665766	WATER UTILITY TRAILER PARTS	168.83
			I-665862	WATER UTILITY TRAILER PARTS	104.50
			I-666918	WATER UTILITY TRAILER PARTS	333.38
					-----
					606.71
051467	5/25/2012	R	010990	UTILIQUEST L.L.C.	
			I-182616-Q	CONTRACT LOCATING EXPENSE	189.90
					-----
					189.90
051468	5/25/2012	R	003600	VERIZON CALIFORNIA	

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
			I-V0512	TELEPHONE (OFFICE) - MAY 12	730.04
					-----
					730.04
051469	5/29/2012	R 1	CUSTOMER REFUNDS (MISC.)		
			I-000201205291692	FLEMING, DOMINIQUE :US REFUND	46.20
					-----
					46.20
051470	5/29/2012	R 1	CUSTOMER REFUNDS (MISC.)		
			I-000201205291693	DESERT WILLOW MGMT :US REFUND	61.01
					-----
					61.01
051471	5/29/2012	R 1	CUSTOMER REFUNDS (MISC.)		
			I-000201205291694	STERLING, HEATHER M :US REFUND	56.81
					-----
					56.81
051472	5/29/2012	R 1	CUSTOMER REFUNDS (MISC.)		
			I-000201205291695	MATESKI, MARY E :US REFUND	131.24
					-----
					131.24
051473	5/29/2012	R 1	CUSTOMER REFUNDS (MISC.)		
			I-000201205291696	JIMENEZ, ART :US REFUND	30.47
					-----
					30.47
051474	5/29/2012	R 1	CUSTOMER REFUNDS (MISC.)		
			I-000201205291697	ANDERSON, ROBERT A :US REFUND	14.56
					-----
					14.56
051475	5/29/2012	R 1	CUSTOMER REFUNDS (MISC.)		
			I-000201205291698	WRIGHT, LOREN :US REFUND	42.43
					-----
					42.43
051476	5/31/2012	R	000215	AW DIRECT	
			I-1018855763	TOOL BOXES FOR TRUCKS	1,731.00
					-----
					1,731.00
051477	5/31/2012	R	001461	DEBORAH BOLLINGER	
			I-499	REIMB: SCHOOL EDUCATION SERIES	129.25
			I-500	REIMB: RECHARGE BASIN SUPPLIES	77.67
					-----
					206.92

CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
051478	5/31/2012	R	001526	CANYON AUTO SERVICES, INC	
			I-6619	NEW VAC TRAILER BRAKE LIGHTS	82.88
			I-6651	VEHICLE REPAIRS	109.42
			I-6653	GENERATORS: INSPECT & SERVICE	70.00
					-----
					262.30
051479	5/31/2012	R	000223	DITCH WITCH CENTRAL CALIFORNIA	
			I-Q31117	UTILITY HYDRO VACUUM	35,564.50
					-----
					35,564.50
051480	5/31/2012	R	003025	FEDEX	
			I-7-900-64267	SHIPPING	46.94
					-----
					46.94
051481	5/31/2012	R	000205	LORI HERBEL	
			I-LH052312	PUBLIC INFO/FARMER'S MARKET	125.00
					-----
					125.00
051482	5/31/2012	R	004720	INLAND WATER WORKS	
			I-242178	TOOLS/ TRUCK 27 TOOL	105.89
			I-242216	INVENTORY	2,689.44
					-----
					2,795.33
051483	5/31/2012	R	000018	MICKEY C. LUCKMAN	
			I-ML042512	REIMB: MILES/PARKING WASH D.C.	145.70
			I-ML051112	REIMB: AIRFARE & PARKING ACWA	463.20
					-----
					608.90
051484	5/31/2012	R	009897	THE MALLANTS CORPORATION	
			I-2489	TEMPORARY LABOR	1,733.51
					-----
					1,733.51
051485	5/31/2012	R	006200	HELEN A. MCALLISTER	
			I-5667B	JANITORIAL SERVICES - MAY 12	580.00
					-----
					580.00
051486	5/31/2012	R	006790	MOBILE MINI, LLC - CA	
			I-217000876	23' RECORD STORAGE RENTAL	226.71
					-----
					226.71
051487	5/31/2012	R	008102	OFFICEMAX CONTRACT INC.	



CHECK NO	CHECK DATE	STATUS	VENDOR INFO		CHECK AMOUNT
			I-894278	OFFICE SUPPLIES	323.94
					-----
					323.94
051488	5/31/2012	R	000225 RICH, AUTUMN		
			I-ALR052412	REIMB: MILES TO DMV	20.69
					-----
					20.69
051489	5/31/2012	R	003596 SUPERMEDIA LLC		
			I-SM5/12-4/13	SUPERPAGES.COM: 5/12 - 4/13	155.40
					-----
					155.40
051490	5/31/2012	R	011109 VALLEY INDEPENDENT PRINTING		
			I-29580	OFFICE SUPPLIES:BUSINESS CARDS	101.29
					-----
					101.29
*900254	5/10/2012	D	001517 CalPERS		
			I-PPE 5-4-12	PAY PERIOD ENDING 5/4/12	9,463.33
					-----
					9,463.33
900255	5/14/2012	D	004800 INTERNAL REVENUE SERVICE		
			I-IRS PAID 5/11/12	FED W/H, SOC SEC, MEDICARE	13,597.92
					-----
					13,597.92
900256	5/14/2012	D	002822 EMPLOYMENT DEVELOPMENT		
			I-EDD PD 5/11/12	STATE & SDI W/H	2,595.16
					-----
					2,595.16
900257	5/24/2012	D	001517 CalPERS		
			I-PPE 5-18-12	PAY PERIOD ENDING 5/18/12	9,491.42
					-----
					9,491.42
900258	5/29/2012	D	004800 INTERNAL REVENUE SERVICE		
			I-IRS PD 5/25/12	FED W/H, SOC SEC, MEDICARE	13,627.16
					-----
					13,627.16
900259	5/29/2012	D	002822 EMPLOYMENT DEVELOPMENT		
			I-EDD PD 5/25/12	STATE & SDI W/H	2,616.94
					-----
					2,616.94
900260	5/31/2012	D	000025 ICMA RC		

6/04/2012 9:16 AM  
CASH ACCOUNT: 01 -11200

C H E C K   A U D I T   R E P O R T

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CHECK NO	CHECK DATE	STATUS	VENDOR INFO	CHECK AMOUNT
			I-900260	2,305.39
			457 REMITTANCE - MAY 12	2,305.39
TOTALS: 159				533,889.39
LESS - PRIOR MONTH VOIDS:				
			50855	(58.40)
			0	0.00
LESS - CURRENT MONTH VOIDS:				
				0.00
				0.00
				533,830.99

**DIRECTOR PAYROLL & REIMBURSEMENTS****MAY 2012**

<u>Check Date</u>	<u>Event Date</u>	<u>Event Description</u>	<u>Pay Description</u>	<u>Amount</u>
<b><u>COATE, PAUL F</u></b>				
05/11/2012	05/02/2012	JBWD BOARD MEETING	DIRECTOR'S FEES	173.63
05/25/2012	05/16/2012	JBWD BOARD MEETING	DIRECTOR'S FEES	173.63
<b>Total:</b>				<u>347.26</u>
=====				
<b><u>LONG, WILLIAM C</u></b>				
05/11/2012	04/26/2012	MILES TO MWA BD MTG	REIMBURSEMENT	77.15
05/11/2012	04/26/2012	MWA BOARD MEETING	UNPAID	0.00
05/11/2012	05/02/2012	JBWD BOARD MEETING	DIRECTOR'S FEES	173.63
05/25/2012	05/16/2012	JBWD BOARD MEETING	DIRECTOR'S FEES	173.63
<b>Total:</b>				<u>424.41</u>
=====				
<b><u>LUCKMAN, MICKEY C</u></b>				
05/11/2012	05/02/2012	JBWD BOARD MEETING	DIRECTOR'S FEES	173.63
05/25/2012	05/16/2012	JBWD BOARD MEETING	DIRECTOR'S FEES	173.63
<b>Total:</b>				<u>347.26</u>
=====				
<b><u>REYNOLDS, MICHAEL P</u></b>				
05/11/2012	03/19/2012	MILES: ASBCSD DINNER	REIMBURSEMENT	102.83
05/11/2012	03/19/2012	ASBCSD DINNER	DIRECTOR'S FEES	173.63
05/11/2012	03/27/2012	JBWD AGENDA MEETING	DIRECTOR'S FEES	173.63
05/11/2012	03/28/2012	MEETING W/ ATTORNEY	DIRECTOR'S FEES	173.63
05/11/2012	03/28/2012	REIMB: MILEAGE	REIMBURSEMENT	87.47
05/11/2012	04/10/2012	JBWD AGENDA MEETING	DIRECTOR'S FEES	173.63
05/11/2012	04/22/2012	WASHINGTON D.C. TRIP	DIRECTOR'S FEES	173.63
05/11/2012	04/23/2012	WASHINGTON D.C. TRIP	DIRECTOR'S FEES	173.63
05/11/2012	04/24/2012	WASHINGTON D.C. TRIP	DIRECTOR'S FEES	173.63
05/11/2012	04/25/2012	WASHINGTON D.C. TRIP	DIRECTOR'S FEES	173.63
05/11/2012	04/22/2012	REIMB: MILEAGE	REIMBURSEMENT	50.51
05/11/2012	04/25/2012	REIMB: MILEAGE	REIMBURSEMENT	50.51
05/11/2012	04/22/2012	REIMB: MEALS	REIMBURSEMENT	5.80
05/11/2012	04/24/2012	REIMB: MEALS	REIMBURSEMENT	17.63
05/11/2012	05/02/2012	JBWD BOARD MEETING	DIRECTOR'S FEES	173.63
05/25/2012	05/11/2012	REIMB: ACWA MILEAGE	REIMBURSEMENT	488.40

<u>Check Date</u>	<u>Event Date</u>	<u>Event Description</u>	<u>Pay Description</u>	<u>Amount</u>
<b><u>REYNOLDS, MICHAEL P</u></b>				
05/25/2012	05/08/2012	ACWA CONFERENCE	DIRECTOR'S FEES	173.63
05/25/2012	05/09/2012	ACWA CONFERENCE	DIRECTOR'S FEES	173.63
05/25/2012	05/10/2012	ACWA CONFERENCE	DIRECTOR'S FEES	173.63
05/25/2012	05/11/2012	ACWA CONFERENCE	DIRECTOR'S FEES	173.63
05/25/2012	05/16/2012	JBWD BOARD MEETING	DIRECTOR'S FEES	173.63
05/25/2012	05/08/2012	REIMB: MEAL ACWA	REIMBURSEMENT	14.60
<b>Total:</b>				<u>3,248.57</u> =====
<b><u>WILSON, GARY L</u></b>				
05/11/2012	05/02/2012	JBWD BOARD MEETING	DIRECTOR'S FEES	173.63
05/25/2012	05/16/2012	JBWD BOARD MEETING	DIRECTOR'S FEES	173.63
<b>Total:</b>				<u>347.26</u> =====

**Grand Total:** 4,714.76  
=====

\* \* T O T A L S \* \*

	NO	CHECK AMOUNT	DISCOUNTS	TOTAL APPLIED
REGULAR CHECKS:	151	480,192.07	0.00	480,192.07
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	7	53,697.32	0.00	53,697.32
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:	1	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: 5/01/2012 THRU 5/31/2012

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

DETAIL: Vendor Info  
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JOSHUA BASIN WATER DISTRICT  
SUPPLEMENTAL DATA SHEET  
AGENDA ITEM

Regular Meeting of the Board of Directors

June 20, 2011

To: President and Members of the Board

From: Susan Greer



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TOPIC: PUBLIC HEARING TO CONSIDER THE WATER AVAILABILITY (STANDBY) CHARGE FOR FISCAL YEAR 2012/2013.

RECOMMENDATION: Adopt Resolution 12-889, establishing water availability charges for 12/13 and authorizing collection by San Bernardino County.

HISTORY: The public hearing is a legal requirement, necessary each year whether or not there is a rate change. The proposed rates are unchanged since 1996 and authorized by the Uniform Standby Charge Procedures Act (Government Code 54984 et seq.).

The public hearing should be conducted as follows:

1. Receive Staff Report
2. Board Questions
3. Open Public Hearing; receive public comments
4. Close Public Hearing
5. Board Discussion and action

As required, the updated Engineer's Report from John Egan is attached for 2012/2013. Although no change to the standby charges is proposed, the District is legally required to advertise and hold a public hearing and adopt a resolution setting the rates annually.

Water availability charges, also called standby charges, are levied annually on all non-exempt parcels within the District, whether or not there is water service to the parcel. Since 1992, the Board of Directors has used the standby assessments for the Morongo Basin Pipeline expenses. Remaining water availability charge revenues will be used exclusively for other lawful purposes of the District, such as capital costs and operation and maintenance of the District's water facilities benefiting the properties assessed or other debt service payments.

As indicated in the report, the water availability charges are generated to finance the debt service, capital costs or maintenance and operation expenses of the District. For 12/13 the anticipated standby revenues and corresponding payments are estimated on the next page.

<b>REVENUES</b>	
Standby Revenue (current & prior collections)	\$1,165,554
<b>PAYMENTS</b>	
MWA Debt Service	219,797
Liability/Property Insurance	95,000
Power Expense for System Operation	310,689
Reservoir Preventative Maintenance Program	200,000
Capital: H Zone Tank (previously relocate C2 Reservoir and J Booster)	510,000
<b>Total Payments</b>	<b>\$1,335,486</b>

To the extent that identified expenses exceed revenues they will be paid from water revenues. To the extent revenues exceed expenses, they will be used for other lawful purposes of the District. As always, some numbers are estimated at the time of the report.

Notice of the public hearing was published in the Hi-Desert Star. Individual mailed notification is not required since we are proposing no change to the rate or methodology. Any written protests will be counted at the hearing and the data included to "fill in the blank" of Resolution 1-XXX.



**ENGINEER'S REPORT**  
**FOR**  
**JOSHUA BASIN WATER DISTRICT**  
**2012-2013 FISCAL YEAR**  
**WATER AVAILABILITY CHARGE**

**JUNE 2012**

**ENGINEERING RESOURCES OF SOUTHERN CALIFORNIA, INC.**  
**1820 COMMERCENTER CIRCLE**  
**SAN BERNARDINO, CA 92408**

**ENGINEER'S REPORT**  
**FOR**  
**JOSHUA BASIN WATER DISTRICT**  
**2012-2013 FISCAL YEAR WATER AVAILABILITY CHARGE**

**BACKGROUND AND PURPOSE**

The Joshua Basin Water District owns and operates significant water-related infrastructure facilities within the District. Purpose of the existence and construction of these facilities and, therefore, responsibility of the District, is to provide potable water to property owners and residents within the District.

The District obtains its supply of water from underlying groundwaters. A study completed by the United States Geological Survey (USGS) some years ago determined that the amount of water extracted by the District exceeds the inflow or supply to the District's groundwater basins. In anticipation of the need for additional or supplemental water, the District's voters, in 1960, approved inclusion in the formation of the Mojave Water Agency which would have access to State Water Project (SWP) water. As additional insurance, in 1991, voters of the District together with those of other nearby water districts, approved a bond issue to finance the construction of the 72-mile Morongo Basin Pipeline to convey SWP water to the Morongo Basin area. The pipeline has been constructed and is maintained by the Mojave Water Agency. As one of the beneficiaries and future users, the Joshua Basin Water District signed a contract and is responsible for a portion of the pipeline construction and maintenance costs.

To allow delivery and use of SWP from the Morongo Basin Pipeline, the District has completed design and property acquisition and will soon seek construction bids for a pipeline and recharge basins. Funding of the estimated \$7.9 million cost will be provided by state and federal grants, the Mojave Water Agency, and excess funds in the Morongo Basin Pipeline Reserve Fund. Construction is anticipated to be completed within approximately two years.

Availability of the supplemental water benefits all of the land within the District. Therefore, a water availability charge is collected from all of the ± 12,000 parcels within the District, with the exception of those exempt. A primary use of the water availability charge revenues, since its enactment in 1996, has been to pay the debt obligation and operation and maintenance costs for the Morongo Basin Pipeline as required by the District's agreement with the Mojave Water Agency. That obligation has now been reduced to debt payment only, and is calculated to be approximately \$220,000 per year. Water availability charge revenues in excess of that amount will be used

exclusively for capital costs and operation and maintenance of the District's water facilities benefiting the properties assessed.

The water availability charge is estimated to generate revenues of \$1,165,554 for the 2012-2013 fiscal year, which revenues are dedicated to the following purposes as authorized by Resolution No. 96-564 under which the water availability charge was enacted.

Morongo Basin Pipeline Debt Payment	\$ 219,797
Property Insurance	\$ 95,000
Power Expense for System Operation	\$ 310,689
Preventative Maintenance Programs: Reservoirs	\$ 200,000
Capital Projects: H Zone Tank (previously relocated), C2 Reservoir, and J Booster	<u>\$ 510,000</u>
Total	\$1,335,486

To the extent the identified expenses exceed water availability charge revenues, they will be paid out of revenues from metered water sales and basic fees. To the extent that water availability revenues exceed expenses indicated above, they will be used for other lawful purposes of the District.

Water availability charge revenues are dedicated to the lawful purposes of (a) meeting the District's expenses of maintaining and operating permanent public improvements constituting the water system, (b) purchasing or leasing supplies, equipment, or material necessary for the operation of the District's water system, (c) meeting debt repayment obligations and financial reserve requirements, and (d) obtaining funds for capital projects necessary to maintain service within existing service areas.

Publicly owned property including lands owned by the federal government and the local school district was exempted from the water availability charge. In 1996, California voters approved Proposition 218, "The Right to Vote on Taxes Act." Among other things, Proposition 218 provided that property owned by local, state, and federal governmental agencies may not be exempted from a benefit assessment, such as the District's water availability charge, unless the Agency can demonstrate that it receives no special benefit from the services or facilities for which that charge is levied. (California Constitution Article XIII D, § 4(a).) When the District sent an assessment notice to the U.S. Bureau of Land Management ("BLM"), which owns extensive property within the District, the BLM responded by claiming exemption under the California Statehood Act and declined to pay. The local school district was not assessed based upon the California Supreme Court decision in *San Marcos Water District v. San Marcos Unified School District*.

The water availability charge has been in effect at the current rate since 1996, prior to the enactment of Proposition 218 and is entitled to an exemption from the procedural requirements of Proposition 218 unless and until it is increased. (California Constitution Article XIII D, §5.) Legislation interpreting Proposition 218 clarifies that, as an exempt assessment, the procedure is also exempt from the requirement that government-owned parcels be assessed. (Government Code §53753.5.)

Unless and until the water availability charge is increased, it may be re-authorized from year-to-year pursuant to the Uniform Standby Charge Procedures Act (Government Code §54984 *et seq.*) without complying with the Proposition 218 procedures and without requiring assessment of the BLM or school properties.

#### **DESCRIPTION AND METHOD OF AVAILABILITY CHARGE**

Procedures and bases of the water availability charges are as set forth in the California Government Code, Sections 54984 to 54984.9, Uniform Standby Charge Procedures Act.

In recognition of the benefit to all properties, the District proposes to assess and collect from each benefiting property, an amount related to the benefit received. Because BLM lands and other publicly owned lands not previously assessed are, for practical purposes, not subject to assessment, the District proposes to clarify that such lands, which are not subject to the water availability charge and are not currently connected to the water system, shall not be entitled to connect to the District's water system or to receive water service from the District, unless a fee is paid which is equivalent to the water standby charge which would have been assessed against the property had it not been exempt and unless the owner agrees to be subject to future assessment of water availability charges.

Availability charge, once determined, will be indicated on the yearly tax bill distributed by the County of San Bernardino, collected by the County, and disbursed to the District.

#### **COMPILATION OF CHARGES**

A tabulation of the availability charge for each of the ±12,000 non-exempt parcels in the District, calculated as described herein, is contained in a separate computer printout prepared by the District and maintained at District offices. Contained therein is the dollar amount proposed to be assessed to each parcel, and the Assessors parcel number, all of which will appear on the County tax bill for each parcel.

#### **METHODOLOGY USED FOR AVAILABILITY CHARGE**

All properties within the District receive a general benefit by virtue of the existence of the District in its sole power to extract and sell water within its boundaries. Properties within the District also receive a special benefit due to the availability of the supplemental SWP water source.

Benefit is related to the size and development potential of each parcel and proximity to an existing usable pipeline. Derivation of an availability amount, therefore, is based on the County's zoning, parcel size, and District-designated zone - the location related to a pipeline from which service can be provided. Larger parcels within the same District zone receive a greater benefit and, therefore, will be assessed a larger amount than smaller parcels. Additionally, parcels closer, but not connected to usable pipelines, will be assessed more than those further away as there is greater benefit due to the availability of those existing pipelines, and therefore, accessibility to water. Parcels currently

connected will be assessed less than others as they are already paying a basic fee in their user charge, a portion of which is used for system maintenance.

Adoption of the zoning, parcel size and proximity results in the use of three factors by which availability charges are determined.

1. Parcel size,
2. County of San Bernardino zoning for land use,
3. District zone, based on proximity to existing District pipeline.

Attached are exhibits which indicate the bases of the assessment amount per parcel and per acre for lands within the District related to the County zone designation and District zone location.

The assessment charges and schedule pre-date the adoption of Proposition 218 by the State's voters and follows the methodology and rates existing prior to the adoption of Proposition 218.

In my judgment each and every parcel proposed to be assessed an availability charge in the District for Fiscal Year 2012-2013 receives a special benefit.

BY: JOHN G. EGAN, R.C.E. 14853

  
ENGINEERING RESOURCES OF SOUTHERN CALIFORNIA, INC.



6/12/13  
DATE

RESOLUTION 12-889

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE JOSHUA BASIN WATER DISTRICT ESTABLISHING A WATER AVAILABILITY CHARGE FOR FISCAL 2012-2013 AND AUTHORIZING THE COLLECTION THEREOF BY THE COUNTY OF SAN BERNARDINO

WHEREAS, the Board of Directors of the District has found and determined that the availability of a dependable supply of high quality water for domestic uses and purposes is a benefit conferred upon the lands proposed to be charged and, conversely, that the lack of such a supply diminishes the value of such lands; and

WHEREAS, that as a result of steadily-increasing overdraft of its groundwater supplies and in anticipation of the need for a supplemental source of water, the voters approved the formation of assessment districts and the issuance of bonds for the purpose of financing the construction of a supplemental water supply project, thereby obligating the District to repay the bonded indebtedness incurred thereunder; and

WHEREAS, in 1996, the Board of Directors engaged the services of a qualified engineer for the purpose of establishing a schedule of water availability charges varying according to land uses and benefit derived or to be derived from the use and availability of facilities to provide potable water for domestic uses and purposes, which schedule was the subject of a published and mailed notice of hearing and a public protest hearing; and

WHEREAS, the water availability charge for fiscal year 2012-2013 is proposed to be continued at the same rate and in the same manner, and pursuant to the same methodology as established in 1996, and which has been continued from year-to-year since then; and

WHEREAS, pursuant to Section 54984.7 of the Uniform Standby Charge Procedures Act, the Board of Directors conducted a public hearing pursuant to published notice in order to hear any and all objections to the proposed renewal of the water availability charge for fiscal year 2012-2013; and

WHEREAS, the written protests received represent less than \_\_\_\_\_ percent of the parcels subject to the water availability charge.

NOW, THEREFORE, the Board of Directors of the Joshua Basin Water District hereby resolves as follows:

1. District Zones of Benefit. There is hereby established within the District four Zones of Benefit:

ZONE 1: Any size parcel served by one or more meters.

ZONE 2: Any size parcel within a half mile of a water mainline and in the same pressure zone as the mainline.

ZONE 3: Any size parcel within one mile of a water main and within one pressure zone of the mainline.

ZONE 4: All other parcels.

2. Adoption of Water Availability Charge. That there shall be adopted, for each parcel in the District, for fiscal year 2012-2013, a water availability charge established in accordance with the benefit conferred and in the amount as determined by the applicable District Zone of Benefit and the land use zoning adopted by the County of San Bernardino, which charge is more specifically shown on Exhibit "A" attached hereto and made a part hereof.

3. Rate and Methodology. The rate and methodology of the water availability charge adopted herein is the same and remains unchanged for this Fiscal Year, and that such charge is reasonable and necessary, and does not exceed the actual cost to the District of providing the service.

4. Dedication and Use of Revenue. The revenue generated by the water availability charge is hereby dedicated and shall be used to finance the capital costs of the District's water system, to repay bonded indebtedness incurred by the voters and operation and maintenance of the District's water facilities benefiting the properties assessed.

5. Exemptions. The water availability charge established hereunder is exempt from the California Environmental Quality Act in accordance with Section 21080 (b) (8) of the Public Resources Code, because the revenue generated by such charge shall be used for the repayment of debt related to capital projects necessary to maintain water service, and is also exempt from Article XIID of the California Constitution because (a) the charge was in existence prior to November 6, 1996, (b) because the rate and methodology used to establish the schedule of charges is the same as in previous years, and (c) because the charges are imposed to finance the capital cost of the District's water system and to repay bonded indebtedness. If and to the extent any charge is higher than in previous years, such increase is attributable solely to events other than an increased rate or revised methodology, such as a change in the density, intensity or nature of use of land, or consent of the landowner.

6. Water Service to Exempt Property. No new connection to the District's water system shall be allowed to any parcel which has been exempted from the water availability charge unless the applicant for water service pays an in-lieu water availability fee calculated as the total amount of water availability charges which would have been assessed against that parcel had it not been exempt, and unless the applicant agrees that the parcel will be subject to the water availability charge from that date forward.

7. Delinquent Charge. Water availability charges that have become delinquent shall, with a basic penalty of 6% for non-payment of the charge and

interest at the rate of 1/2 of 1 percent per month for each month of non-payment, become a lien on the property when a certificate is recorded in the office of the San Bernardino County Recorder pursuant to Government Code, Section 54984.9 (b) which lien shall have the force, effect and priority of a judgment lien.

8. Collection by the County. The water availability charge shall be collected on the San Bernardino County Tax Roll in the same manner, and by the same persons and at the same time as, together with and not separately from, the District's general taxes. The Secretary of the District is hereby authorized and directed to forthwith file a certified copy of this Resolution in the office of the Auditor of the County of San Bernardino on or before August 10, 2010.

9. Effective Date. The effective date of this Resolution is the 30th day following the date of its adoption.

PASSED AND ADOPTED this 20th day of June, 2012 pursuant to the following votes:

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_  
ABSENT: \_\_\_\_\_

JOSHUA BASIN WATER DISTRICT

By \_\_\_\_\_  
Mike Reynolds  
President, Board of Directors

Attest \_\_\_\_\_  
Joe Guzzetta  
Secretary, Board of Directors



**JOSHUA BASIN WATER DISTRICT  
WATER AVAILABILITY (STANDBY) CHARGES**

**SCHEDULE A  
MINIMUM PER PARCEL UP TO 1.25 ACRES**

COUNTY ZONE	DISTRICT ZONE 1	DISTRICT ZONE 2	DISTRICT ZONE 3	DISTRICT ZONE 4
20MRM40M	\$30.00	\$50.00		
3MRM	\$40.00	\$60.00		
4MRM	\$40.00	\$60.00	\$50.00	
RS8M	\$30.00	\$50.00		
RS10M	\$30.00	\$50.00		
RS18M	\$30.00	\$50.00		
RS20M	\$30.00	\$50.00		
RC40	\$40.00	\$60.00	\$40.00	\$40.00
RL20	\$30.00	\$50.00	\$40.00	\$40.00
RL10	\$30.00	\$50.00	\$40.00	\$40.00
RL5	\$30.00	\$50.00	\$40.00	\$40.00
RL2.5	\$30.00	\$50.00	\$40.00	\$40.00
COMMERCIAL / INDUSTRIAL / OTHER	\$40.00	\$60.00	\$50.00	
RS1	\$40.00	\$60.00	\$50.00	

**SCHEDULE B  
COST PER ACRE FOR PARCELS OVER 1.25 ACRES**

DISTRICT ZONE 1	DISTRICT ZONE 2	DISTRICT ZONE 3	DISTRICT ZONE 4	ACREAGE
\$20.00	\$30.00			0+ Acres
\$20.00	\$30.00			0-40 Acres
	\$25.00			41+ Acres
\$20.00	\$35.00	\$25.00		0-40 Acres
	\$25.00	\$15.00		41+ Acres
\$20.00	\$30.00			0+ Acres
\$20.00	\$35.00			0-40 Acres
\$15.00	\$25.00			41-80 Acres
\$10.00	\$15.00			81-160 Acres
	\$10.00			161-320 Acres
	\$1.00			321+ Acres
\$20.00	\$30.00			0-40 Acres
	\$25.00			41+ Acres
\$20.00	\$30.00			0+ Acres
\$15.00	\$25.00	\$15.00	\$15.00	0-40 Acres
	\$12.00	\$10.00	\$8.00	41-160 Acres
	\$5.00	\$4.00	\$3.00	161-320 Acres
	\$1.00	\$1.00	\$1.00	321+ Acres
\$20.00	\$30.00	\$20.00	\$15.00	0+ Acres
\$20.00	\$30.00	\$20.00	\$15.00	0-40 Acres
\$15.00				41+ Acres
\$20.00	\$30.00	\$20.00	\$15.00	0-40 Acres
\$12.00	\$25.00	\$15.00	\$12.00	41-80 Acres
\$8.00	\$10.00	\$8.00	\$8.00	81-160 Acres
\$4.00	\$5.00	\$4.00	\$3.00	161-320 Acres
\$1.00	\$1.00	\$1.00	\$1.00	321+ Acres
\$20.00	\$30.00	\$20.00	\$15.00	0-40 Acres
\$15.00	\$25.00	\$15.00	\$12.00	41-80 Acres
\$10.00	\$15.00	\$10.00	\$10.00	81-160 Acres
\$5.00	\$8.00	\$5.00	\$4.00	161-320 Acres
\$1.00	\$1.00	\$1.00	\$1.00	321+ Acres
\$25.00	\$35.00	\$25.00		0-40 Acres
	\$25.00			41+ Acres
\$20.00	\$30.00	\$20.00		0-40 Acres
	\$25.00			41+ Acres

**EXHIBIT A**

**JOSHUA BASIN WATER DISTRICT**  
**Water Availability (Standby) Zoning Descriptions**

**DISTRICT ZONE DESCRIPTIONS**

- |        |   |
|--------|---|
| ZONE 1 | Any size parcel served by one or more meters  |
| ZONE 2 | Any size parcel within 1/2 mile of a water mainline and in the same pressure zone as the mainline |
| ZONE 3 | Any size parcel within one mile of a water mainline and within one pressure zone of the mainline  |
| ZONE 4 | All other parcels   |

**COUNTY ZONE DESCRIPTIONS**

- |             |   |
|-------------|---|
| 3MRM        | Residential, multi-family, 3,000 sq. ft. per unit, 14.5 units per acre  |
| 4MRM        | Residential, multi-family, 4,000 sq.ft. per unit, 10.8 units per acre   |
| 20MRM40M    | Residential, multi-family, 20,000 sq. ft. per unit, 2.18 units per acre |
| RS1         | Residential, single family, 1 unit per acre                             |
| RS8M        | Residential, single family, 8,000 sq.ft. per unit, 5.4 units per acre   |
| RS10M       | Residential, single family, 10,000 sq. ft. per unit, 4.3 units per acre |
| RS18M       | Residential, single family, 18,000 sq. ft. per unit, 2.4 units per acre |
| RS20M       | Residential, single family, 20,000 sq. ft. per unit, 2.1 units per acre |
| RL2.5       | Rural Living, one residence per 2.5 acres                               |
| RL5         | Rural Living, one residence per 5 acres                                 |
| RL10        | Rural Living, one residence per 10 acres                                |
| RL20        | Rural Living, one residence per 20 acres                                |
| RC40        | Resource Conservation, one residence per 40 acres                       |
| CS, CC, CG, | Commercial Properties   |
| CO, CN      | Commercial Properties   |
| IC          | Industrial Properties   |

**EXHIBIT A**

JOSHUA BASIN WATER DISTRICT  
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

June 20, 2012

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

TOPIC: UNITED STATES GEOLOGICAL SURVEY (USGS) STUDY  
CONTINUATION

RECOMMENDATION: That the Board approve a "No Cost Extension" Joint Funding Agreement with USGS to complete the report of the ground water recharge project and the Transport Solute Model septic study.

ANALYSIS: All field work has been completed by USGS for the above two studies. Originally, USGS expected to complete its reports in 2010. However, the final report has been delayed in part because the ground water recharge site took longer to select than expected, and in part because USGS is applying new USGS models to better simulate the transport of nitrates in the unsaturated and saturated zone in Joshua Tree. This has been a greater technical challenge than expected. USGS expects to have the report complete by the end of the calendar year.

In acknowledgement of our partnership, USGS is willing to allocate an additional \$22,800 to the project and no additional cost to Joshua Basin Water District.

This work began In October, 2006 when the Board approved a cooperative study with USGS. The federal budget process requires USGS to have a new contract each year in order to assure that federal funding for the USGS share. The purpose of the study is to determine the residential density that can be supported by a standard septic system, and to study geological characteristics that would be important to know for a water recharge program, such as assuring that nitrates will not increase in the water that is pumped.

Total cost for the study is about \$1.3M over the past six years. The study was critical in being awarded the \$3.2M in recent Proposition 84 funds. Approval of this agreement will provide the best possible data to assure that waste water treatment is provided to protect the aquifer and that JBWD receives a complete report on the ground water recharge site.

Form 9-1366  
(Oct. 2005)

**U.S. Department of the Interior  
U.S. Geological Survey  
Joint Funding Agreement**

Page 1 of 2

Customer #: 6000000978  
 Agreement #: 07W4CAD28100, A8  
 Project #:  
 TIN #: 95-2387111  
 Fixed Cost Agreement  Yes  No

**FOR  
WATER RESOURCES INVESTIGATIONS**

THIS AGREEMENT is entered into as of the 1st day of June, 2012, by the U.S. GEOLOGICAL SURVEY, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the JOSHUA BASIN WATER DISTRICT (JBWD), party of the second part.

1. The parties hereto agree that subject to availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation for the Joshua Basin Nitrate study, herein called the program. The USGS legal authority is 43 USC 36C; 43 USC 50; and 43 USC 50b.
2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program. 2(b) includes In-Kind Services in the amount of \$0.

(a) \$22,800.00 by the party of the first part during the period  
November 1, 2006 to December 31, 2012

(b) \$0.00 by the party of the second part during the period  
November 1, 2006 to December 31, 2012

USGS DUNS is 1761-38857. Total funding for the USGS portion of this agreement, including this amendment, is \$519,800. Total funding for the JBWD portion of the agreement, including this amendment, is \$855,900. Total cost of the program is \$1,375,700.

- (c) Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.
- (d) The performance period may be changed by mutual agreement and set forth in an exchange of letters between the parties.
3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.
4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized representative of the party of the first part.
5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.
6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.
7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.

Form 9-1366  
continued

U.S. Department of the Interior  
U.S. Geological Survey  
Joint Funding Agreement

Customer #: 6000000978  
Agreement #: 07W4CAD28100, A8  
Project #:  
TIN #: 95-2387111

- 8. The maps, records, or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records, or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program and, if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at costs, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records, or reports published by either party shall contain a statement of the cooperative relations between the parties.
- 9. USGS will issue billings utilizing Department of the Interior Bill for Collection (form DI-1040). Billing documents are to be rendered quarterly. Payments of bills are due within 60 days after the billing date. If not paid by the due date, interest will be charged at the current Treasury rate for each 30 day period, or portion thereof, that the payment is delayed beyond the due date. (31 USC 3717; Comptroller General File B-212222, August 23, 1983).

U.S. Geological Survey  
United States  
Department of the Interior

JOSHUA BASIN WATER DISTRICT

USGS Point of Contact


Customer Point of Contact

Name: Irene A. Rios, Budget Analyst  
Address: 6000 J. Street, Placer Hall  
Sacramento, California 95819-6129  
  
Telephone: 619-225-6156  
Email: iaros@usgs.gov

Name: Joseph Guzzetta, General Manager  
Address: Post Office Box 675  
61750 Chollita Road  
Joshua Tree, California 92252  
  
Telephone: 760-366-8438  
Email:

Signatures

Signatures

By  Date 6-1-10  
Name: Eric G. Reichard  
Title: Director, USGS California Water  
Science Center

By \_\_\_\_\_ Date \_\_\_\_\_  
Name:  
Title:

By \_\_\_\_\_ Date \_\_\_\_\_  
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By \_\_\_\_\_ Date \_\_\_\_\_  
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Title:

JOSHUA BASIN WATER DISTRICT  
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

June 20, 2012

To: President and Board of Directors  
From: Susan Greer 

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TOPIC: Agreement with Pay Pro Administrators to Administer the Employee Cafeteria Plan - Flexible Spending Account

RECOMMENDATION: Authorize Agreement

ANALYSIS: The District has provided employees with a "cafeteria plan" for many years, for use in purchasing benefits or paying certain costs on a pre-tax basis. An IRS Section 125 Cafeteria Plan provides the legal framework for a flexible spending account (FSA) as well as purchase of benefits (including the benefit plan provided by the District and other additional insurance benefits) and child-care expenses on a pre-tax basis, through payroll deduction. This is a significant tax savings to the employees and benefits the District as well by reducing our FICA and Medicare payroll expense (7.65% of every payroll dollar.)

Continuation of the plan is required by contract with the union and we've been out of compliance since September when we were advised that our cafeteria plan administrators went out of business. Since then, a premium-only plan, where purchased insurance benefits are passed through on a tax-free basis, has been provided to the employees as a courtesy by the old company. No FSA has been in place since September. This new agreement will replace the former FSA and premium plan.

In order to participate in the FSA, the employee must designate the amount of applicable expenses he anticipates in the plan year. This is based on an estimate of costs he expects to incur, such as for deductibles and co-pays. That total is divided by the number of paydays and that amount is deducted from the employee paycheck each payday on a pre-tax basis. The amount is then held until the employee presents a receipt and can be reimbursed for their expense. The maximum amount that an employee can withhold is \$2,500 per year.

There is some slight risk to the District. FSA's are designed so that once an employee designates an amount to be withheld, that total amount is available to the employee, whether or not

he has yet had the same amount deducted from his paychecks, meaning that funds have been advanced. If an employee terminated before paying the District back, we would incur cost associated with the plan. This scenario would require a particular set of circumstances in order to occur. The employee would have to be a participating member in the FSA (more than 50% don't) who designated an amount for withholding, have incurred an expense larger than the amount withheld and requested the reimbursement and then be terminated or quit before paying back. That "perfect storm" of events should be rare. The law has been designed to provide some offset to that risk, however. An FSA is a use-it-or-lose-it plan. That means if an employee designates \$1,000 of expense and only incurs \$800 in eligible cost, the remaining \$200 comes back to the District. Both the advancement of funds not yet withheld and the use-it-or-lose-it provision are new for us, so we have no history to report on the subject. Child-care expenses are not part of the FSA and no advancement of funds is allowed.

The set-up fee and first year administration costs associated with the FSA will be picked up by Colonial Life. Going forward, administrative charges will be paid by the employees. We will have *written* confirmation of that fee arrangement for the meeting on Wednesday.

We need to get the new cafeteria plan (including the FSA) in place before July 1 as the existing premium-only plan expires on June 30. After that, more than \$10,000 per month in employee insurance premiums will be taxable, resulting in significant additional cost to employees and increased tax expense for the District.

**FISCAL IMPACT:**

We don't anticipate any cost to the District although it could theoretically occur due to advancing of funds not yet withheld.

## PAYPRO ADMINISTRATORS

6180 Quail Valley Court  
Riverside, CA 92507  
951.656.9273  
800.427.4549  
951.656.9276 fax

# Flexible Spending Accounts Administrative Services Agreement

## RECITALS

This Agreement is entered into as of, July 2012, with Administrative Services beginning July 1, 2012, between Joshua Basin Water District, California ("Employer") and PAYPRO ADMINISTRATORS ("TPA").

- A. Joshua Basin Water District (Employer) has established certain employee benefit programs, including the following: A health care flexible spending arrangement (HC FSA) under Code §105, and a dependent care assistance program (DCFSA) under Code §129. The HCFSA and the DCFSA are each offered under a Code §125 cafeteria plan.
- B. Joshua Basin Water District (Employer) has requested PAYPRO ADMINISTRATORS (TPA) to act on its behalf in making payment of certain benefits and furnishing certain administrative services for the HCFSA and DCFSA as described in this Agreement (collectively, the Program).

In consideration of the mutual promised set forth in this Agreement, the Employer and TPA agree as follows:

## ARTICLE I: INTRODUCTION

### 1.1 Agreement Effective Date and Term

This Agreement is effective July 1, 2012 ("Effective Date"). The initial term of the Agreement will be the initial 12-month period commencing on the Effective Date; thereafter, this Agreement will renew automatically for successive periods of 12 months unless this Agreement is terminated in accordance with the provisions of Section 6.8

### 1.2 Scope of Undertaking

Employer has sole and final authority to control and manage the operation of the Program. TPA is and shall remain an independent contractor with respect to the services being performed hereunder and shall not for any purpose be deemed an employee of Employer. Nor shall TPA and Employer be deemed partners, engaged in a joint venture or governed by any legal relationship other than that of independent contractor. TPA does not assume any responsibility for the general policy design of the program, the adequacy of its funding, or any act or omission or breach of duty by Employer. Nor is TPA in any way to be deemed an insurer, underwriter, or guarantor with respect to any benefits payable under the Program. TPA generally provides reimbursement services only and does not assume any financial risk of benefits payable by Employer under the Program. Nothing herein shall be deemed to constitute TPA as a party to the Program or to confer upon TPA any authority or control respecting management of the Program, authority or responsibility in connection with administration of the Program, or responsibility for the terms or validity of the Program. Nothing in this Agreement shall be deemed to impose upon TPA any obligation to any employee of the Employer or any person who is participating in the program ("Participant").

### 1.3 Definitions "Agreement" means this TPA services agreement, including all Appendices hereto.

"COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

"Code" means the Internal Revenue code of 1986, as amended.

"DCAP/DCFSA" has the meaning given in the Recitals.

"Eligibility Reports" have the meaning described in Section 2.3.

"Employer" has the meaning given in the Recitals.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Effective Date" has the meaning given in Section 1.1.

"Electronic PHI" has the meaning assigned to such term under HIPAA.

"Health FSA/HealthCare FSA/HCFSA" has the meaning given in the Recitals.

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996, as amended.

"Named Fiduciary" means the named fiduciary as defined in ERISA § 402 (a) (1).

"Participant" has the meaning given in Section 1.2.

"Plan" means the HCFSA or DCFSA, as applicable.

"Plan Administrator" means the administrator as defined in ERISA § 3(16) (A).



"Program" has the meaning given in the Recitals.  
"Protected Health Information" or "PHI" has the meaning assigned to such term under HIPAA.  
"TPA" has the meaning given in the Recitals.

## **ARTICLE II: EMPLOYER OBLIGATIONS**

### **2.1 Sole Responsibilities**

- (a) *General.* Employer has the sole authority and responsibility for the Program and its operation, including the authority and responsibility for administering, construing and interpreting the provisions of the Program and making all determinations thereunder. Employer gives TPA the authority to act on behalf of Employer in connection with the Program, but only as expressly stated in this Agreement or as mutually agreed in writing by the Employer and TPA. All final determinations as to a Participant's entitlement to Program benefits are to be made by Employer, including any determination upon appeal of a denied claim for Program benefits. Employer is considered the Plan Administrator and Named Fiduciary of the Program benefits for purposes of ERISA.
- (b) *Responsibilities.* Without limiting Employer's responsibilities described herein, it shall be Employer's sole responsibility (as Plan Administrator) and duty to: ensure compliance with COBRA; perform required nondiscrimination testing; amend the Plans as necessary to ensure ongoing compliance with applicable law; file any required tax or governmental returns (including Form 5500 returns) relating to the Plans; determine if an when a valid election change has occurred; handle Participant claim appeals; execute and retain required Plan and Claims documentation; and take all other steps necessary to maintain and operate the Plans in compliance with applicable provisions of the Plans, ERISA, HIPAA, the Code and other applicable federal and state laws.

### **2.2 Services Charges; Funding**

Employer shall pay TPA the service charges set forth in the Appendices hereto, as described in Article V. Employer shall promptly fund an account maintained for the payment of Program benefits as described in Article IV.

### **2.3 Information to TPA**

Employer shall furnish the information requested by TPA as determined necessary to perform TPA's functions hereunder, including information concerning the Program and the eligibility of individuals to participate in and receive Program benefits. Such information shall be provided to TPA in the time and in the manner agreed to by Employer and TPA. TPA shall have no responsibility with regard to benefits paid in error due to Employer's failure to timely update such information. From time to time thereafter, but no more frequently than monthly, TPA shall provide Employer with updated reports summarizing the eligibility data provided by Employer ("Eligibility Reports"). The Eligibility Reports shall specify the effective date for each Participant who is added to or terminated from participation in the Program. Employer shall be responsible for ensuring the accuracy of its Eligibility Reports and bears the burden of proof in any dispute with TPA relating to the accuracy of any Eligibility Report. TPA shall have no liability to Employer or any Participant as a consequence of an inaccurate Eligibility Report, and TPA shall not have any obligation to credit Employer for any claims expenses or administrative fees incurred to or paid to TPA as a consequence of Employer for failing to review reports for accuracy. TPA shall assume that all such information is complete and accurate and is under no duty to question the completeness or accuracy of such information. Such Eligibility Reports shall be considered PHI, and when transmitted by or maintained in electronic media shall be considered electronic PHI, and subject to the privacy and security rules under HIPAA and Section 3.11 of this Agreement.

### **2.4 Plan Documents**

Employer is responsible for the Program's compliance with all applicable federal and state laws and regulations and shall provide TPA with all relevant documents, including but not limited to, the Program documents and any Program amendments. Employer will notify TPA of any changes to the Program at least thirty (30) days before the effective date of such changes. Employer acknowledges that TPA is not providing tax or legal advice and that Employer shall be solely responsible for determining the legal and tax status of the Program.

### **2.5 Liability for Claims**

Employer is responsible for payment of claims made pursuant to, and the benefits to be provided by, the Program. TPA does not insure or underwrite the liability of Employer under the Program. Except for expenses specifically assumed by TPA in this Agreement, Employer is responsible for all expenses incident to the Program.

### **2.6 Indemnification**

Employer shall indemnify TPA and hold it harmless from and against all loss, liability, damage, expense, attorneys' fees or other obligations, resulting from, or arising out of any act or omission of Employer in connection with the Program or claim, demand, or lawsuit by Program Participants and beneficiaries against TPA in connection with benefit payments or services performed hereunder. In addition, Employer shall indemnify TPA and hold it harmless from and against any liability, expense, demand, or

other obligation, resulting from, or out of any premium charge, tax or similar assessment (federal or state), for which the Program or Employer is liable. Employer shall also have the indemnification obligation described in Section 3.3

**2.7 Medical Records**

Employer shall, if required by law or regulation, notify each Participant and provide with an opportunity to opt out (if required) to obtain from each Participant such written authorization for release of any personal financial records and medical records in accordance with applicable state and federal law (including the Gramm-Leach-Bliley Act) to permit Employer and/or TPA to perform their obligation under this Agreement.

**2.8 HIPAA Privacy**

Employer shall provide TPA with the Health FSA's Notice of Privacy Practices (prepared by employer), as well as any subsequent changes to such notices. Employer shall provide TPA with certification that the Health FSA plan document has been amended as required by the privacy rule to permit disclosures of PHI to Employer for plan administration purposes and that Employer agrees to the conditions set forth in that plan amendment; copies of any authorizations of Participants or Beneficiaries to use or disclose PHI (and any later changes to or revocations of such authorizations); notice of any restrictions on the use or disclosure of PHI that Employer agrees to under the privacy rule; and notice of any requests that communications be sent to a Participant or Beneficiary by an alternative means or at an alternative location that Employer agrees to under the privacy rule. Employer shall not request TPA to use or disclose PHI in any manner that would not be permissible under the privacy rule if done by Employer, except that TPA may use or disclose PHI for purposes of data aggregation and the management and administrative activities of TPA, as provided in Section 3.11 of this Agreement.

**ARTICLE III: TPA RESPONSIBILITIES**

**3.1 Sole Responsibilities**

TPA's sole responsibilities shall be described in this Agreement (including the obligations listed in any Appendix to this Agreement). TPA generally provides certain reimbursement and recordkeeping services, as described further below.

**3.2 Service Delivery**

TPA shall provide customer service personnel during normal business hours as determined by TPA. TPA shall not be deemed in default of this agreement, nor held responsible for any cessation, interruption or delay in the performance of its obligations due to causes beyond its reasonable control, including but not limited to, natural disaster, act of God, labor controversy, civil disturbance, disruption of the public markets, war or armed conflict, or the inability to obtain sufficient materials or services required in the conduct of its business, including internet access, or any change in or the adoption of any law, judgment or decree.

**3.3 Benefits Payment**

TPA shall, on behalf of Employer, operate under the express terms of this Agreement and the Program. TPA shall initially determine if persons covered by the Program (as described in the Eligibility Reports) are entitled to benefits under the Program and shall pay Program benefits in its usual and customary manner, to Participants as set forth in this Article III and Article IV. TPA shall have no duty or obligation with respect to claims incurred prior to the Effective Date ("Prior Reimbursement Requests"), if any, and/or program administration (or other) services arising prior to the Effective Date ("Prior Administration"), if any regardless of whether such services were/are to be performed prior to or after the Effective Date. Employer agrees that: (a) TPA has no responsibility or obligation with respect to Prior Reimbursement Requests and/or Prior Administration; (b) Employer will be responsible for processing Prior Reimbursement Requests (including any run-out claims submitted after the Effective date) and maintaining legally required records of all Prior Reimbursement Requests and Prior Administration sufficient to comply with applicable legal (e.g., IRS substantiation) requirements; and (c) Employer shall indemnify and hold TPA harmless for any liability relating to prior Reimbursement Requests and or Prior Administration.

**3.4 Bonding**

TPA has, and will maintain, a fidelity bond for all persons involved in collecting money or making claim payments, and all officers of the company. This bond covers the handling of Employer's and Participants' money and must protect such money from losses by dishonesty, theft, forgery or alteration, and unexplained disappearance.

**3.5 Reporting**

TPA shall make available to Employer each month, via written record, a master report showing the payment history and status of Participant claims and the amounts and transactions of Participant accounts during the preceding month. For purposes of Employer's Health FSA, Employer must provide certification that the plan document requires the Employer to comply with applicable privacy and security rules under HIPAA before TPA will make available the reports provided for in this Section to Employer. TPA shall also make available to Participants, via electronic medium a report showing their individual payment and claims history for the current plan year. For purposes of Employer's Health FSA, Employer is responsible for ensuring that any

beneficiary of the Participant for whom a claim has been submitted to the Health FSA has agreed to the disclosure of his or her PHI to the Participant, if required by the privacy rule.

### **3.6 Claims Appeals**

TPA shall refer to Employer or its designee, for final determination, on any claim for benefits or coverage after initial rejection and subsequent appeal and rejection by TPA or any class of claims that Employer may specify, including: (a) any question of eligibility or entitlement of the claimant for coverage under the program; (b) any questions with respect to the amount due; or (c) any other appeal.

### **3.7 Additional Documents**

If Employer requests, and Employer and TPA mutually agree upon payment of applicable fees, then TPA shall furnish Employer: (a) sample documents to be reviewed by Employer with its legal counsel, for creation of customized documentation for the Program to be approved and executed by Employer, including board resolutions, summary plan descriptions (SPDs), plan documents and plan amendments (if any); and (b) sample administrative forms needed for TPA to perform its duties under this Agreement.

### **3.8 Recordkeeping**

TPA shall maintain, for the duration of this Agreement, the usual and customary books, records and documents, including electronic records, that relate to the Program and its Participants that TPA has prepared or that have otherwise come within its possession. These books, records, and documents, including electronic records, are the property of Employer, and Employer has the right of continuing access to them during normal business hours at TPA's offices with reasonable prior notice. If this Agreement terminates, TPA may deliver, or at Employer's request, will deliver all such books, records, and documents to Employer, subject to TPA's right to retain copies of any records it deems appropriate. Employer shall be required to pay TPA reasonable charges for transportation or duplication of such records.

Provided, however, that upon termination of this Agreement, TPA must destroy or return to Employer all PHI, including PHI that is in the possession of subcontractors or agents of TPA. If it is infeasible to return or destroy PHI received by Employer or the health FSA, or created or received by TPA on behalf of Employer or the Health FSA, TPA shall provide to Employer notification of the condition that make return or destruction infeasible. Upon Employer's agreement that return or destruction of PHI is infeasible, TPA shall extend the protections of this Agreement to such PHI and limit further uses and disclosure of such PHI to those purposes that make the return or destruction infeasible, for so long as TPA retains such PHI. TPA shall pay all storage charges for any such PHI for so long as TPA retains such PHI.

### **3.9 Standard of Care; Erroneous Payments**

TPA shall use reasonable care and due diligence in the exercise of its powers and the performance of its duties under this Agreement. If TPA makes any payment under this Agreement to an ineligible person, or if more than the correct amount is paid, TPA shall make a diligent effort to recover any payment made to or on behalf of an ineligible person or any overpayment. However, TPA will not be liable for such payment, unless TPA would otherwise be liable under another provision of this Agreement.

### **3.10 Notices to Employer**

TPA shall make available to Employer all notices reflecting its privacy policies and practices as required by state and/or federal law.

### **3.11 Compliance with Privacy and Security Rules Under HIPAA**

Capitalized terms used in this Section (but not otherwise defined in this Agreement) shall have the same meaning as defined in 45 C.F.R. §§ 160.103, 164.103, 164.304, and 164.501. Upon the relevant HIPAA applicability dates with regard to Employer's Health FSA, the following provisions will apply:

- (a) General Responsibilities as a "Business Associate." TPA recognizes that it is considered a "Business Associate" with regard to employer's Health FSA for purposes of the privacy and security rules under HIPAA.
  1. TPA agrees not to use or further disclose PHI other than as permitted or as required by this agreement or required by law.
  2. TPA agrees to use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for by this Agreement.
  3. TPA agrees to mitigate, to the extent practicable, any harmful effect that is known to TPA of a use or disclosure of PHI, TPA in violation of the terms of this Agreement.
  4. TPA agrees to report to Employer any use or disclosure of PHI not provided for by this Agreement.

5. TPA agrees to ensure that any agent, including a subcontractor, to whom it provides PHI received from, or created and received by TPA on behalf of Employer agrees to the same restrictions and conditions that apply throughout this Agreement to TPA with respect to such information.
  6. TPA agrees to provide access, at the request of Employer, and in the time and manner designated by Employer, to PHI in a designated Record Set, to Employer, or as directed by Employer, to an Individual in order to meet the requirement of 45 C.F.R. § 164.524.
  7. TPA agrees to make any amendments to PHI in a Designated Record Set that Employer directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Employer or an Individual, and in the time and manner designated by Employer.
  8. TPA agrees to make internal practices, books and records relating to the use and disclosure of PHI received from, or created or received by TPA on behalf of Employer available to employer, or at the request of Employer, to the Secretary in the time and manner designated by Employer or the Secretary, for purposes of the Secretary determining Employer's compliance with the privacy rule.
  9. TPA agrees to document such disclosures of PHI and information related to such disclosures as would be required for Employer to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
  10. TPA agrees to provide to Employer or an Individual, in the time and manner designated by Employer, information collected in accordance with Section 3.11(a)(9) to permit Employer to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
  11. In the event that TPA conducts Standard Transactions with or on behalf of the Health FSA, TPA will comply with the requirements in 45 C.F.R. Part 162. TPA will require any subcontractor or agent involved with the conduct of such Standard Transactions to comply with each applicable requirement of 45 C.F.R. Part 162.
  12. TPA agrees to implement administrative, physical, and technical safeguards that reasonable and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that TPA creates, receives, maintains or transmits on behalf of the Employer.
  13. TPA agrees to ensure that any agent, including a subcontractor, to whom it provides electronic PHI created, received, maintained, or transmitted on behalf of the Employer agrees to implement reasonable and appropriate safeguards to protect such electronic PHI.
- (b) Permitted Uses and Disclosures by TPA. TPA may use and disclose any PHI on behalf of, or to provide services to Employer, as specified in this Agreement; for the proper management and administration of TPA; to carry out the legal responsibilities of TPA; and to provide data aggregation services to Employer. Notwithstanding the foregoing, such use and disclosure of PHI may not violate the privacy rule.
  - (c) Amendment to Comply with Privacy and Security Rules. TPA agrees to amend this Section as necessary from time to time to comply with the requirements of the privacy and security rules under HIPAA.
  - (d) Termination of Agreement. TPA agrees to termination of this Agreement by Employer if the terms of this section are violated. In addition, at termination of this Agreement, TPA agrees to return or destroy PHI received by TPA under this Agreement, or to the extent that it is not feasible, to continue to limit the further uses and disclosures of that information as provided by this Section.

### **3.12 Non-Discretionary Duties; Additional Duties**

TPA and Employer agree that the duties to be performed hereunder are non-discretionary duties. TPA and Employer may agree to additional duties in writing as may be specified in the Appendices from time to time.

## **ARTICLE IV. BENEFIT PROGRAM PAYMENT; EMPLOYER'S FUNDING RESPONSIBILITY**

### **4.1 Payment of Benefits**

Employer authorizes TPA to pay Program benefits by checks written (or other draft payments or debit) on a bank account established and maintained in the name of the employer for the payment of Program benefits. Each paycycle, or week or at such other interval as mutually agreed upon, TPA will balance and reconcile with Employer Payroll reports. The Employer shall pay or transfer into the bank account the amount equal to amounts withheld each paycycle. TPA shall use such funds to pay claims each cycle and shall notify Employer if claims exceed contributions at any time. Employer shall fund account as necessary to ensure adequate funds are available for claims. Employer shall enter into such agreement and provide instructions to its bank as are necessary to implement 4.1. TPA shall have sole authority to provide whatever notifications, instructions, or directions as may be necessary to accomplish the disbursement of such program funds to or on behalf of Participants in payment

of approved claims. TPA shall ACH funds from designated account, to TPA account in order to process direct deposits and pay claims. Such funds will be equal to the amount of approved claims for said cycle.

#### **4.2 Funding of Benefits**

Funding for any payment on behalf of the participants under the Program, including but not limited to, all benefits to Participants in accordance with the Program, is the sole responsibility of Employer, and Employer agrees to accept liability for, and provide sufficient funds to satisfy, all payments to Participants under the Program, including claims for reimbursement for covered expenses, if such expenses are incurred and the claim is presented for payment during the term of this Agreement.

### **ARTICLE V. TPA COMPENSATION**

#### **5.1 Service Charges**

The amount of the monthly service charges of TPA are described in the Fee schedule attached to this Agreement. TPA may change the amount of such charges by providing at least thirty (30) days written or electronic notice to Employer. TPA may also change the monthly service charges as of the date any change is made in the program.

Standard administration fees, as outlined in the attached Fee schedule are guaranteed for one (1) year, beginning July 1, 2012 through June 30, 2013. These fees are guaranteed as described in the Fee schedules for a 1 year minimum. TPA has a right to amend fees (increase) if the TPA has experienced any fee or service changes from the debit card vendor which results in an increased cost to the TPA.

#### **5.2 Billing of Charges**

All service charges of TPA, whether provided for in this or any other Section, shall be billed separately from statements for payment of claims so that proper accounting can be made by Employer of the respective amounts paid for claims and administrative expenses.

#### **5.3 Payment of Charges**

All charges under this Article V shall be determined by TPA and billed to Employer monthly. Alternatively, if so agreed by the parties, TPA may deduct payments for monthly service charges from the bank account maintained by Employer as described in Article IV. Employer shall make payment to TPA within ten (10) business days of receipt of notice of the amount due, or such amount will automatically be deducted from the bank account maintained by Employer as described in Article IV.

### **ARTICLE VI. GENERAL PROVISIONS**

#### **6.1 Severability: Headings**

If any term of this Agreement is declared invalid by a court, the same will not affect the validity of any other provision, provided that the basic purposes of this agreement are achieved through the remaining valid provisions. The headings and Sections and subsections contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

#### **6.2 Compliance; Non-Waiver**

Failure by Employer or TPA to insist upon strict performance of any provision of this Agreement will not modify such provision, render it unenforceable, or waive any subsequent breach. No waiver or modification of any of the terms or provisions of this Agreement shall be valid unless in each instance the waiver or modification is accomplished pursuant to the amendment provisions of Section 6.3.

#### **6.3 Assignment; Amendment**

Neither Employer nor TPA can assign this Agreement without the other party's written consent. This Agreement may be amended only by written agreement of duly authorized officers of Employer and TPA.

#### **6.4 Audits**

Each party shall be authorized to perform audits of the records of payments to all Participants and other data specifically related to performance of the parties under this Agreement upon reasonable prior written notice to the other. Audits shall be performed during normal working hours. Audits may be performed by an agent of either party provided such agent signs an acceptable confidentiality agreement. Each party agrees to provide reasonable assistance and information to the auditors. Employer acknowledges and agrees that if it requests an audit, it shall reimburse TPA for TPA's reasonable expenses, including copying and labor costs, in assisting Employer to perform audit. Each party also agrees to provide such additional information as the other party shall reasonable request.

#### **6.5 Non-Disclosure of Proprietary Information**

(a) General. Employer and TPA each acknowledge that in contemplation of entering into this Agreement (and as a result of the contractual relationship created hereby), each party as revealed and disclosed, and shall continue to reveal and disclose to the other, information which is proprietary and/or confidential information of such party. Employer and TPA agree that each party shall: (1) keep such proprietary and/or confidential information of the other party in strict

confidence; (2) not disclose confidential information of the other party to any third parties or to any of its employees not having a legitimate need to know such information; and (3) shall not use confidential information of the other party for any purpose not directly related to and necessary for the performance of its obligations under this Agreement (unless required to do so by a court of competent jurisdiction or a regulatory body having authority to require such disclosure.

(b) Confidential Information Defined. Information revealed or disclosed by a party for any purpose not directly related to and necessary for the performance of such party's obligations under this Agreement shall not be considered confidential information for the purposes hereof: (1) if, when, and to the extent such information is or becomes generally available to the public without the fault or negligence by the party receiving or disclosing the information; or (2) if the unrestricted use of such information by the party receiving or disclosing the information has been expressly authorized in writing and in advance by an authorized party of the other party. For purposes of this Section, confidential information is any information in written, human-readable, machine-readable, or electronically recorded form (and legended as confidential and/or proprietary or words of similar import) and information disclosed orally in connection with this Agreement and identified as confidential and/or proprietary (or words of similar import); and programs, policies, practices, procedures, files, records, and correspondence concerning the parties' respective businesses or finances. The terms and conditions of this Section 6.5 shall survive the termination of this Agreement.

## **6.6 Arbitration**

Any controversy or claim arising out of or relating to this Agreement between Employer and TPA, or the breach thereof, shall be subject to non-binding arbitration prior to the filing of a complaint in a court of law; provided, however, that such arbitration shall be final and binding and may be enforced in any court with the requisite jurisdiction if the parties agree in advance, in writing, that such arbitration shall have final, binding effect. All arbitration, whether binding or non-binding, shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The Arbitration shall take place in a mutually agreed upon location within the State of California.

## **6.7 Notices and Communications**

- (a) Notices. All notices provided for herein shall be sent by confirmed facsimile, or guaranteed overnight mail, with tracing capability, or by first class United States mail, with postage prepaid, addressed to the other party at their respective addresses set forth below or other addresses as either party may designate in writing to the other from time to time for such purposes. All notices provided for herein shall be deemed given or made when received.
- (b) Addresses.  
The Employer's address for notices as described above is: P.O. Box 675 Joshua Tree, CA 92252  
TPA's address for notices as described above is: 6180 Quail Valley Court, Riverside, CA 92507
- (c) Communications. Employer agrees that TPA may communicate confidential, protected, privileged or otherwise sensitive information to Employer through a named contact designated by Employer (named contact) and specifically agrees to indemnify TPA and hold it harmless: (1) for any such communications directed to Employer through the Named Contact attempted via telefax, mail, telephone, e-mail or any other media, acknowledging the possibility that such communications may be inadvertently misrouted or intercepted; and (2) from any claim for the improper use or disclosure of any PHI by TPA if such information is used or disclosed in a manner consistent with its duties and responsibilities hereunder.

## **6.8 Termination of Agreement**

- (a) Automatic. This Agreement shall automatically terminate as of the earliest of the following: (1) the effective date of any legislation which makes the Program and/or this Agreement illegal; (2) the date Employer or TPA becomes insolvent, or bankrupt, or subject to liquidation, receivership, or conservatorship; or (3) the termination of the date of the Program, subject to any agreement between Employer regarding payment of benefits after the program is terminated.
- (b) Optional. This Agreement may be terminated as of the earliest of the following: (1) by TPA upon the failure of Employer to pay any charges within ten (10) business days after they are due and payable as provided in Article V; (2) by TPA upon the failure of Employer to perform its obligations in accordance of this agreement, including the provisions of Section 3.11; or (4) by either Employer or TPA, as of the end of the term of this Agreement, by giving the other party thirty (30) days written notice.
- (c) Limited Continuation After Termination. If the Program is terminated, Employer and TPA may mutually agree in writing that this Agreement shall continue for the purpose of any payment of any program benefit, expense, or claims incurred prior to the date of Program termination. In addition, if this Agreement is terminated while the Program continues in effect, Employer and TPA may mutually agree in writing that this Agreement shall continue for the purpose of payment of any claims for which requests for reimbursements have been received by TPA before the date of such termination. If this Agreement is continued in accordance with this subsection (c), Employer shall pay the monthly service charges incurred during the period that this Agreement is so continued and a final termination fee equal to the final month's

service charge. This Agreement shall continue as provided by and subject to Section 3.8 if the return or destruction of PHI is determined to be infeasible.

- (d) Survival of Certain Provisions. Termination of this Agreement shall not terminate the rights or obligations of either party arising out of a period prior to such termination. The indemnity, confidentiality, privacy, and security provisions of this Agreement shall survive its termination.

**6.9 Complete Agreement; Governing Law**

This Agreement (including all Appendices) is the full Agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements and representations between the parties. This agreement shall be construed, enforced and governed by the laws of the State of California.

IN WITNESS WHEREOF, Employer and TPA have caused this Agreement to be executed in their names by their undersigned officers, the same being duly authorized to do so.

Joshua Basin Water District, as Employer

PAYPRO ADMINISTRATORS, as TPA

By:

By: Yvonne McCool

Title:

Title: Director of Operations & General Manager

## Appendix A – Health FSA and Dependent Care FSA Guidelines

**Initial Set up Fee:** \$280.00

### Monthly Service Charges

- The monthly fees charged for each person enrolled in the Health FSA and/or the Dependent Care FSA as of the first day of each month for the term of the Agreement shall be \$4.50 Per Participant Per Month (\$50.00 minimum monthly)
- If reimbursement checks, direct deposit notices, or balance statements are mailed to Participant home addresses, an additional cost of \$0 per mailed item will be billed.
- If TPA provides Form 5500 upon employer request, a fee of \$280.00 will be billed to the Employer.
- Group Enrollment/Education Meetings will be provided for the initial plan year at no cost. Group Enrollment/Education meetings can be provided in future years and fees may apply.

### Services Included:

Employer is responsible for all legal requirements and administrative obligations with regard to the FSA's, except for the following administrative duties that will be performed by TPA:

1. TPA shall make available (by electronic medium and paper copy) enrollment and reimbursement forms and instruction for filing Participant claims. Upon payment of additional fees, TPA shall make available other FSA Documents.
2. Upon receiving instructions from Employer with regard to a Participant's change in status or other event that permits an election change under IRS regulations, TPA shall make the corresponding change to the Participant's election when payroll deduction amounts reflect change in election amounts.
3. TPA shall prepare the information necessary to enable the employer to satisfy its Form 5500 filing obligation with regard to the Health FSA. Employer is responsible for reviewing the information provided by the TPA for accuracy, as well as determining the filing requirements of the Form 5500. Employer shall notify TPA yearly, of the requirement to prepare and provide a Form 5500. TPA has no authority or advice as to satisfying the filing requirements.
4. TPA shall assist Employer in preparing preliminary final non-discrimination tests for the Health FSA and the DCFSA.
5. TPA shall make initial decisions with regard to Participant claims and disburse any benefit payments that it determines to be due within a reasonable amount of time, and at a minimum of twice per month, following the receipt of required payroll deduction information. Benefit payments shall be made by check or electronic deposit payable to the Participant. If the amount of the claim exceeds the amount the Participant had withheld to date, Employer understands and agrees that eligible claims under the Health Care FSA shall be reimbursed in accordance to the plan documents.
6. Claims of less than \$5.00 may be carried forward and aggregated with future claims until the amount is equal to or greater than \$5.00, except that any remaining amount shall be paid after the end of the Plan Year without regard to the \$5.00 threshold.
7. Claims paid by Paypro Benefits Card shall be deducted from TPA account initially, and will be replenished from Employer Account the following Claim cycle. If the account balance is exceeded by claims, TPA shall notify Employer to deposit additional funds in Employer Account that TPA can access and use to pay claims.
8. TPA shall notify Participants with regard to any claim that is denied due to inadequate substantiation or data submission and provide an adequate period of time for the Participant to resubmit the claim. TPA shall follow the requirements of ERISA with regard to denial of claims.

### Services Not Included:

1. Employer's compliance with COBRA or compliance with HIPAA portability requirements.
2. Determining whether Employers DCFSA and/or HCFSAs documents are in compliance with the Code or any other applicable state, federal, or local statutes or regulations.
3. Determining if and when an event has occurred under the IRS permitted election change regulations that would allow participant to make a change in election (following the provisions of the plan).



PAYPRO ADMINISTRATORS

6180 Quail Valley Court  
Riverside, CA 92507  
951.656.9273  
800.427.4549  
951.656.9276 fax  
www.pagroup.us

**New Client Flexible Spending Account Fee Agreement**

Date: June 15, 2012  
Client Name: Joshua Basin Water District  
P.O. Box 675  
Joshua Tree, CA 92252  
Broker Name: Colonial Life  
29811 Santa Margarita Pkwy, #100  
Rancho Santa Margarita, CA 92688  
Plan Year Start Date: July 1<sup>st</sup>, 2012  
Fee Effective Date: July 1<sup>st</sup>, 2012

**Fees Paid By:**

Initial One Time Set-Up Fee: \$ 280.00 FSA Documents Client  
Per Participant Per Month: \$ 4.50 for Health &/or Dep. Care FSA Client [ ] or Participant [ ]  
(\$50.00 minimum monthly)  
Form 5500 Fees, if required: \$ 280.00 per plan year Client

*There are no additional fees for discrimination tests, plan documents, or plan year changes. Fees include standard services – debit cards or enrollment services shall be quoted separately.*

\_\_\_\_\_  
Client Signature/Name & Title

\_\_\_\_\_  
Date

Please –  
SIGN, DATE AND FAX BACK TO 951-656-9276 Attn: Liset Carapia  
Or email to [lisetc@pagroup.us](mailto:lisetc@pagroup.us) prior to plan start date

Cc: Client File, Accounting


JOSHUA BASIN WATER DISTRICT  
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

June 20, 2012

To: Board of Directors

From: Ad hoc Turtle Island Committee

Mike Reynolds   
Mickey Luckman

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TOPIC: Consider Memorandum of Understanding (MOU) with JT Chamber of Commerce Regarding Water Supply to the Proposed Turtle Island Commercial Demonstration Garden

RECOMMENDATION: Approve the MOU with the JT Chamber of Commerce and authorize Board President Mike Reynolds to work with District legal counsel and the Chamber to fine-tune any details.

ANALYSIS: The Ad hoc Committee met with the Chamber President, Eva Soltes, to discuss the Chamber's proposed commercial demonstration garden, to be located in Turtle Island. The Chamber has been awarded a \$50,000 grant for the project from Supervisor Derry, but funding is still limited. Completion of this ambitious project will require donations and volunteer work by many Joshua Tree businesses and individuals. The Chamber is asking if the District will provide free water for the garden, through an existing service connection. Water would be needed both for the construction of the project and for the ongoing watering of plants. The Chamber has the funding and resources in place to construct and maintain the garden, but they have no ongoing funding for water service.

The garden will benefit the District by promoting our water conservation efforts as well as meeting the Best Management Practices for water conservation as required by state law. It will be a nice complement to the District's Residential Demonstration Garden and the CMC Educational Demonstration Garden. The garden will be designed using guidelines established by the Alliance for Water Awareness and Conservation, including plants appropriate to the Joshua Tree climate and avoidance of irrigation run-off and overspray.

Water use is currently being analyzed by the Chamber and we will

have information to complete Section 1A of the agreement at the meeting. The Committee proposes that we limit the amount of free water that will be provided to the Chamber.

The Committee worked with legal counsel to write the MOU which includes the appropriate protections and indemnifications for the District.

The Chamber is in a time crunch and their contract for the grant will expire on 7/1/12 if they aren't moving forward by that time. Without the free water, they don't have a project that is viable for the long-term. The District's commitment to provide the free water is the last piece they need in place to move forward. Due to the time crunch, the Chamber has not yet had time to review the contract with their legal counsel. In lieu of having to come back to the Board again, when there is no meeting scheduled before the Chamber's 7/1/12 deadline, the Committee requests authority for Board President/Committee member Mike Reynolds to work with the District's legal counsel and the Chamber to fine-tune any details of the MOU that are presented by the Chamber.

**FISCAL IMPACT:**

Unknown. We will drop-in a new  $\frac{3}{4}$ " meter at a cost of about \$300. Additional cost is dependent upon the amount of water authorized in the agreement. As an example, 5 units of water is currently \$34.52 per month, including basic fee, while 10 units of water is \$46.47 per month.

**MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding (MOU) is entered into by and between Joshua Basin Water District (JBWD) and the Joshua Tree Chamber of Commerce (the Chamber).

**RECITALS**

- A. Whereas, in 2008, the JBWD Board of Directors authorized staff to work with the Chamber to develop the concept of a commercial demonstration garden at the location commonly referred to as the Turtle Island Demonstration Garden (hereafter "Turtle Island").
- B. Whereas, it is the Chamber's intent that Turtle Island will illustrate the two climactic and eco-systems in Joshua Tree National Park.
- C. Whereas, Turtle Island will benefit JBWD by promoting its water conservation efforts by demonstrating how businesses can landscape commercial properties in a water-efficient manner.
- D. Whereas, Turtle Island will assist JBWD in meeting its Best Management Practices for water conservation as required by state law.

**NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

**SECTION 1: JBWD'S OBLIGATIONS**

- A. JBWD will provide water to Turtle Island for purposes of plant irrigation. JBWD's annual water contribution will be limited to: \_\_\_\_\_ units.
- B. JBWD is only responsible for providing water free of charge to the water meter at the Turtle Island site for plant irrigation.
- C. JBWD is not responsible for any damage or injury to persons or property resulting from water it delivers to Turtle Island, or as a result of any failure to deliver water from the meter at Turtle Island.
- D. JBWD will make all reasonable efforts to assist the Chamber in carrying out the purpose of this MOU.

**SECTION 2: THE CHAMBER'S OBLIGATIONS**

- A. The Chamber assumes all risk for any damage resulting from water provided to Turtle Island, or as a result of any failure of water to be delivered from the meter to Turtle Island.
- B. The Chamber agrees to bear all costs for maintenance and repairs of the systems and facilities, beyond the water meter at Turtle Island. The Chamber is solely responsible for the irrigation systems and facilities beyond the meter at Turtle Island. The Chamber also agrees to bear all costs for repairs to the water meter resulting from damage.

- C. The Chamber gives JBWD authority to approve the plans for Turtle Island.
- D. The Chamber will ensure that Turtle Island promotes public education about water conservation and efficient water management practices, including identifying JBWD as a participant advocating conservation.
- E. The Chamber will ensure that Turtle Island applies a water budget based on an Evapotranspiration (ET) Adjustment Factor of .4, as recommended by the Alliance for Water Awareness and Conservation.
- F. The Chamber will ensure that Turtle Island complies with the following water-efficient landscaping standards for commercial sites as identified by the Alliance for Water Awareness and Conservation:
  - 1. Design the irrigation system to avoid run-off, overspray, low-head drainage, and conditions where water flows off-site, such as onto the parking lot or highway;
  - 2. Employ drip or low-volume irrigation equipment where it is determined that overhead spray irrigation would result in waste of water due to excessive runoff or overspray;
  - 3. Follow proper hydro-zoning principles when designing irrigation systems in order to water turf, and bedded areas, separately;
  - 4. Group plants into hydro-zones (irrigated areas based on plant water requirements);
  - 5. Install a pressure regulator if water-supply pressure exceeds 80 psi;
  - 6. Install anti-drain check valves as needed to minimize or prevent low-head drainage;
  - 7. Install backflow prevention devices;
  - 8. Install irrigation equipment that meets the Irrigation Association's design guidelines for maximum irrigation operational uniformity;
  - 9. Match precipitation rates on sprinkler heads within each hydro-zone;
  - 10. Minimize run-off through use of permeable material, swales, terracing, and berms as appropriate;
  - 11. Prohibit use of invasive species;
  - 12. Use Irrigation Association approved "smart controllers" (with dual or multiple-programming capability to accommodate a five-day schedule, multiple start times, a percent switch, etc.) along with rain sensors, or use weather-based (ET) controllers;
  - 13. Use plants appropriate to the Joshua Tree climate;

- 14. Use water-efficient varieties of turf;
- G. The Chamber will make all reasonable efforts to assist JBWD in carrying out the purpose of this MOU.

**SECTION 3:** **TERM**

- A. This MOU will become effective on June 20, 2012, and will continue in effect for a period of five (5) years. The term of this MOU may be extended as agreed to in writing by the parties to this MOU.
- B. JBWD retains all regulatory approval authority.

**SECTION 4:** **INDEMNIFICATION**

- A. The Chamber agrees to indemnify, defend, and hold JBWD harmless from all liability and suits for claims, costs, damages, expenses, losses, or injuries to persons or property related to the subject matter of this MOU.
- B. The Chamber releases JBWD and waives the right of claim, defense, and costs against JBWD, arising out of, in connection with, or resulting from the subject matter of this MOU.
- C. This MOU is also a full and final accord and satisfaction in release of the matters released, and the Parties acknowledge that each is familiar with Civil Code section 1542: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."
- D. If the Chamber fails to indemnify, defend, and hold JBWD harmless, JBWD shall have the right, but not the obligation, to defend any claims or demands and charge all of the direct or incidental costs of the defense, including attorneys' fees, to the Chamber and to recover the costs from the Chamber upon presentation of an invoice.
- E. While performing this MOU, the Chamber agrees to secure adequate insurance against bodily injury and/or property damage in adequate types and amounts and to hold JBWD harmless against all loss claims. The Chamber's insurance for Turtle Island must designate JBWD as an additional insured.
- F. This section will continue to apply despite the termination of this MOU.

**SECTION 5:** **GENERAL PROVISIONS**

- A. The relationship between JBWD and the Chamber regarding Turtle Island is governed by the terms of this MOU.
- B. This MOU supersedes any and all agreements, either oral or written, between the parties with respect to Turtle Island.

- C. Both parties to this MOU acknowledge that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not contained in this MOU, and that any other agreement, statement, or promises not contained in this MOU are invalid and unenforceable.
- D. This MOU may only be modified by a writing signed by both parties.
- E. Either party may terminate this MOU at any time by giving ninety (90) days written notice to the other party.
- F. Each party to this MOU has participated in its preparation. In the event of any dispute or disagreement involving the interpretation of this MOU, no inference may be drawn from the fact that either party had contributed any particular part in the preparation of this MOU.
- G. The Chamber and JBWD are represented by independent legal counsel and each party has had the opportunity to obtain the advice of counsel prior to signing this MOU.
- H. Each individual executing this MOU represents and warrants that they are duly authorized to execute and deliver this MOU.

**Executed at Joshua Tree, California:**

**Joshua Basin Water District**

**Joshua Tree Chamber of Commerce**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: President \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**PROGRESS REPORT: FY 11/12  
Q4 JBWD CONSERVATION PROJECTS**

**Report to:** Joe Guzzetta, General Manager, JBWD  
**From:** Bollinger Consulting Group  
**Date:** June 4, 2012

Progress on conservation programs during the month of May consisted largely of work on school education and residential programs. We presented our Water Wise Watercourse to 110 students at JT Elementary and Friendly Hills schools on May 2 and May 3. We also worked with the schools to complete follow-up residential surveys and install low-flow plumbing fixtures, distributing kits to 82 households. Lastly we met with staff to collect data needed to document GPCD and System Water Audits.

The following table describes our activities in each of the BMPs for water conservation as identified by the CUWCC and adopted by the DWR. Joshua Basin’s Board directed their implementation in June of 2009. The BMPs also appear in the 2010 Urban Water Management Plan and implementation is a qualifier for State funding. Please note that “Progress to date” is limited to the current quarter.

PROJECT	DESCRIPTION
<b>Water Survey for Single/MF Residential Customers (BMP 1)</b>	<p><i>Current activity:</i></p> <ul style="list-style-type: none"> <li>▪ Completed one SF residential survey – Blakely residence.</li> <li>▪ Prepared surveys for 82 homes through school program.</li> </ul> <p><i>Progress this quarter:</i></p> <ul style="list-style-type: none"> <li>▪ Completed one SF residential survey – Stevens residence.</li> </ul>
<b>Residential Plumbing Retrofit (BMP 2)</b>	<p><i>Current activity:</i></p> <ul style="list-style-type: none"> <li>▪ Distributed kits of low flow fixtures to 82 households through school program.</li> </ul>
<b>System Water Audits (BMP 3)</b>	<p><i>Current activity:</i></p> <ul style="list-style-type: none"> <li>▪ Met with staff to collect information for FY 2010-2011 audit.</li> </ul>
<b>Metering Program (BMP 4)</b>	<p><i>No new activity.</i></p>
<b>Large Landscape Conservation Programs (BMP 5)</b>	<p><i>Current activity:</i></p> <ul style="list-style-type: none"> <li>▪ Performed maintenance on CIMIS station and reported data to DWR.</li> </ul> <p><i>Progress this quarter:</i></p> <ul style="list-style-type: none"> <li>▪ Coordinated with AWAC and Copper Mountain College to complete Cash for Grass application.</li> <li>▪ Performed maintenance on CIMIS station and reported data to DWR.</li> </ul>



<b>High-Efficiency Washing Machine Rebate Programs (BMP 6)</b>	<i>No new activity.</i>
<b>Public Information (BMP 7)</b>	<p><i>Current activity:</i></p> <ul style="list-style-type: none"> <li>▪ Provided garden tour and information to 15 members of the Chaparral Artists group.</li> <li>▪ Presented conservation update report to board of directors and public on May 2.</li> </ul> <p><i>Progress this quarter:</i></p> <ul style="list-style-type: none"> <li>▪ Prepared information for and participated in April 4 board meeting .</li> <li>▪ Coordinated development and promotion of April 22 Desert Wise Landscape Tours of private gardens.</li> <li>▪ Coordinated docent garden activities for April 24 bus tour of gardens.</li> <li>▪ Created Desert Wise Landscape Tips published in Hi-Desert Star on April 28 and provided photos of local gardens.</li> <li>▪ Completed final edit of Demonstration Garden self-tour brochure.</li> <li>▪ Coordinated garden visit by Chaparral Artists</li> </ul>
<b>School Education (BMP 8)</b>	<p><i>Current activity:</i></p> <ul style="list-style-type: none"> <li>▪ Presented Water Wise Watercourse to 110 5<sup>th</sup>-grade students on May 2 and 3.</li> <li>▪ Developed water saving competition and solicited award money from MBCA.</li> </ul> <p><i>Progress this quarter:</i></p> <ul style="list-style-type: none"> <li>▪ Prepared program and materials for Water Wise Watercourse.</li> <li>▪ Met with volunteers to prepare for Watercourse presentations.</li> <li>▪ Coordinated Watercourse activities with teachers at JT Elementary and Friendly Hills schools.</li> </ul>
<b>Conservation Programs for Commercial, Industrial, and Institutional (CII) Accounts (BMP 9)</b>	<p><i>Current activity:</i></p> <ul style="list-style-type: none"> <li>▪ Worked with management to develop plans for commercial demonstration garden in Joshua Tree.</li> <li>▪ Met with AWAC to solicit water brooms for commercial customers.</li> </ul>
<b>Wholesale Agency Assistance Programs (BMP 10)</b>	<i>No new activity.</i>
<b>Conservation Pricing (BMP 11)</b>	<i>No new activity.</i>
<b>Water Waste Prohibition (BMP 13)</b>	<i>No new activity.</i>
<b>Residential ULFT Replacement Programs</b>	<i>No new activity.</i>

**(BMP 14)**

**Other projects:**

*Current activity:*

- Meetings and correspondence with staff to track progress of conservation projects, coordinate activities, and determine priorities.
- Collected data needed for GPCD calculations.
- Prepared report on interpretive garden signs for Public Information Committee.

Respectfully submitted,

Deborah Bollinger, CLIA, CID  
Conservation Coordinator