



PO Box 675 • 61750 Chollita Road • Joshua Tree CA 92252  
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 An Equal Opportunity Provider

JOSHUA BASIN WATER DISTRICT  
 REGULAR MEETING OF THE BOARD OF DIRECTORS AND  
 SPECIAL MEETING OF THE CITIZENS ADVISORY COMMITTEE  
 WEDNESDAY MAY 1, 2013 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 Draft Minutes of the April 17, 2013 Regular Meeting of the Board of Directors
  - B. Comparative Negligence in Inverse Condemnation Cases - Letter supporting AB 436.  
 Recommend approval of draft letter and authorize Board President to sign.
7. RATE AND FEE STUDY  
 Recommend that the Board receive Presentation by Representatives from Bartle Wells Associates and give direction as appropriate.

Pg. 1-4

Pg. 5-10

Pg. 11

- Pg. 12-15 8. **EXPENSE INVENTORY WITH INDIVIDUAL VALUE OF \$50 OR LESS AS RECOMMENDED BY AUDITOR**  
Recommend that the Board approve expensing of \$22,889.80 of “Under \$50” inventory items as recommended by the Auditor.
- Pg. 16-20 9. **WRITE-OFF SURPLUS INVENTORY IN THE AMOUNT OF \$34,430.86**  
Recommend that the Board take the following actions: 1) Approve write off of \$34,430.86 surplus inventory, and 2) Confirm Bidding Policy Surplus Property Disposal guidelines, including Staff authority to dispose of scrap surplus inventory in best way possible.
- Pg. 21-26 10. **WATER REPLENISHMENT ASSESSMENT PROGRAM**  
Recommend that the Board take the following action: 1) Explore placing a measure on the November 2013 or 2014 general election ballot asking voters to approve a water replenishment assessment for all ground water producers, including the District. 2) If the Board wishes to explore the above measure, refer the matter to the Citizens Advisory Committee for further analysis and recommendation to the Board concerning various issues about the assessment.
11. **CONSERVATION COORDINATOR REPORT**  
Information only. Conservation Coordinator Deborah Bollinger to report.
- Pg. 27-31 12. **STRATEGIC PLAN UPDATE**  
Recommend that the Board review the strategic plan update for any changes.
13. **COMMITTEE REPORTS:**
- A. PUBLIC INFORMATION COMMITTEE: President Luckman and Director Fuller:  
Kathleen Radnich, Public Outreach Consultant to report.
  - B. RECHARGE BASIN AND PIPELINE PROJECT: Vice President Coate and Director Fuller
  - C. HOSPITAL WASTEWATER PROJECT: President Luckman and Vice President Coate
  - D. TANK RESTORATION PROJECT: Director Wilson and Vice President Coate
  - E. RULES AND REGULATIONS UPDATE PROJECT: Director Fuller and Vice President Coate
  - F. ADMINISTRATIVE CODE UPDATE PROJECT: Director Fuller and President Luckman
  - G. AGENDA COMMITTEE: President Luckman and Vice President Coate,
    - 1) Architectural Services for Office Space Needs: Recommend that this item be continued to the meeting of May 15, 2013, at the request of the Agenda Committee.
    - 2) Consider joint meeting with the Citizens Advisory Committee for May 21, 2013 at 7:00 pm for a CAC new-member orientation.
14. **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.
15. **GENERAL MANAGER REPORT**
16. **DIRECTORS COMMENTS/REPORTS**

17. DISTRICT GENERAL COUNSEL REPORT
18. FUTURE AGENDA ITEMS
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 May 8 at 7:00 pm and May 15 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  
April 17, 2013

1. CALL TO ORDER: 7:00 PM

2. PLEDGE OF ALLEGIANCE

3. DETERMINATION OF QUORUM: Frank Coate Present  
Victoria Fuller 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

CONSULTANTS PRESENT: Gil Granito, District Counsel  
Kathleen Radnich, Public Outreach Consultant  
Steve Berliner, District Counsel

GUESTS: 6

4. APPROVAL OF AGENDA:

MSC Fuller/Coate 5/0 to approve agenda for the April 17<sup>th</sup> 2013 Regular Meeting of the Board of Directors

5. PUBLIC COMMENT:

Ms. Doris Bridges stated that she could not find the requirement for 8" inch pipe as the minimum size required for pipeline extensions. She also questioned why the service line for her property needed to be at the edge of the property line.

Karl Wyne, former board member, asked why most board members had not submitted reimbursement forms for interviews with the facilitator during the recent strategic planning process. He also questioned the need for a rate and fee study.

6. CONSENT CALENDAR:

MSC Fuller/Coate 5/0 to approve Check Audit Report for March 2013; to approve the minutes of the April 3, 2013 Special Meeting of the Board of Directors; to approve the minutes of the April 3, 2013 Regular Meeting of the Board of Directors and to approve the Resolution No. 13-905 Adopting a Labor Compliance Program as Required to Comply with Proposition 84 Grant Requirements.

7. RATE STUDY:

Susan Greer presented the staff report recommending approval of a rate study as provided in the District's Strategic Plan. Director Wilson spoke in opposition to the study. Other Board Members spoke to the need for a rate study, emphasizing that a rate study only provides information that

may or may not result in rate increases.

MSC Reynolds/Fuller, 4/1 to authorize Bartle Wells Associates to conduct a rate study at a cost of \$29,300 including 10% contingency plus estimated expenses.

Reynolds	Aye
Fuller	Aye
Luckman	Aye
Reynolds	Aye
Wilson	No

8. 2013 STRATEGIC PLAN:

Joe Guzzetta presented the staff report noting that Pat Caldwell, facilitator of the Strategic Plan, verified that the three goals in the staff report were the final goals determined by the Board. He noted that those goals have been incorporated in the Strategic Plan from the previous year.

MSC Fuller/Coate 4/1 to adopt the 2013 Strategic Plan as presented; to request staff to insert new anticipated project completion dates where completion dates have passed; and to authorize additional payment of \$301 to Pat Caldwell for the Strategic Plan.

Fuller	Aye
Coate	Aye
Luckman	Aye
Reynolds	Aye
Wilson	No

9. PENSION REFORM:

Steve Berliner, Labor Relations Attorney with Liebert Cassidy Whitmore, gave a presentation on the California Public Employee Pension Reform Act and its impact and implications for Joshua Basin Water District. It was noted that over a long period of time the Act should result in savings to the District.

10. COMMITTEE REPORTS:

- A. PUBLIC INFORMATION COMMITTEE President Luckman and Director Fuller: Kathleen Radnich reported on the new public education events being presented collaboratively by several water districts in the Morongo Basin to replace the "ABC's of Water" series. David O'Leary of USGS will give a presentation in the fall on aquifers in the Morongo Basin. JBWD will participate in a "Healthy Water Healthy Community" health fair at Hi-Desert Medical Center on April 27; and in Earth Day at the Yucca Valley Nature Museum in on April 20. Director Fuller will tend the booth at Farmers Market on April 20 and President Luckman on April 27. May 10 will be National Public Gardens Day at the Demonstration Garden.
- B. RECHARGE BASIN AND PIPELINE PROJECT: Vice President and Director Fuller: No report.
- C. HOSPITAL WASTEWATER PROJECT President Luckman and Vice President Coate: President Luckman reported that she and the General Manager attended a meeting of the Hi Desert Medical Center where District Engineer Mike Metts gave an excellent presentation on the status of the package wastewater treatment plant.
- D. TANK RESTORATION PROJECT: Director Wilson and Vice President Coate: No report
- E. RULES AND REGULATIONS UPDATE PROJECT: Director Fuller and Vice President Coate: No report.
- F. ADMINISTRATION CODE UPDATE PROJECT: Director Fuller and President Luckman: No report.

11. PUBLIC COMMENT:

Ms. Darla Bridges, ratepayer, asked when the final paving of Chollita Road would take place following installation of the pipe for the recharge project.

12. GENERAL MANAGER REPORT:

GM Joe Guzzetta reported that water was turned off to an area affecting 153 homes to install a valve that will reduce the need to shut down that area in the future. He explained the procedures used to notify the Public of the shutdown and that no complaints were received. He gave the status of the installation of the earthquake and altitude valves at the C2-B tank and the installation of pipe for the recharge project, as well as paving of Chollita Road.

13. DIRECTORS COMMENTS/REPORTS:

Director Wilson read from a staff report concerning replacement of pipeline dated March 5, 2008.

Director Reynolds thanked Steve Berliner for the presentation. He noted that it is the Board's job to represent customers. Director Fuller thanked Steve Berliner for his presentation and Kathleen Radnich for her work in updating the District website; and suggested that the website ask customers to provide the District with their phone numbers to enable contacting them during emergencies and for other notifications. President Luckman reported attendance at the Mojave Water Agency Technical Advisory Committee meeting and the Mojave Water Agency Board of Directors meeting. She notified the Board of a complementary letter from the Joint Powers Insurance Authority discussing their visit to the District. She reported receiving a small token gift from Hi-Desert Medical Center Director Marty Abels in acknowledgement of the joint effort on the wastewater treatment plant.

14. DISTRICT GENERAL COUNSEL REPORT:

General Counsel Gil Granito reported on state legislation that would require arbitrators to consider a plaintiff's contribution to damage or comparative negligence in cases of inverse condemnation. He will draft a letter of support for the District.

15. FUTURE AGENDA ITEMS:

President Mickey Luckman requested architectural proposals for a space needs study to be placed on the next agenda. Director Fuller requested that General Counsel Granito place a letter on the next agenda in support of the legislation noted under the General Counsel report. Former Director Richard Fountain requested that the Board agendaize the status of Well #11. General Manager advised that he would provide prior staff reports on the subject to Mr. Fountain.

16 and 17. CLOSED SESSION:

The Board recessed to closed session at 8:15pm to consider agenda item 16, conference with labor negotiator pursuant to Government Code Section 54957.6, and agenda item 17, annual performance evaluation of the General Manager pursuant to Government Code Section 54957(b). The Board reconvened in open session at 9:25pm. General Counsel Gil Granito reported that the Board held discussions with Labor Counsel Steve Berliner and General Manager Joe Guzzetta regarding item 16 with no reportable action taken. During consideration of item 17 only the Board and District General Counsel were present during the closed session. The Board determined to resume discussion of Item 17 at a Special Meeting to be held on Tuesday, April 30, at 6:00pm. No further reportable action was taken.

18. ADJOURNMENT: TIME: 9:30 pm  
MSC Coate/Fuller moved to adjourn

Respectfully submitted:

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Joe Guzzetta

The next regular meeting of the Board of Directors is scheduled for May 1, 2013 at 7:00 pm

DRAFT

JOSHUA BASIN WATER DISTRICT  
SUPPLEMENTAL DATA SHEET

Meeting of the Board of Directors

May 1, 2013

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



TOPIC: LETTER SUPPORTING AB 436

RECOMMENDATION: That the Board take a letter in support of AB 436 and authorize the Board President to sign the attached letter.

ANALYSIS: At the last meeting General Counsel Gil Granito gave a presentation on AB436, proposed legislation that could result in lower costs for governmental agencies by requiring a court or arbitrator to consider "comparative fault" in inverse condemnation cases.

The Board asked that a letter of support be provided. Attached is the letter.

Following board approval, letters will be sent to the appropriate officials in Sacramento.





PO BOX 675  
61750 CHOLLITA ROAD  
JOSHUA TREE CA 92252  
PHONE: 760.366.8438

May 1, 2013

**VIA FEDERAL EXPRESS**

The Honorable Bob Wieckowski, Chair  
Assembly Judiciary Committee  
State Capitol, Room 4016  
Sacramento, CA 95814

RE: AB 436 (Jones-Sawyer): SUPPORT

Dear Assemblyman Wieckowski,

The Board of Directors of the Joshua Basin Water District has taken a "Support" position on AB 436 (Jones-Sawyer) which would apply the doctrine of "comparative fault" to inverse condemnation actions and would require a court or arbitrator to reduce the compensation paid to a plaintiff in an inverse condemnation proceeding in direct proportion to his or her percentage of fault, if any, in the damaging of property that constitutes a taking.

Additionally, AB 436 would amend Section 998 of the Code of Civil Procedure to apply to inverse condemnation cases such that a plaintiff that chose to reject an offer made by a defendant and did not do better at trial, would forego costs incurred after the offer. This is consistent with the law in "regular" condemnation cases, where a landowner who rejects a reasonable offer will be denied its litigation expenses. The Board of Directors of the Joshua Basin Water District believes these to be appropriate and reasonable changes to current law that will protect public assets.

As such, the Joshua Basin Water District supports AB 436 and respectfully request your Committee's consideration of AB 436.

Sincerely,

JOSHUA BASIN WATER DISTRICT

By \_\_\_\_\_  
Mickey Luckman, President  
of the Board of Directors of the  
Joshua Basin Water District

Date of Hearing: April 2, 2013

ASSEMBLY COMMITTEE ON JUDICIARY  
Bob Wieckowski, Chair  
AB 436 (Jones-Sawyer) – As Introduced: February 15, 2013

SUBJECT: INVERSE CONDEMNATION: COMPARATIVE FAULT

KEY ISSUES:

- 1) SHOULD THE DOCTRINE OF COMPARATIVE FAULT BE APPLIED TO ACTIONS IN INVERSE CONDEMNATION?
- 2) SHOULD THE STATUTE RESTRICTING THE RECOVERY OF POST-OFFER COSTS EXPRESSLY APPLY TO INVERSE CONDEMNATION ACTIONS?

FISCAL EFFECT: As currently in print this bill is keyed non-fiscal.

**SYNOPSIS**

*This bill would apply both the doctrine of comparative fault and a statute limiting recovery of a plaintiff's post-settlement-offer costs to inverse condemnation actions. In short, under this bill, the court would treat damage awards in an inverse condemnation action in the same manner as a civil action between private parties. Under the California Constitution, a government entity must provide a property owner with "just compensation" whenever it takes or damages private property for a "public use." Most often a government entity initiates a condemnation action against a private property owner when the property is needed for a public use. However, where a public project proximately damages private property, the owner may bring an action in inverse condemnation against the relevant government entity. Unlike parallel tort actions, courts do not generally apply the doctrine of comparative fault in inverse condemnation actions. Thus, even if the property owner's negligence either partly, or even mostly, caused the property damage, the government entity is still required to compensate the property owner for 100% of the damages. The author and sponsor argue that exempting inverse condemnation from the comparative fault doctrine is unfair to financially strapped cities and counties that must bear full responsibility for costs, even if they are only minimally responsible for the damages. For similar reasons, the author argues that fairness requires expressly applying "post-offer" cost rules to inverse condemnation actions. Under Code of Civil Procedure Section 998 a plaintiff who rejects a settlement offer that exceeds the final judgment cannot recover any post-offer costs and may be required to pay the defendant's post-offer costs. Although the California Supreme Court has held that the post-offer statute applies to inverse condemnation cases, some courts have held otherwise. This bill would clarify that Section 998 applies to inverse condemnation actions, in the manner provided in the bill. The bill is sponsored by the Los Angeles City Attorney. There is no known opposition to this bill.*

SUMMARY: Applies two existing rules for calculating a plaintiff's damages to actions brought in inverse condemnation. Specifically, this bill:

- 1) Applies the doctrine of comparative fault to actions in inverse condemnation and would require a court or arbitrator to reduce compensation paid to a plaintiff in an inverse

- condemnation proceeding in direct proportion to his or her percentage of comparative fault, if any, in the damaging of property that constitutes a taking.
- 2) Provides that if a defendant in an inverse condemnation action, on or after January 1, 2014, makes an offer that the plaintiff does not accept, and the plaintiff fails to obtain a judgment or award, the plaintiff shall not recover his or her post-offer costs and shall pay the defendant's post-offer costs, which may include the costs for expert witnesses.
  - 3) Provides that if a defendant in an inverse condemnation action, on or after January 1, 2014, makes an offer that the plaintiff does not accept, and the plaintiff fails to obtain a more favorable judgment or award, the plaintiff shall not recover his or her post-offer costs, but the plaintiff shall not be required to pay the defendant's post-offer costs.

EXISTING LAW:

- 1) Prohibits the government from taking or damaging private property for a public use without the payment of just compensation and permits a person to maintain an action in inverse condemnation for the purpose of obtaining compensation for the taking or damage. (California Constitution Article 1, Section 19.)
- 2) Provides that for purposes of apportioning liability a plaintiff's damages may be reduced in direct proportion to his or her percentage of fault. (*Li v. Yellow Cab* (1975) 13 Cal.3d 804.)
- 3) Exempts from the above comparative fault rule an inverse condemnation action, except in certain actions relating to damages caused by public flood control projects. [*Blau v. City of Los Angeles* (1973) 32 Cal. App. 3d 77; *Locklin v. City of Lafayette* (1994) 7 Cal. 4th 327; *Bunch v. Coachella Valley Water District* (1997) 15 Cal 4th 432.]
- 4) Provides that, in any trial or arbitration, if an offer made by a defendant is not accepted and the plaintiff fails to obtain a more favorable judgment or award, the plaintiff shall not recover his or her post-offer costs and shall pay the defendant's costs. Provides, in addition, that in any action or proceeding other than an eminent domain action, the court or arbitrator may require the plaintiff to pay reasonable costs for expert witnesses, as specified. (Code of Civil Procedure Section 998(c).)
- 5) Holds that the Legislature perceives a difference between "eminent domain" and "inverse condemnation," and therefore the Legislature does not intend for its reference to eminent domain in Code of Civil Procedure Section 998 to encompass inverse condemnation proceedings. (*Regency Outdoor Advertising, Inc. v. City of Los Angeles* (2006) 39 Cal 4th 507, 530.)
- 6) Permits a prevailing plaintiff (property owner) in an inverse condemnation action to recover reasonable litigation costs, including reasonable attorney fees. (Code of Civil Procedure Section 1036.)

COMMENTS: This bill seeks to apply two legal principles that are typically applied in civil suits between private parties to actions in inverse condemnation. First, this bill would apply the doctrine of comparative fault to actions in inverse condemnation. According to the author, "the long-standing rationale behind the rule of comparative fault is to allocate responsibility and

liability for damage by the actual proportion of the fault of the persons whose negligence caused the injury. To do otherwise, results in a situation that creates unjust enrichment for one side over the other." Second, the bill would expressly apply the post-settlement-offer cost rules of Code of Civil Procedure Section 988 to inverse condemnation actions. That statute provides that if a plaintiff rejects a settlement offer that turns out to be more than the final judgment awarded, then the plaintiff cannot recover post-offer costs and may be required to pay the defendant's post-offer costs. This bill would apply a somewhat modified version of that rule to inverse condemnation actions by drawing a distinction between a plaintiff that receives a final judgment award that is less than the settlement offer and a plaintiff that receives no award at all. Under existing Section 998, a plaintiff that rejects a settlement offer that exceeds the final award may not recover post-offer costs and may be liable for the defendant's post-offer costs. Under this bill, in an inverse condemnation action, the plaintiff that rejects a settlement offer that exceeds the final award is not entitled to post-offer costs, but that plaintiff is not liable for the defendant's post-offer costs. Only if the plaintiff receives no award at all is the plaintiff barred from recovering his or her own post-offer costs and liable for the defendant's post-offer costs.

Background: In 1975 California adopted the doctrine of "comparative fault" in *Li v. Yellow Cab* (1975) 13 Cal.3d 804. Under this tort doctrine, a plaintiff's damages may be reduced in direct proportion to his or her percentage of fault. Although the principle of comparative fault is well-established in tort law, it has not generally been applied to other kinds of actions, including actions in inverse condemnation against a government entity for damage to private property. Indeed, California courts developed a general rule that a public entity is liable for the full injury if a public use project or improvement was a "substantial cause" of the injury, even if the plaintiff property owner substantially contributed to the injury through his or her own fault. (*Blau v. City of Los Angeles* (1973) 32 Cal. App. 3d 77.) Significantly, since the 1990s the California Supreme Court has carved out an exception to the exception, so to speak, in the case of damages caused by a public flood control project. In those cases, comparative fault applies and the public entity is only liable for that portion of damages that it caused. (*Locklin v. City of Lafayette* (1994) 7 Cal 4<sup>th</sup> 327; *Bunch v. Coachella Valley Water District* (1997) 15 Cal 4<sup>th</sup> 432.) Applying comparative fault to inverse condemnation actions, therefore, would not be completely unprecedented, as courts have already applied comparative fault in cases arising out of the failure of a public flood control project.

Does the Reference to "Eminent Domain" in CCP Section 998 Include "Inverse Condemnation" Actions? Enacted as an effort to encourage early settlement, Section 998 of the Code of Civil Procedure (CCP) governs the manner in which parties may make a written settlement offer prior to the commencement of trial or arbitration. However, the precise wording of the statute has given rise to some confusion as to its application to eminent domain and related inverse condemnation proceedings. Subdivision (c) of Section 998 provides that if a plaintiff rejects a defendant's offer and then fails to obtain a more favorable judgment or award, the plaintiff shall not recover his or her post-offer costs and shall pay the defendant's costs from the time of the offer. This subdivision then states that, "in addition," a plaintiff who rejects an offer may be required to pay expert witness fees "in any action or proceeding other than an eminent domain action." [Emphasis added.] Subdivision (f) then adds that the entire chapter on offers to compromise does not apply to "an offer that is made by a plaintiff in an eminent domain action." If inverse condemnation is included within the meaning of eminent domain, then the post-offer cost restrictions would not, under existing law, apply to actions in inverse condemnation. If, on the other hand, inverse condemnation is not included within the meaning of eminent domain, then post-offer cost restrictions arguably already apply to actions in inverse condemnation.

Case Law on Applicability of CCP Section 998 to Inverse Condemnation Actions: There is no case law that *definitively* applies Section 998 to actions in inverse condemnation. Although at least one appellate court has held that CCP Section 998 treats "eminent domain" and "inverse condemnation" synonymously (*Orpheum v. BART* (1978) 80 Cal. App.3d 863, 878), more recent decisions by the California Supreme Court and another appellate court hold that the references to "eminent domain" actions in Section 998 were not intended to include actions in inverse condemnation. (*Goebel v. City of Santa Barbara* (2001) 92 Cal. App. 4<sup>th</sup> 549, 558-559; *Regency Outdoor Advertising, Inc. v. City of Los Angeles* (2006) 39 Cal 4<sup>th</sup> 507, 530.) However, these latter cases did not completely resolve the issue because, although at least one of the opinions expressed disagreement with the earlier *Orpheum* opinion in dictum, it also distinguished *Orpheum* because in that case the plaintiff prevailed, while in the latter two the government entity prevailed. Therefore, one could arguably construe *Goebel* and *Regency* as only applying Section 998 to cases in which the government entity prevails and is seeking its post-offer costs, but not to cases in which the plaintiff prevails but wins a judgment that is less than the settlement offer. This bill would clarify the potential confusion arising out of these cases by stating expressly that Section 998 applies to an action in inverse condemnation, albeit in the modified form discussed above.

ARGUMENTS IN SUPPORT: According to the sponsor, the Los Angeles City Attorney's Office, the rationale for both the comparative fault doctrine and the statute governing post-offer costs serve important public purposes. According to the sponsor, the comparative fault doctrine properly allocates liability according to the degree of fault, so that "if the plaintiff's negligence contributed to his or her own personal injury or property damages, the jury or fact finder must apportion the damages between the parties based on their respective fault." Under existing law, the sponsor argues, a government agency would be liable for 100% of the damages even if the plaintiff had caused 99% of the damage. Similarly, the sponsor argues that applying Section 998 to inverse condemnation actions "is consistent with over 40 years of case law set forth by the California Supreme Court and is good public policy that will encourage settlements and alleviate unnecessary burdens upon our court system." "In this time of economic challenge," the sponsor concludes, "it is particularly important for the Legislature to clarify these two issues so that government agencies and the taxpayers they represent are only held responsible for their proportionate share of the costs and damages awarded in inverse condemnation cases." The bill is supported by the California Association of Sanitation Agencies and the League of California Cities for substantially the same reasons.

REGISTERED SUPPORT / OPPOSITION:

Support

Los Angeles City Attorney (sponsor)  
California Association of Sanitation Agencies  
League of California Cities

Opposition

None on file

Analysis Prepared by: Thomas Clark / JUD. / (916) 319-2334

JOSHUA BASIN WATER DISTRICT  
AGENDA REPORT

Meeting of the Board of Directors

May 1, 2013

Report to: President and Members of the Board  
From: Susan Greer, Assistant General Manager/Controller



TOPIC:  
Rate and Fee Study

RECOMMENDATION:  
Receive Presentation and give direction as appropriate

ANALYSIS:  
Representatives from the District's rate and fee study consultants, Bartle Wells Associates, will provide a presentation to the Board and CAC. The presentation will be an overview of the rate and fee study process so that you understand the issues, challenges and legal requirements.

The presentation will provide information about the specific issues that we will be looking at, such as pay/go vs. borrowing for pipeline replacement. There will be opportunity to ask specific questions and provide direction.

STRATEGIC PLAN ITEM:  
Item 2.2.2 Rate Study and Item 2.2.3 District Fees

FISCAL IMPACT:  
None. Cost for rate and fee studies have already been authorized and budgeted.

JOSHUA BASIN WATER DISTRICT  
AGENDA REPORT

Meeting of the Board of Directors

May 1, 2013

Report to: President and Members of the Board  
From: Susan Greer, Assistant General Manager/Controller



TOPIC:

Expense inventory with individual value of \$50 or less as recommended by Auditor

RECOMMENDATION:

Approve expensing of \$22,889.80 of "Under \$50" inventory items as recommended by the Auditor

ANALYSIS:

The District typically maintains between \$150,000 and \$200,000 of on-hand inventory for repair and construction of our various infrastructure, including pipes and meters. The value of inventory is a balance sheet item on our financial statements and periodic physical inventory counts are required to verify the values.

Our new Auditor recommended that we stop counting inventory with a per item value of less than \$50. This number is derived from an analysis of the worth of the inventory, the cost associated with tracking the inventory and the risks associated with inappropriate use of the inventory. Field Staff reviewed the list of inventory parts valued at less than \$50 per item and agreed in most instances. In a few instances, they elected to continue counting the Under \$50 items, such as copper pipe.

The method for getting rid of these inventory items is to expense the costs to Meter Service Repair and Mainline Repair since that is how the parts will be used. The attachment, entitled "Under \$50" represents the list of these items that we recommend expensing, totaling \$22,889.80. Although this expense will impact the financial report by technically increasing our costs, it is not a cash transaction in the current year as these parts were purchased and paid for in the past.

STRATEGIC PLAN ITEM:

N/A

FISCAL IMPACT:

\$22,889.80 current year NON-CASH expense to Meter Repair and Mainline Repair expense.

VCLASS: UNDR50

Warehouse

STATUS: ALL

Under \$50

PART NUMBER	DESCRIPTION	QUANTITY	LIST PRICE	LAST COST	AVERAGE COST	EXTENDED PRICE	EXTENDED LAST COST	EXTENDED AVG. COST
01 A0101250	ADAPTER MIP/FIP 1' CTS	128.00	0.0000	14.1400	11.6026	0.00	1,809.92	1,485.13
01 A0101500	ADAPTER FIP/MIP X 1' IPS	9.00	0.0000	24.7820	23.9080	0.00	223.04	215.17
01 A0101622	ADAPTER MIP X CTS 2'	8.00	0.0000	35.7700	35.7700	0.00	286.16	286.16
01 B0201000	METER BOX PLASTIC 3/4 AND 1'	29.00	0.0000	40.0790	38.5479	0.00	1,162.29	1,117.89
01 C0301251	CAP WELD 6'	4.00	0.0000	27.6900	27.6900	0.00	110.76	110.76
01 C0301255	CAP P/O 6'	2.00	0.0000	31.2500	26.9100	0.00	62.50	53.82
01 C0301260	CAP P/O 8'	3.00	0.0000	41.8100	40.3000	0.00	125.43	120.90
01 C0301290	CLAMP REPAIR 2' IP X 3'	18.00	0.0000	7.0600	6.7000	0.00	127.08	120.60
01 C0301690	CLAMP REPAIR 8' OD X 3'	14.00	0.0000	16.6474	14.9893	0.00	233.06	209.85
01 C0301700	CLAMP REPAIR 8' OD X 6'	14.00	0.0000	32.2800	28.8464	0.00	451.92	403.85
01 C0301701	CLAMP REPAIR 8' STANDARD X 3'	10.00	0.0000	16.6474	12.4670	0.00	166.47	124.67
01 C0301702	CLAMP REPAIR 8' STANDARD X 6'	9.00	0.0000	32.2800	25.3089	0.00	290.52	227.78
01 C0301801	CLAMP FC 10' OD x 6'	8.00	0.0000	36.8500	36.8500	0.00	294.80	294.80
01 C0302700	METER CONNECTOR 1'	13.00	0.0000	6.2000	6.2000	0.00	80.60	80.60
01 C0303420	COUPLING COMPRESSION 1' IP	7.00	0.0000	40.2400	35.5745	0.00	281.68	249.02
01 C0303500	COUPLING FLEX 1'	11.00	0.0000	57.0000	27.9900	0.00	627.00	307.89
01 C0303620	COUPLING COMPRESSION 1'1/2	1.00	0.0000	22.6300	22.6300	0.00	22.63	22.63
01 C0303640	COUPLING COMPRESSION 2' CTS	5.00	0.0000	30.4700	30.4700	0.00	152.35	152.35
01 C0306200	COUPLING, WELD 1'	18.00	0.0000	3.2300	3.2300	0.00	58.14	58.14
01 C0306210	COUPLING, WELD 2'	2.00	0.0000	6.4500	6.4500	0.00	12.90	12.90
01 C0306400	COUPLING REPAIR 6' C-900	1.00	0.0000	23.6500	23.6500	0.00	23.65	23.65
01 E0501800	ELBOW 90 DEG 6' WELD	3.00	0.0000	21.5500	21.5500	0.00	64.65	64.65
01 E0501810	ELBOW 45 DEG 6' WELD	3.00	0.0000	15.0900	15.0900	0.00	45.27	45.27
01 E0501900	ELBOW 90 DEG 8' WELD	4.00	0.0000	37.4100	37.4100	0.00	149.64	149.64
01 E0502000	ELBOW 90 DEG 4' WELD	6.00	0.0000	8.0600	8.0600	0.00	48.36	48.36
01 F0600900	FLANGE 4' WELD	12.00	0.0000	9.1400	9.1400	0.00	109.68	109.68
01 F0600950	FLANGE 4' BLIND	3.00	0.0000	17.2400	17.2400	0.00	51.72	51.72
01 F0600975	FLANGE 10' BLIND	1.00	0.0000	45.0000	45.0000	0.00	45.00	45.00
01 F0601000	FLANGE 6' WELD	9.00	0.0000	24.9600	23.4400	0.00	224.64	210.96
01 F0601002	FLANGE 6' X 4' WELD	1.00	0.0000	19.9300	19.9300	0.00	19.93	19.93
01 F0601200	FLANGE 8' WELD	6.00	0.0000	17.2000	17.2000	0.00	103.20	103.20
01 F0601310	FLANGE 6' BLIND	4.00	0.0000	26.4800	26.4800	0.00	105.92	105.92
01 F0601311	FLANGE 8' BLIND	0.00	0.0000	33.0200	33.0200			
01 F0601405	FLANGE 2'4 BOLT	2.00	0.0000	8.5200	8.5200	0.00	17.04	17.04
01 F0601415	FLANGE 3' 4 BOLT	1.00	0.0000	7.4500	7.4500	0.00	7.45	7.45
01 M1302010	METER (MKU) BATTERY3	197.00	0.0000	21.0268	20.5457	0.00	4,142.28	4,047.50
01 M1302020	METER (MKU) CONNECTION POD	73.00	0.0000	10.7600	10.7600	0.00	785.48	785.48
01 P	1603100	0.00	0.0000	0.0000	0.0000			
01 P1601300	4" DR18 C900 PVC PIPE BLUE	73.00	0.0000	2.7200	2.7200	0.00	198.56	198.56
01 P1601400	PIPE 6' C-900	159.00	0.0000	4.6218	4.9132	0.00	734.87	781.20
01 P1601500	PIPE 8' C-900	0.00	0.0000	6.0100	0.0000			
01 P1601600	PIPE 12" C-900	90.00	0.0000	12.2300	12.2297	0.00	1,100.70	1,100.67
01 P1602504	PIPE 4' VICTAULIC	9.00	0.0000	19.0200	19.0200	0.00	171.18	171.18
01 P1602510	PIPE VICTAULIC 6'	4.00	0.0000	25.3800	25.3900	0.00	101.52	101.56
01 P1602602	PIPE 4' STEEL	10.00	0.0000	6.0900	6.0904	0.00	60.90	60.90
01 P1602603	PIPE 6' STEEL	68.00	0.0000	7.4000	7.3099	0.00	503.20	497.07
01 P1602604	PIPE 8' STEEL	27.00	0.0000	17.2000	16.4304	0.00	464.40	443.62
01 P1602605	PIPE 10" STEEL	16.00	0.0000	35.5075	35.5075	0.00	568.12	568.12



VCLASS: UNDR50

Warehouse

STATUS: ALL

PART NUMBER	DESCRIPTION	QUANTITY	LIST	LAST	AVERAGE	EXTENDED	EXTENDED	EXTENDED
			PRICE	COST	COST	PRICE	LAST COST	AVG. COST
01 P1602606	PIPE 16" C-900 C1-150	20.00	0.0000	27.1800	23.5800	0.00	543.60	471.60
01 P1602607	PIPE 20" C-900 C1-150	40.00	0.0000	42.3116	37.3058	0.00	1,692.46	1,492.23
01 P1603100	PLUG 6' P/O	2.00	0.0000	22.0900	22.0900	0.00	44.18	44.18
01 P1603150	PLUG, FO W/2' TAP 6"	0.00	0.0000	40.4700	0.0000			
01 P1603350	PIPE NIPPLE 4" X 6" BLACK	2.00	0.0000	14.0100	14.0100	0.00	28.02	28.02
01 P1603360	PIPE NIPPLE, 4" X 12" BLACK	2.00	0.0000	18.9100	18.9100	0.00	37.82	37.82
01 P1603370	PIPE NIPPLE, 4" X 18" BLACK	2.00	0.0000	38.0600	38.0600	0.00	76.12	76.12
01 S1901800	SADDLE 400-450 STL	4.00	0.0000	16.4300	16.4100	0.00	65.72	65.64
01 S1902600	SADDLE 600-663 STL	2.00	0.0000	31.9700	31.9700	0.00	63.94	63.94
01 S1902810	SADDLE C900 6X2	0.00	0.0000	46.8700	0.0000			
01 S1903025	SADDLE 800-863 STL 1' TAP	12.00	0.0000	22.4100	22.4100	0.00	268.92	268.92
01 V2201400	VALVE, AMS 1' IP	46.00	0.0000	37.6810	23.9194	0.00	1,733.33	1,100.29
01 V2201680	VALVE LOCK CURB STOP2' FIP	1.00	0.0000	43.6700	43.6700	0.00	43.67	43.67
01 V2201700	VALVE CAN LID 6'	52.00	0.0000	16.1625	16.1879	0.00	840.45	841.77
01 V2201800	VALVE CAN LID 8'	15.00	0.0000	21.7500	18.2460	0.00	326.25	273.69
01 V2202000	VALVE CAN 6' X 24'	19.00	0.0000	6.4600	6.4600	0.00	122.74	122.74
01 V2202050	VALVE CAN 8' X 24'	11.00	0.0000	7.0000	7.0200	0.00	77.00	77.22
01 V2202100	VALVE CAN 6' X 12'	168.00	0.0000	7.0038	7.0042	0.00	1,176.64	1,176.71
01 V2202150	VALVE CAN 8' X 12'	38.00	0.0000	7.3406	7.3144	0.00	278.94	277.95
01 V2202600	VALVE 1 1/2 SWING CHECK	7.00	0.0000	11.5000	11.5000	0.00	80.50	80.50
01 V2202700	VALVE 2' CHECK SWING	1.00	0.0000	17.7400	17.7300	0.00	17.74	17.73
01 V2203100	VALVE CORP STOP 1' IP	0.00	0.0000	18.3200	0.0000			
01 V2203400	VALVE GATE 3/4'	22.00	0.0000	20.4700	20.4700	0.00	450.34	450.34
01 V2203500	VALVE GATE 1'	18.00	0.0000	25.8600	25.8600	0.00	465.48	465.48

Warehouse TOTALS

NUMBER OF RECORDS:	72
VALUE AT LIST PRICE:	0.00
VALUE AT LAST COST:	24,860.47
VALUE AT AVG. COST:	22,889.80
VALUE AT PRICE 1:	0.00
VALUE AT PRICE 2:	0.00
VALUE AT PRICE 3:	0.00
VALUE AT PRICE 4:	0.00
VALUE AT PRICE 5:	0.00

JOSHUA BASIN WATER DISTRICT  
AGENDA REPORT

Meeting of the Board of Directors

May 1, 2013

Report to: President and Members of the Board  
From: Susan Greer, Assistant General Manager/Controller



TOPIC:

Write-off surplus inventory in the amount of \$34,430.86

RECOMMENDATION:

Recommend that the Board take the following actions:

1. Approve write off of \$34,430.86 surplus inventory, and
2. Confirm Bidding Policy Surplus Property Disposal guidelines, including Staff authority to dispose of scrap surplus inventory in best way possible.

ANALYSIS:

The District typically maintains between \$150,000 and \$200,000 of on-hand inventory for repair and construction of our various infrastructure, including pipes and meters. The value of inventory is a balance sheet item on our financial statements and periodic physical inventory counts are required to verify the values.

During our physical count process, many items that no longer have any value to the District have been identified and storing and counting them year after year is wasteful. The District has no dedicated warehouseman and maintenance of nearly \$200,000 worth of inventory is a big job that takes the effort of many. The disposal of broken, obsolete and otherwise unusable inventory items has not been done for at least the last 25 years, so the list represents decades of items being written off. Our processes naturally change and improve over time as well, and that can make parts that were used previously with success now obsolete. In addition, safety and legal issues sometimes necessitate changes to materials. We will provide some examples of the issues that make inventory parts unusable at the meeting and answer any questions.

The attached list, entitled "Surplus" represents the list of items that we recommend expensing, totaling \$34,430.86. While some of the parts could be of use in the event of an emergency if we needed to jury-rig something, the effort required to maintain and count the parts as inventory outweighs the benefit of keeping them. We request that the Board declare the inventory surplus and then we will scavenge the items to remove any usable parts and add them to our 'boneyard'. Items in the boneyard are not counted or tracked as inventory. The rest will be either trashed or recycled, if applicable.

The \$34,430.86 total represents the book value of the inventory. Book value is the value on our balance sheet, NOT the value if sold, nor the value to the District. For example, many items on the surplus list are broken, aren't recyclable material like brass or copper, cannot be used and have no value to the District whatsoever, but are valued on our balance sheet at their original purchase price.

We will write-off the inventory items by removing them from our inventory and expensing them. While this increases expenses on the financial statements in the current fiscal year, this cost was actually incurred in the past when the inventory was purchased.

Staff also requests confirmation of the Bidding Policy Surplus Property disposal guidelines (see attached policy). The policy provides for disposal in the following manner:

Method	Description	Example
Sale	Policy allows the GM, with approval of the Board, to dispose of surplus supplies, inventory, furniture, vehicles, equipment and supplies by auction or by sale or otherwise after receiving bids or proposals which provide the maximum return for the District.	Recent sale of District vehicles at auction is an example.
Donation	Policy allows GM, with approval of the Board, to donate surplus property to non-profit organizations located in the District or who benefit the District on a first come, first serve basis, requiring recipient to provide a statement that donated property is as is, will not ever be sold for profit and recipient assumes all costs and liability associated with removal and transportation from District.	Donation of PC's to Kids Club several years ago is an example.
Scrap	Policy allows GM to dispose of broken, unusable or inoperable property that cannot be repaired economically and cannot otherwise be traded in, sold, auctioned, donated or salvaged.	Broken or obsolete parts on the surplus list that cannot be sold or scrapped are an example.

STRATEGIC PLAN ITEM:  
N/A

FISCAL IMPACT:  
\$34,430.86 current year NON-CASH expense to Meter Service Repair and Mainline and Leak Repair.

VCLASS: SURPLS  
 STATUS: ALL

Warehouse

SURPLUS

PART NUMBER	DESCRIPTION	QUANTITY	LIST PRICE	LAST COST	AVERAGE COST	EXTENDED PRICE	EXTENDED LAST COST	EXTENDED AVG. COST
01 A0101675	REDUCER FLANGED 6 X 4	2.00	0.0000	110.9900	110.9900	0.00	221.98	221.98
01 A0101701	ADAPTOR RT X FLG 6'	1.00	0.0000	66.2700	52.9800	0.00	66.27	52.98
01 A0101705	Y STRAINER 2" FIP	3.00	0.0000	95.7000	95.7000	0.00	287.10	287.10
01 C0303400	COUPLING FLEX 3/4'	39.00	0.0000	17.2400	17.2400	0.00	672.36	672.36
01 C0303600	COUPLING FLEX 1' 1/2'	0.00	0.0000	18.3200	0.0000			
01 C0303700	COUPLING FLEX 2'	3.00	0.0000	30.7500	30.7400	0.00	92.25	92.22
01 C0304100	COUPLING FLEX 4'	26.00	0.0000	64.0600	39.2400	0.00	1,665.56	1,020.24
01 C0305000	COUPLING FLEX 6'	45.00	0.0000	57.3400	54.0300	0.00	2,580.30	2,431.35
01 C0305100	COUPLING FLEX 8'	8.00	0.0000	72.1900	72.2000	0.00	577.52	577.60
01 C0305200	COUPLING FLEX 12'	6.00	0.0000	110.6100	110.6100	0.00	663.66	663.66
01 C0306500	COUPLING REPAIR 8' C-900	2.00	0.0000	61.4200	61.4200	0.00	122.84	122.84
01 E0501815	ELLBOW 45 DEG 6' P/O	4.00	0.0000	45.2600	63.3700	0.00	181.04	253.48
01 E0501816	ELLBOW 90 DEG 6' AQUA GRIP	4.00	0.0000	226.2800	226.2800	0.00	905.12	905.12
01 E0501818	ELLBOW 90 DEG 6' FLANGED	1.00	0.0000	69.8800	69.8800	0.00	69.88	69.88
01 E0501819	ELLBOW 90 DEG 6' R/T	4.00	0.0000	90.5200	90.5200	0.00	362.08	362.08
01 E0501830	ELLBOW 45 DEG 4' WELD	2.00	0.0000	6.7200	6.7200	0.00	13.44	13.44
01 E0501860	ELLBOW 22 1/2 DEG 8' FLANGED	1.00	0.0000	94.4000	94.4000	0.00	94.40	94.40
01 F0600999	FLANGE 16' BLIND	2.00	0.0000	95.0000	95.0000	0.00	190.00	190.00
01 F0601015	FLANGE 12' WELD	2.00	0.0000	67.3400	67.3400	0.00	134.68	134.68
01 F0601104	HYDRANDT FIRE EXT 6 X 12	3.00	0.0000	204.9300	211.1200	0.00	614.79	633.36
01 F0601312	FLANGE 12' BLIND	9.00	0.0000	89.4400	69.3200	0.00	804.96	623.88
01 F0601410	FLANGE, 10" SLIP-ON WELD	1.00	0.0000	64.1600	64.1600	0.00	64.16	64.16
01 H0815012	KENNEDY HYD EXT KIT K-81A	1.00	0.0000	346.9600	346.9600	0.00	346.96	346.96
01 M1301009	METER 1' SHORT BODY	1.00	0.0000	113.1400	113.1400	0.00	113.14	113.14
01 M1303000	METER PORT EXPANDER	87.00	0.0000	51.0000	51.2800	0.00	4,437.00	4,461.36
01 M1303400	METER 2' REGISTER	14.00	0.0000	167.8400	167.8400	0.00	2,349.76	2,349.76
01 P1602000	PIPE 12' ASBESTOS CEMENT	143.00	0.0000	9.8500	9.2700	0.00	1,408.55	1,325.61
01 P1603300	PLUG 12' R/T	3.00	0.0000	102.7100	102.7100	0.00	308.13	308.13
01 P1603310	PLUG RT W/ 2' TAP 12"	1.00	0.0000	100.0000	100.0000	0.00	100.00	100.00
01 S1901840	SADDLE 400-450 STL 4X2	8.00	0.0000	17.2400	17.2400	0.00	137.92	137.92
01 S1902650	SADDLE 600-663 STL 6X2	12.00	0.0000	19.7200	41.5300	0.00	236.64	498.36
01 S1902700	SADDLE 663-750 AC OR C-900 1'	10.00	0.0000	55.4900	55.4700	0.00	554.90	554.70
01 S1902807	SADDLE 6.63-7.50 A/C OR C-900	3.00	0.0000	174.6850	152.0267	0.00	524.06	456.08
01 S1902825	SADDLE 663-750 DS 6X2	2.00	0.0000	32.0600	32.0500	0.00	64.12	64.10
01 S1903400	SADDLE 863-962 DS 8X2	10.00	0.0000	64.6500	59.0700	0.00	646.50	590.70
01 S1903550	SADDLE 8.63-9.62 A/C OR C-900	17.00	0.0000	107.1180	110.9235	0.00	1,821.01	1,885.70
01 S1903600	SADDLE 10.00-11.10 STEEL 1TAP	5.00	0.0000	40.5700	40.5700	0.00	202.85	202.85
01 S1903700	SADDLE 12.00-13.20 1' TAP	13.00	0.0000	30.1800	30.1700	0.00	392.34	392.21
01 S1903800	SADDLE 13.20-14.38AC OR C900	5.00	0.0000	129.3000	123.3700	0.00	646.50	616.85
01 S1903900	SADDLE 13.20-14.38 AC/C900 1'	16.00	0.0000	29.6100	29.6500	0.00	473.76	474.40
01 S1903901	SADDLE 13.20-14.38 A/C/C900 1'	5.00	0.0000	172.4000	172.4000	0.00	862.00	862.00
01 S1903905	SADDLE 12.00-13.20 2' TAP	4.00	0.0000	176.4700	98.1325	0.00	705.88	392.53
01 S1903910	SADDLE 13.20-14.38 A/C 2' TAP	1.00	0.0000	100.2100	100.2100	0.00	100.21	100.21
01 S1903920	SADDLE 15.30-16.80 STEEL 1'TAP	1.00	0.0000	114.0000	114.0000	0.00	114.00	114.00
01 S1903955	SADDLE C900 16 X 1	2.00	0.0000	295.2400	295.2400	0.00	590.48	590.48
01 T2002201	TEE 6' FLANGED	13.00	0.0000	85.1200	132.6700	0.00	1,106.56	1,724.71
01 T2002206	TEE TAPPING 10'	1.00	0.0000	278.0000	278.0000	0.00	278.00	278.00
01 T2002220	TEE TAPPING 6X6	4.00	0.0000	470.8700	446.8000	0.00	1,883.48	1,787.20

VCLASS: SURPLS

Warehouse

STATUS: ALL

PART NUMBER	DESCRIPTION	QUANTITY	LIST PRICE	LAST COST	AVERAGE COST	EXTENDED PRICE	EXTENDED LAST COST	EXTENDED AVG. COST
01 T2002225	TEE TAPPING 6X4	1.00	0.0000	204.7300	204.7300	0.00	204.73	204.73
01 T2002301	TEE 6X6 FLANGED	2.00	0.0000	107.3800	107.3800	0.00	214.76	214.76
01 V2201660	VALVE, AMS 2' IP	1.00	0.0000	78.9300	78.9300	0.00	78.93	78.93
01 V2201670	VALVE AMS 2' CTS	2.00	0.0000	196.8300	196.8300	0.00	393.66	393.66
01 V2202870	VALVE BALL MTR FLG X FIP 2'	0.00	0.0000	78.6900	78.6900			
01 V2203300	VALVE CORP STOP 2' IPS	0.00	0.0000	65.0300	0.0000			
01 V2203350	VALVE CORP STOP 2' CTS	7.00	0.0000	91.5900	91.5900	0.00	641.13	641.13
01 V2203355	VALVE CORP STOP NL MIP X CTS11	2.00	0.0000	198.7400	198.7400	0.00	397.48	397.48
01 V2203700	VALVE GATE 2'	15.00	0.0000	92.1300	79.8600	0.00	1,381.95	1,197.90
01 V2203900	GATE VALVE 4' FLANGED	0.00	0.0000	242.4400	242.4400			
01 V2203950	4" FLANGED BUTTERFLY VALVE	2.00	0.0000	543.7500	543.7500	0.00	1,087.50	1,087.50

I N V E N T O R Y   V A L U A T I O N   R E P O R T  
Warehouse TOTALS

NUMBER OF RECORDS:	59
VALUE AT LIST PRICE:	0.00
VALUE AT LAST COST:	35,189.28
VALUE AT AVG. COST:	34,430.86
VALUE AT PRICE 1:	0.00
VALUE AT PRICE 2:	0.00
VALUE AT PRICE 3:	0.00
VALUE AT PRICE 4:	0.00
VALUE AT PRICE 5:	0.00

JOSHUA BASIN WATER DISTRICT  
SUPPLEMENTAL DATA SHEET

Meeting of the Board of Directors

May 1, 2013

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



TOPIC: WATER REPLENISHMENT ASSESSMENT PROGRAM

RECOMMENDATION: That the Board take the following action:

- 1) Explore placing a measure on the November 2013 or 2014 general election ballot asking voters to approve a water replenishment assessment for all ground water producers, including the District.
- 2) If the Board wishes to explore the above measure, refer the matter to the Citizens Advisory Committee for further analysis and recommendation to the Board concerning various issues about the assessment.

ANALYSIS:

The District Ground Water Management Plan was implemented in 1997 to actively manage the ground water, and to avoid the potential for any other agency to attempt to manage the ground water. One provision of the Plan is that the District should import water (conjunctive use), which is now underway.

Once the replenishment program is underway, the Plan allows the District to implement a water replenishment assessment "to collect funds directly from ground water producers to pay for programs that result in ground water replenishment that arrests or reduces ground water overdraft." The replenishment assessment would apply to private producers who pump two acre-feet of water per year or more and would apply to the District as well. An assessment could apply to the replenishment costs as well as other costs of implementing the Ground Water Management Plan.

Under state law, implementing a replenishment assessment program requires voter approval at a general election; or approval by the California Legislature and the Governor.

Since anyone producing less than two acre-feet per year would be exempt, staff believes that the assessment would apply to very few producers. However, until the District begins metering private wells (also authorized by the Ground Water Management Plan), we will not have accurate data about



production. Having a program in place would enable the District to charge any future large producers. In the past there have been discussions of potential large producers for a golf course or casino as examples of potential large users.

If the District proceeds with a replenishment assessment the eventual fee would be set periodically by the Board following an engineering study.

A number of questions still need to be answered, and alternatives need to be considered. It is suggested that this be directed to the CAC for further review. Some considerations will include when to have an election. An election in an odd year is estimated to cost about \$21,000. The last even-year election cost was less than \$4,000. We would also need to consider how many private wells exist, when to implement a metering program, and when to implement a well-abandonment program. The Board may want to appoint a committee to sit in on those meetings or otherwise provide review.

Attached are the provisions of the Ground Water Management Plan pertaining to this program; and the related state law.

## **I. REPLENISHMENT ASSESSMENT**

Preparation of a Ground Water Management Plan and subsequent implementation of a Ground Water Management Program are important concepts, but their components can neither be implemented nor their objectives realized unless funds are available therefor. To ensure that funding is available, the District will consider implementing a Replenishment Assessment Program that will permit the collection of funds from ground water producers sufficient to pay for the various components of the Ground Water Management Plan that the District implements.

Replenishment assessment programs have been used by a number of other special districts throughout California with considerable success; indeed, two of the District's neighbors to the south, the Coachella Valley Water District (CVWD) and the Desert Water Agency (DWA), have had replenishment assessment programs in place for more than 15 years, and have used the funds to pay for a highly successful artificial ground water recharge program (recharging the Upper Coachella Valley Ground Water Basin with imported water).

In order to implement the Replenishment Assessment Program, the District will have to either submit the matter to registered voters for approval or have a replenishment assessment approved by the California Legislature and the Governor. The election requirement (§10754.3 of the California Water Code) specifies that the District receive the authorization of a simple majority (50% + 1) of voters residing in the area affected by the assessment, which in this case includes the entire area within the District's boundaries. §10754.3 requires that the issue be submitted to the voters in a general election following adoption of the Ground Water Management Plan. Alternatively, the District could request that the legislature adopt legislation allowing it to levy the replenishment assessment; it was this course that CVWD and DWA followed when they decided to institute their replenishment assessment programs.

### **1. Purpose**

The purpose of a replenishment assessment is to collect funds directly from ground water producers to pay for programs that result in ground water replenishment that arrests or reduces ground water overdraft, and preserves the ground water supply; replenishment assessments can therefore be used to pay for many of the components of the District's Ground Water Management Plan. Generally, ground water producers are

assessed for the specific quantities (units) of ground water produced (e.g. \$/AF). Each producer's assessment is based on the assessment rate and the units of ground water produced.

Depending on the specific replenishment assessment program established, the District would be able to set the replenishment rate at a level sufficient to pay for water secured from MWA through the Morongo Basin Pipeline Project, as well as spreading basin operations (direct recharge) and/or imported water treatment (indirect or in lieu recharge). The replenishment assessment would be levied against all purveyors, including the District, and all replenishment assessments collected would be placed in a replenishment program account or fund dedicated to ground water management activities.

As the primary ground water producer within its boundaries, the District would have to pay most of the replenishment assessment, and would therefore have to secure funds for payment of the assessment from sources such as water rates and charges or water availability or standby assessments. Secondary producers within the District would have to pay their proportionate shares of the total replenishment assessment. Regardless, ground water producers would be paying for ground water replenishment.

The Replenishment Assessment Program would allow the District to account for the money spent on Ground Water Management Plan/Program activities, and would also enable the District to closely monitor the quantities of ground water produced from areas within its jurisdiction, since most (if not all) area ground water producers would be required to report their annual ground water production.

## **2. Applicability**

The Replenishment Assessment Program would apply to all ground water producers (including the District) lying within the District's boundaries. The only exception would be minimal pumpers, which for the purposes of this Program are preliminarily defined as producers who extract less than 2 AF/Yr. In order to determine which well owners qualify as minimal pumpers, it would be necessary for the District to identify area well owners and confer with them to determine (and to subsequently confirm through various verification techniques) their annual water production.

3. **Replenishment Assessment Rate Determination**

In order to establish the replenishment assessment rate each year, the District would prepare an engineer's report on the Replenishment Assessment Program. The engineer's report would detail the anticipated costs associated with the program, as well as the anticipated replenishment assessment rate necessary to recover said costs. The engineer's report would explain each of the factors involved in determining the replenishment assessment rate, and would also include estimates of the Replenishment Assessment Program's effectiveness and the condition of ground water within the subbasins underlying the District's boundaries. The engineer's report would therefore provide the District with an annual review of ground water conditions within the District and describe the basis for the replenishment assessment rate.



*California*  
LEGISLATIVE INFORMATION

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**WATER CODE - WAT**  
**DIVISION 6. CONSERVATION, DEVELOPMENT, AND UTILIZATION OF STATE WATER RESOURCES [10000. - 12999.]** ( *Heading of Division 6 amended by Stats. 1957, Ch. 1932.* )

**PART 2.75. GROUNDWATER MANAGEMENT [10750. - 10755.4.]** ( *Part 2.75 repealed and added by Stats. 1992, Ch. 947, Sec. 2.* )

**CHAPTER 4. Finances [10754. - 10754.3.]** ( *Chapter 4 added by Stats. 1992, Ch. 947, Sec. 2.* )


**10754.3.** Before a local agency may levy a water management assessment pursuant to Section 10754.2 or otherwise fix and collect fees for the replenishment or extraction of groundwater pursuant to this part, the local agency shall hold an election on the proposition of whether or not the local agency shall be authorized to levy a groundwater management assessment or fix and collect fees for the replenishment or extraction of groundwater. The local agency shall be so authorized if a majority of the votes cast at the election is in favor of the proposition. The election shall be conducted in the manner prescribed by the laws applicable to the local agency or, if there are no laws so applicable, then as prescribed by laws relating to local elections. The election shall be conducted only within the portion of the jurisdiction of the local agency subject to groundwater management pursuant to this part.

(*Added by Stats. 1992, Ch. 947, Sec. 2. Effective January 1, 1993.*)

JOSHUA BASIN WATER DISTRICT  
SUPPLEMENTAL DATA SHEET

Meeting of the Board of Directors

May 1, 2013

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

TOPIC: STRATEGIC PLAN UPDATE

RECOMMENDATION: That the Board review the strategic plan update for any changes.

ANALYSIS: At the last meeting the Board discussed the status of the strategic plan and asked that new estimated dates be entered where the estimated date of completion has passed.

The attached plan has been revised to show both the original estimated completion date and the new estimated completion date.

No action is required unless the Board wishes to make a change.

Strategic Line#	Project Manager	PROJECT NAME	PROJECT DESCRIPTION	FISCAL YEAR 2013	FISCAL YEAR 2014	FISCAL YEAR 2015	FISCAL YEAR 2016	PROGRESS NOTES	Estimated Completion Date
<b>1.0.0 GOAL 1.0 PROTECT GROUNDWATER. Recognize groundwater as the District's most valuable asset and protect it as a top priority</b>									
<b>1.1.0 Slow and eventually reverse declining groundwater levels and protect the imported water entitlement</b>									
1.1.1	JG	Recharge Basin & Pipeline Project Pond	Construction Phase. \$6.2 mil from prop 84 plus \$1.3 million left from MWA. Board has delayed Pond construction pending BOR grant awards.	\$ 3,952,000	\$ 3,952,000			Contract is signed.	12/31/2013 06/01/2014
1.1.2	JG	Water Purchase	1,100 acre feet of water to replenish aquifer.				\$ 500,000		6/30/2016
1.1.3	SG/JG	Water Purchase	Budget for it. Establish Financial Plan.						11/30/2013 01/31/2014
<b>1.2.0 Obtain statutory authority to manage the Basin</b>									
1.2.1	JG	Centralized Treatment Authority	Apply for Authority from LAFCO to construct a centralized treatment plant early, before it is needed.					Prioritize before needed	4/1/2015
1.2.2	JG	Centralized Treatment MOU	Complete the MOU with the Regional Water Quality Control Board to give the agency authority to decide when a package waste water treatment plant needs to be required by a developer. This may be changed based on new state policy on densities for septic systems.					Dependent on USGS study and RWOCB	4/1/2016
<b>1.3.0 Manage the Basin effectively to protect groundwater supply and quality</b>									
1.3.1	JG	USGS Wastewater Density Study	Complete the USGS study to understand allowed building density based on wastewater.					USGS expects draft in March/April 2013.	12/31/2013
1.3.2	JG	Urban Water Management Plan.	Complete the Urban Water Management Plan.					Complete	12/1/2013
1.3.3	JG	Groundwater Mgmt. Plan	Update AB3030 ground water management plan	\$ 50,000					12/31/2013
<b>2.0.0 GOAL 2. FINANCIAL MANAGEMENT. Continue strong and conservative financial management that is cost conscious, reliable and avoids rate shocks</b>									
<b>2.1.0 Develop Mechanisms to link strategic plan initiatives so both the staff and board can track progress and not approve projects that exceed resources.</b>									
2.1.1	MR	Tie Budget to Strategic Plan	Tie the Budget to strategic plan initiatives					Complete	6/1/2012
<b>2.2.0 Provide reliable financial resources to meet critical projects within legal and revenue requirements, are incremental, and are perceived as fair to the public without rate shocks.</b>									
2.2.1	SG	Integrated Financial Analysis	Carry out analysis needed to identify revenue needs associated with all district initiatives, most importantly to carry out pipeline replacement and for buying water					Start January 2013	1/1/2014
2.2.2	SG	Rate Study	Conduct rate study, including review and update of structure and analysis of pay/go versus debt financing.	\$ 30,000					1/31/2014
2.2.3	SG	Update District Fees	Carry out study to identify needed and fair fees.	\$ 15,000					12/1/2012 01/31/2014
2.2.4		Capital Replacement Plan	Develop and budget for it.						11/30/2013 01/31/2014
<b>2.3.0 Seek to maximize grant funding, especially for large capital projects</b>									
2.3.1	JG	Funding Lobbyist	Board authorized a new contract on 09 05 2012					Completed 09 05 2012	3/1/2013
<b>2.4.0 Improve Board oversight of finance</b>									
2.4.1	Board	Establish Finance Committee	Goal is to improve board policy guidance and oversight.					Complete	4/1/2012
<b>3.0.0 GOAL 3. OPERATIONAL AND ASSET MANAGEMENT. Design, build, operate, and maintain facilities for reliability and cost efficiency</b>									
<b>3.1.0 Carry out a strong maintenance management program that is fully proactive and document</b>									
3.1.1	RL	DEVELOP Maintenance Management System for <u>Production Operations</u>	Identify features of a fully proactive and documented maintenance management program for production operations: wells, pumps, booster stations, reservoirs, including: tracking, recording, cost/benefit analysis, replacement timing.					Complete	9/1/2012

Strategic Line#	Project Manager	PROJECT NAME	PROJECT DESCRIPTION	FISCAL YEAR 2013	FISCAL YEAR 2014	FISCAL YEAR 2015	FISCAL YEAR 2016	PROGRESS NOTES	Estimated Completion Date
3.1.2	RL	IMPLEMENT Maintenance Management System for <u>Production Operations</u>	Implement Phase 1 of fully documented Maintenance Management Program for production operations.					Complete	9/1/2013
3.1.3	JC	DEVELOP Maintenance Management System for <u>Distribution Operations</u>	Identify features of fully proactive and documented Maintenance Management Program for distribution operations. Set Priorities and phases to incorporate parts of the distribution system: Vehicles, valves, meters, equipment, hydrants, Main lines, services, air vacs, blow-offs, asphalt and other processes. include tracking, recording, cost/benefit analysis, replacement timing, and training.					Complete	9/1/2012
3.1.4	JC	IMPLEMENT Maintenance Management System for <u>Distribution Operations</u>	Implement Phase 1 of fully documented Maintenance Management Program for distribution operations.					Complete	9/1/2013
3.1.5	KF	VXU Meter Reading Unit	Provide for a backup VXU for meter reading	\$300.00	\$0.00			Complete	6/30/2014
3.1.6	JC	Large Meter Testing	Establish a program for regularly testing large customer meters	\$ 30,000				9 have been tested. 36 remaining.	6/30/2012-12/31/2013
3.1.7	JC	Enclosure (Wall) in Shop	For safety & to block noise, fumes, arc flash.	<del>\$ 12,000</del>	\$ 16,000				06/30/2013 06/30/2015
3.1.8	JC	Grizzly	Steel grate device for separating dirt, rocks and debris to enable us to stay on top of various waste material.	\$ 10,000				Complete	6/30/2013
3.1.9	JC	(2) Aluminum/Steel Carports	To cover outside equipment & PVC pipe to protect against elements and add security; 48 x 20; 2 units total.		\$ 6,000				6/30/2014
3.2.0	For large projects, provide a high level of project management to ensure project proceeds on time, on budget and to plan. Assure there is independent review and assessment of engineering and construction set up so that those involved clearly represent the District's interests								
3.2.1	JG	Project Management Oversight and Reporting	Review, update and document process for project management, oversight and reporting.					DUDEK is providing project oversight and tracking.	Complete
3.3.0	Ensure redundancy and reliability of key parts of the water and wastewater system								
3.3.1	RL	H-Zone Tank (prev. Relocate C2A Tank to Hzone)	The cost will eventually be reimbursed to the operational budget from future capacity fees in the H-Zone. NEW TANK	\$ 510,000	\$ 90,000			Plans 90% complete. Bids May 2013. Construction July 1, 2013	6/30/2014
3.3.2	JG	HDMC Wastewater	Complete the sewer project for the Hospital. To be paid by HDMC.	\$ 1,000,000	\$ 1,460,700			Under Construction	9/30/2013
3.3.3	JG	Emergency Line to Hospital	Prepare plan for the redundant water service line for the hospital. Construction contingent on HDMC funding.					Dependent on funding and hospital decisions for permanent line	6/1/2013 6/1/2014
3.3.4	JG	Altitude Valve at C2B Tank -- SCADA Controls at C2-B, C-1, and C-3	The three tanks in the C zone are at different altitudes. If the one at the highest altitude is filled, the other two overflow. These valves will prevent the overflowing.	\$ 108,900				Under Construction	10/31/2012 5/31/2013
3.3.5	RL	Reservoir Maintenance/Renovation	Reservoir renovation/recoat					Funding in operating budget; 4 by 06/30/13. Agreement has been drafted and submitted to contractor.	6/30/2013 6/1/2014
3.3.6	JC	Valve & Fire Hydrant Maintenance Program		\$ 33,333	\$ 33,333	\$ 33,334		Ongoing	



Strategic Line#	Project Manager	PROJECT NAME	PROJECT DESCRIPTION	FISCAL YEAR 2013	FISCAL YEAR 2014	FISCAL YEAR 2015	FISCAL YEAR 2016	PROGRESS NOTES	Estimated Completion Date
<b>3.4.0 Design and operate the water and wastewater system for cost-efficiency</b>									
3.4.1	SG	Identify Cost Savings	Identify cost savings opportunities in the operation and management of capital facilities, including through alternative energy sources power management					Utilize outside consultant.	6/1/2015
<b>3.5.0 Provide appropriate, safe facilities with adequate space to effectively carry out the District's goals and objectives</b>									
3.5.1	RL	Security (Motion Sensors) at Shop and Well 10	This would provide security to an expanded area at the shop.	\$ 12,304				Complete	6/30/2013
3.5.2	SG	Customer Service Account Filing System	Parcel files have expanded past our current storage area and can't be locked. This will allow us to store, secure and access our current files and any new files for the foreseeable future.	\$ 30,000					<del>6/30/2013</del> 12/31/2013
3.5.3	JG	Facilities Plan/Space Needs Assessment	Conduct a facilities plan and assessment to identify space needs, estimated costs, etc. for a new or upgraded office building and Emergency Operations Center.					Soliciting proposals	<del>6/1/2013</del> 12/31/2013
3.5.4	JG	Property Needs Assessment and Purchase	Conduct a property needs assessment: what facilities will be needed over time, in what locations and what size: purchase properties.					underway	<del>12/1/2012</del> 9/1/2013
3.5.5	SG	Office Carpet	This provides for carpeting of all offices.	\$ 13,000				On hold pending space needs assessment	<del>12/31/2012</del> 3/1/2014
<b>3.6.0 Plan new facilities, upgrade and replacements in a way that promotes long-term reliability and cost-effectiveness</b>									
3.6.1	SG/Brd	Pipeline replacement plan	Develop plan, timeline and funding for replacing aging pipelines. Design is completed for 15,000' of pipeline replacement					(see 2.2.0)	1/1/2014
3.6.2	RL	Replace Chlorination Pumps - 4 at \$3,000 each.	Current pumps are over 10 years old and unreliable. New pumps will operate with SCADA.	\$ 13,349				Complete	6/30/2012
3.6.3	RL	Chlorine Analyzers W/Telemetry programming	Install analyzers to monitor chlorine residual at up to four remote sites.	\$ 20,000					6/30/2013
3.6.4	RL	D-3-1 New Booster Pumps and Housing	The pumps at this booster station operate at a very low efficiency rate such that it is timely to replace them.	\$ 250,000				Ready for bid March - April 2013 with construction May - November 2013	<del>5/31/2013</del> 12/31/2013
<b>3.7.0 Coordinate with the customer service representatives to develop standardized approaches to providing customer service</b>									
3.7.1	SG	Customer Service Procedure for Leaks	Complete customer service procedure around leaks, including water conservation survey.					Complete	9/1/2012
3.7.2	SG	Complete SOPs	Major SOPs have been identified					(see 5.1.3) Complete	6/10/2013
<b>4.0.0 GOAL 4. GOVERNMENTAL AND COMMUNITY RELATIONS. The District acts as a good neighbor and partner that is highly regarded in the community</b>									
<b>4.1.0 Take actions needed to ensure the community understands and supports the District</b>									
4.1.1	KR	Public Outreach Plan & Program	Carry out ongoing public outreach plan and program.					PI Committee.	Annual report
4.1.2	KR	Update the Website							<del>6/1/2012</del> 6/30/2013
4.1.3	JG	Demonstration Garden Improvements			\$ 10,000				6/30/2014
4.1.4	JG	Collaborate with other Agencies	Sharing of mutual resources. Identify and reach out to potential partners for sharing resources. Responsible parties: Joe and Management Staff.						12/31/2013
<b>4.2.0 Be an active and collaborative leader and partner with other organizations throughout the region to meet District goals, including obtaining grants, groundwater management authority and sewer authority</b>									
<b>4.3.0 Ensure clear communications between the Board and Manager so the Board can provide proper oversight and clear policy direction</b>									
4.3.1	JG	Board Tours	Plan and carry out Board tours of administrative, management and operational activities and facilities.						Ongoing
4.3.2	JG	Board Member Orientation	Form an ad-hoc Board Committee to develop new Board member orientation.					Committee and staff.	Ongoing

Strategic Line#	Project Manager	PROJECT NAME	PROJECT DESCRIPTION	FISCAL YEAR 2013	FISCAL YEAR 2014	FISCAL YEAR 2015	FISCAL YEAR 2016	PROGRESS NOTES	Estimated Completion Date
4.3.3	JG	Develop New Reporting to Board	Develop new monthly reporting practices to the Board.					Complete	9/1/2013
4.3.4	JG	Bi-monthly Board Workshops	Plan and conduct bi-monthly board workshops to provide enhanced communication on important District activities and progress.					Ongoing	Ongoing
5.0.0	<b>ADMINISTRATION AND MANAGEMENT. Continue strengthening administration and management for increased consistency, performance and individual accountability</b>								
5.1.0	<b>Continue to standardize and systematize training and procedures</b>								
5.1.1	JG	Personnel Manual	Complete Personnel Manual.					Draft has been completed.	<del>06-01-2013</del> 09/3/2013
5.1.2	JG	Standard Operating Procedures	Identify and develop key standard operating procedures and timeline for less critical procedures.					Major SOPs are identified and are being developed	Complete
5.1.3	JG	Training Manuals and Procedures	Develop standard training manuals and procedures.					Each operation.	01 01 2014
5.2.0	<b>Staff should have clear goals and priorities that align with the strategic plan and be evaluated and rewarded based on performance</b>								
5.2.1	Mgmt.	Performance evaluations	Update performance, evaluations and accountability approach. For example, consider options for a merit performance system and staff evaluations.					All supervisors and managers.	Begin 12/1/2013
5.3.0	<b>The District will provide the tools, training and support so that staff can grow and improve in their careers</b>								
5.4.0	<b>The District chain of command at all levels will be clearly articulated , understood and followed</b>								
5.5.0	<b>The District's IT system will be fully functional</b>								
5.5.1	MM JG KF KR	Maximize technological resources	Develop technology master plan that includes the following topics (examples): Radio read meters (Keith/Jim), GIS strategic plan (Keith/Dudek), Data integration (Keith/Dudek), Training, Website/social media (Kathleen), Record storage and retrieval (Susan), SCADA (Randy/Keith), Board technology (Keith), Budget (Team), implementation schedule (Joe, Keith, Mike), Updates to the Board (Joe, Keith, Mike).						6/1/2013
5.5.2	SG	Incode Version 10 Upgrade			\$ 65,000				6/30/2014
5.5.3	SG	Record Archival System	This will eventually enable the District to maintain more electronic files for easier access and less physical storage.	\$ 37,500	\$ 37,500				6/30/2014
5.6.0	<b>Ensure that there is a thorough emergency management program that is tested and exercised</b>								
5.6.1	RL	Earthquake Shut Off Valves or Retrofit for Three Tanks -- C2-B, C-1 and B	This, or a similar system, will provide a feature to the two major C tanks and the B tank serving the hospital, to shut off in the event of an earthquake or other event that results in an unusually large amount of water draining from the tank.	\$ 108,900				Under contract for March 2013 completion	<del>3/31/2013</del> 5/31/2013
5.6.2	RC	Emergency Supplies	These include food, water, cots, etc. for serious emergencies for employees.	\$ 17,000					<del>6/30/2013</del> 12/31/13
5.6.3	RL	Transfer Switches at Remaining Booster Sites	These switches are needed in order to be able to use the emergency generators at the pump stations.	\$ 60,000					9/30/2013
5.6.4	RL	Well 10 & 14 Soft Start Bypass - Generator Controls	The new 600 KW generators need this equipment in order to operate properly at the two largest producing wells, well 10 and well 14.	\$ 20,000				Design underway. Expect completion Spring of 2013	<del>8/31/2012</del> 5/31/2013
5.6.5	RC	Table Top Exercises	Continue annual table tops internally, and windshield survey, update the manual.					Constant updates manual has been updated.	<del>9/1/2012</del> Annually 12/31