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JOSHUA BASIN WATER DISTRICT  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
WEDNESDAY FEBRUARY 5, 2014 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 COMMENTS:

This public comment portion of this agenda provides an opportunity for the public to address the Board of Directors on items not listed on the agenda that *are of interest to the public at large* and are within the subject matter jurisdiction of this Board. The Board of Directors is prohibited by law from taking action on matters discussed that are not on the agenda, and no adverse conclusions should be drawn if the Board does not respond to public comments at this time. Comments that concern individual customer accounts are welcome, however we encourage doing so only after other administrative avenues for redress have been fully exhausted. In all cases, your concerns will be referred to the General Manager for review and a timely response.

Comments are to be limited to three minutes per speaker and shall not exceed a total of 20 minutes. All comments are to be directed to the Board of Directors and shall not consist of any personal attacks. Members of the public are expected to maintain a professional, courteous decorum during their comments. Public input may be offered on an agenda item when the item comes up for discussion and/or action. Members of the public who wish to speak shall proceed to the podium when called by the President of the Board. Please state your name and community of residence for the record.

6. CLOSED SESSION:

At this time the Board will go into Closed Session pursuant to Government Code Section 54957 (b)(1) on the following subject matter:  
PUBLIC EMPLOYEE APPOINTMENT – TITLE: General Manager

7. PUBLIC REPORT ON TONIGHT'S CLOSED SESSION

- Pg. 1-3
- Pg. 4-9
- Pg. 10-13  
Pg. 14-21
- Pg. 22-27
- Pg. 28-29
- Pg. 30-31
- Pg. 32-64
- Pg. 65-66
8. **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 January 8, 2014 Special Meeting of the Board of Directors
    - B. Approve Draft Minutes of the January 15, 2014 Regular Meeting of the Board of Directors
    - C. October 2013 Financial Report Review
    - D. November 2013 Financial Report Review
  
  9. **UNITED STATES GEOLOGICAL SURVEY (USGS) STUDY CONTINUATION AT A COST OF \$143,075**  
Recommend that the Board approve \$143,075 extension to the Joint Funding Agreement with USGS
  
  10. **APPROVAL OF CONSTRUCTION SUPPORT CONTRACTS FOR WATER RECHARGE FACILITY PROJECT AT A TOTAL COST OF \$153,043 INCLUDING 10% CONTINGENCY**  
Recommend that the Board authorize the contracts and costs for the Water Recharge Facility project as follows: 1) Dudek in the amount of \$54,860 for construction management and inspection; 2) Leighton Engineering in the amount of \$49,288 for soils and geotechnical consulting; and 3) Diamondback Surveying in the amount of \$31,400 for construction staking; 4) Circle Mountain in the amount of \$3,595 for environmental services; and 5) A 10% contingency in the amount of \$13,900.
  
  11. **APPROVAL OF CONSTRUCTION SUPPORT CONTRACTS FOR D3 PUMP STATION REHABILITATION PROJECT AT A TOTAL COST OF \$34,018 INCLUDING 10% CONTINGENCY**  
Recommend that the Board authorize the contracts and costs for the D3 Pump Station rehabilitation project as follows: 1) Dudek in the amount of \$13,500 for construction management and inspection; 2) Heider Engineering in the amount of \$4,918 for soils and geotechnical consulting; 3) Rockwell Electric in the amount of \$12,500 for electrical inspection; and 4) A 10% contingency in the amount of \$3,100.
  
  12. **APPROVAL OF RESOLUTION 14-915 AMENDING THE BASIC WATER SERVICE RULES AND REGULATIONS**  
Recommend that the Board approve Resolution 14-915
  
  13. **CHANGE FINANCIAL REPORTING FREQUENCY TO QUARTERLY OR AS-NEEDED**  
Recommend that the Finance Committee recommends quarterly financial reporting frequency or as-needed.
  
  14. **COMMITTEE REPORTS:**  
AD HOC:
    - A. **GENERAL MANAGER SEARCH:** Vice President Reynolds and Director Luckman
    - B. **ADMINISTRATION CODE UPDATE PROJECT:** President Fuller and Director Luckman
    - C. **HOSPITAL WASTEWATER PROJECT:** Director Luckman and President Fuller
    - D. **MOJAVE WATER AGENCY INTEGRATED REGIONAL WATER MANAGEMENT PLAN COMMITTEE:** Director Luckman and President Fuller
    - E. **RULES AND REGULATIONS COMMITTEE:** President Fuller and Vice President Reynolds
    - F. **TANK RESTORATION PROJECT:** Director Wilson and Director Johnson

15. 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.

16. GENERAL MANAGER REPORT

17. DIRECTORS COMMENTS/REPORTS

18. DISTRICT GENERAL COUNSEL REPORT

19. FUTURE AGENDA ITEMS

20. 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 February 12 at 7:00 pm and February 19 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  
SPECIAL MEETING OF THE BOARD OF DIRECTORS  
January 8, 2014

1. CALL TO ORDER: 7:00 PM

2. PLEDGE OF ALLEGIANCE

3. DETERMINATION OF QUORUM:

Victoria Fuller	Present
Bob Johnson	Present
Mickey Luckman	Present
Mike Reynolds	Absent
Gary Wilson	Present

STAFF PRESENT:

Susan Greer, Acting General Manager  
Marie Salsberry, HR Manager/Administrative Specialist  
Keith Faul, GIS Coordinator

CONSULTANTS PRESENT:

Gil Granito, District Counsel, Redwine & Sherrill  
Kathleen Radnich, Public Outreach Consultant

GUESTS 6

4. APPROVAL OF AGENDA

President Fuller stated that Vice President Reynolds was not present because a family member was in an accident; she asked that the family be kept in thoughts and prayers.

MSC Luckman/Johnson 4/0 (1 Absent) to approve the agenda for the January 8, 2014 Special Meeting of the Board of Directors.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Absent
Wilson	Aye

5. PUBLIC COMMENT

Michael McCourt of Joshua Tree asked several questions and stated he was aware that the Board might not provide answers at this meeting. He asked why special meetings are not held in conjunction with regular meetings, whether directors receive compensation for attending committee meetings, why is the attorney present at the meetings. He commented opposing rate increases.

6. DISCUSS CHARGING BASIC FEE FOR PULLED AND INACTIVE METERS

Acting General Manager Susan Greer reported on the proposal to bill inactive and pulled meters, noting that there are approximately one thousand pulled and inactive meters representing approximately 20% of the total meter count. Owners of these meters have previously bought into the system and have entitlement to water service, but do not contribute for ongoing water system maintenance.

District Counsel Gil Granito stated he had reviewed historical information gathered by staff on this subject, which has been discussed several times in the past. He reported on a case where the court of appeals allowed a basic fee to be charged for inactive meters; it was recognized that owners of these meters had a vested

right to the service and with that right comes an obligation. The Board could initiate charges for those who voluntarily turn off service, or don't initiate it but have a right to do so at any time; they are customers and the Board has the legal authority to impose a fee.

Director Wilson commented that he has a pulled meter and he is opposed to this proposed charge. He stated that when he had the meter pulled he received a letter from the District saying he would not be charged a monthly fee until he had the meter reinstalled. Director Luckman commented that since the District needs to maintain the necessary infrastructure to serve these meters, she is in favor of charging the basic fee.

President Fuller commented that Director Wilson brought up important issues and she is in favor of taking a long-term look at the issue with an ad hoc committee.

Robert Manlin commented opposing a basic charge for pulled and inactive meters, and suggested an increase in standby fees.

Michael McCourt of Joshua Tree commented opposing a basic fee charge for inactive or pulled meters. He asked what revenue is anticipated for the District if this charge is instituted and what would be the cost to the District if owners of all of these meters wanted to have them installed. He suggested that the District look for ways to cut costs, and wondered why it was necessary for the attorney to be present at the meetings. He asked if Directors are compensated for committee meetings.

Ken Pitcher, Joshua tree property owner, asked whether it is ethically or morally right to do this. He asked whether the District is prepared to repay all of the owners of pulled and inactive meters if they should decide to request refunds for the meters.

Director Johnson stated he appreciates the public comments and will take them to heart.

Director Luckman stated she appreciates the comments as well; and stated that most of the directors do not take compensation for committee meetings.

President Fuller stated that ratepayers who take water service and pay a monthly fee may be unduly burdened due to the many pulled and inactive meters that do not currently pay a monthly fee but are also entitled to service; however this subject needs more consideration. She stated that special meetings are held to focus on one topic, or to address topics that are time-sensitive. She noted that compensation for directors is reported in the District's monthly financial reports. She noted that the District's rates are among the lowest in the Morongo Basin but the water system is aging and will need repairs. She stated that it is less expensive to pay an attorney ahead of time than to pay for a lawsuit later. As a grant recipient the District is required to do education and communicate conservation messages to the ratepayers.

AGM Greer commented that raising standby fees would require a vote of the public. The basic fee for pulled and inactive meters if instituted would raise revenue in the amount of \$900,000 to \$1.35 million over five years. The District needs pipeline replacement and will need to purchase supplemental water.

District Counsel Granito commented that the proposal to charge basic fee for pulled and inactive meters was suggested by an independent rate consultant.

Director Wilson commented that attorney costs are from \$8,000 to \$11,000 per month.

## 7. CLOSED SESSION

The Board went into Closed Session at 7:48 pm, to discuss public employee appointment for the position of General Manager, pursuant to Government Code Section 54957(b)(1). The meeting resumed in open session at 8:50 pm.

## 8. PUBLIC REPORT ON TONIGHT'S CLOSED SESSION

District Counsel Granito reported that at approximately 7:48 pm the Board went into Closed Session as reflected in item 7 of the January 8<sup>th</sup> meeting agenda for discussion related to appointment of a general manager and that all Directors and District Counsel participated in the discussion and there was no reportable action.

9. DISTRICT GENERAL COUNSEL REPORT

None.

10. DIRECTORS COMMENTS/REPORTS

None.

11. ADJOURNMENT 8:53 PM

MSC Johnson/Luckman 4/0 (1 Absent) to adjourn the January 8, 2014 Special Meeting of the Board of Directors.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Absent
Wilson	Aye

Respectfully submitted:

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Susan Greer, Acting General Manager

JOSHUA BASIN WATER DISTRICT  
Minutes of the  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
January 15, 2014

1. CALL TO ORDER: 7:00 PM

2. PLEDGE OF ALLEGIANCE

3. DETERMINATION OF QUORUM:      Victoria Fuller      Present  
   Bob Johnson      Present  
   Mickey Luckman    Present  
   Mike Reynolds     Present  
   Gary Wilson       Present

STAFF PRESENT:                              Susan Greer, Acting General Manager  
   Marie Salsberry, HR Manager/Administrative Specialist  
   Keith Faul, GIS Coordinator  
   Bill Kline, Water Production Operator II

CONSULTANTS PRESENT:                    Gil Granito, District Counsel  
   Mike Metts, District Engineer  
   Kathleen Radnich, Public Outreach Consultant  
   Alex Handlers, Bartle Wells Associates

GUESTS                                        11

4. APPROVAL OF AGENDA

President Fuller stated that more information had been received on Item #11 and referred the item back to staff for resubmittal and consideration.

MSC Reynolds/Luckman 4/1 to approve the agenda for the January 15, 2014 Regular Meeting of the Board of Directors, removing Item #11.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Wilson	No

District Counsel Gil Granito reminded the Board of a new law mandating that votes of every director be reflected on the record; he recommended roll call votes for each action.

5. PUBLIC COMMENT

None.

6. CONSENT CALENDAR

Director Wilson requested that Item 6F be pulled for discussion.

MSC Reynolds/Johnson 5/0 to approve and adopt the updated General Unit Salary Schedule to be effective February 8, 2014; to approve the draft minutes of the December 16, 2013 Special Meeting of the Board of Directors; to approve the draft minutes of the December 17, 2013 Special Meeting of the Board of Directors; to approve the draft minutes of the December 18, 2013 Regular Meeting of the Board of Directors; and to approve the Check Audit Report Review for November 2013.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Wilson	Aye

6.F CHECK AUDIT REPORT REVIEW FOR DECEMBER 2013

Director Wilson asked about a charge for vehicle maintenance and repair and if it was for the one and a half ton truck. Acting General Manager Susan Greer reported that it was and explained the repair charges. Director Wilson asked if staff is driving them home at night and commented it does not seem economical to have both trucks driven home by staff each day. AGM Greer stated she would provide a copy of the invoice to Director Wilson and offered to bring the subject of the trucks being driven after work hours back to the Board for consideration.

MSC Luckman/Reynolds 5/0 to approve the Check Audit Report Review for December 2013.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Wilson	Aye

7. PUBLIC HEARING TO CONSIDER INCREASES TO WATER RATES AND CHARGES

President Fuller opened the public hearing and requested the staff presentation. AGM Greer reported that the water rate study was prepared by Bartle Wells Associates, and Alex Handlers of Bartle Wells Associates was present. Mr. Handlers presented information on the water rate study, explaining the objectives of the study, the process to determine proposed rates, financial challenges faced by the District, and an explanation of the proposed rates and rate structure and how proposed rates would affect current ratepayers.

President Fuller invited the Board to ask questions. Director Wilson stated he would not agree to an increase of more than two percent and he is not in favor of charging for inactive meters. Director Johnson stated that tough decisions are needed; he supports the rate increases but is unsure about charging for inactive meters. He noted that probably one quarter of the population here is below the poverty level. Director Luckman stated it is important for now and for the future to keep the District in good operating condition; it makes sense to have small rate increases rather than large ones after putting it off. Vice President Reynolds commented that rate increases are needed; the aquifer is in overdraft and water needs to be brought in, the District needs to buy water for tomorrow. He noted that rate increases over time have been less than the rate of inflation, making the cost of water here cheaper today than in the past. President Fuller stated that owners of pulled meters have a right and also a responsibility; she suggested a blue ribbon group to discuss the subject further this year. She stated that comparing inflation with the District's rate changes, we are paying less for water now than years ago; our rates are still among the lowest in the area.

President Fuller opened the public testimony portion of the public hearing. George Becker of Joshua Tree commented that District rates cause the north side to subsidize the south side; it is more costly to deliver to the south than to the north due to elevation. Steven Whitman of Joshua Tree commented he is concerned that the proposed rate increases will be inadequate and wondered how much users would need to conserve in order to pay the same monthly bill amount after a rate increase; rates are too low to increase revenue to the District. Karen Tracy of Joshua Tree commented in support of charging for pulled and inactive meters. She noted that the decision of the Citizens Advisory Committee was unanimous on that subject. She recommended the Board decide to charge for those fees which could amount to \$1.3 million over 5 years.



Ken Pitcher, Joshua Tree property owner, commented opposing a basic fee charged to pulled or inactive meters, stating it would not be ethically or morally right. President Fuller commented that she would like to have a blue ribbon committee discuss the subject and asked the speaker to leave his contact information. George Becker of Joshua Tree commented that standby charges are for replacing a deteriorating plant; if pulled meters are charged the basic fee they are charged twice. Tom Floen of Joshua Tree commented on the rate of inflation noting that if the District has not increased rates in two years then it has less money now than before. As people conserve more the District will earn less money; an adequate income for the District is a moving target. Den Winberry of Joshua Tree commented the presentation on the rate study was very good and the study seems thorough. He suggested no rate increase for ratepayers who use three units or less. President Fuller closed the public testimony portion of the public hearing and asked for questions from the Board; there were none. President Fuller asked for discussion by the Board. Vice President Reynolds stated he was pleased to hear the comments; most were positive. President Fuller commented that the lowest ratepayers will be paying less with the new rates, when inflation is taken into consideration.

MSC Luckman/Reynolds 4/1 to Adopt Resolution 14-914 Approving an Amendment to the District’s Rules and Regulations Which Amendment 1) Provides for Increases to the District’s Water Rates and Charges, and 2) Makes Findings and Determinations That the Action Taken in This Resolution is Exempt From the Requirements of the California Environmental Quality Act (CEQA) (Public Hearing – January 15, 2014).

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Wilson	No

District Counsel Granito stated that the resolution does not include any rate increase for inactive meters.

**8. WATER RECHARGE PROJECT – RECHARGE FACILITY CONSTRUCTION CONTRACT APPROVAL AND AWARD**

District Engineer Mike Metts presented the report noting that three bids were received for the project. The original Engineer’s Estimate was \$2.5 million; however the low bid was \$2.179 million. After brief discussion the following action was taken:

MSC Reynolds/Luckman 4/1 to authorize the General Manager to award a contract for construction of the Water Recharge Facility Project to Vance Construction at a cost of \$2,373,600 including 10% contingency.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Wilson	No

**9. CONSIDER AWARD OF D3 BOOSTER STATION REPLACEMENT CONSTRUCTION CONTRACT OR ALTERNATIVE PROJECT**

AGM Greer reported this item is on the Board’s Strategic Plan. The project went to bid and of the bids received the lowest total project construction cost including contingency would be \$196,411. The District’s Water Production Department has proposed less costly alternatives to this project. AGM Greer introduced District Water Production Operator II Bill Kline who gave a presentation on two alternative plans to replace components such as boosters and electrical components and having District staff perform most of the work, with the estimated cost of \$35,000 for one alternative and \$75,000 for another alternative. Mr. Kline and District Engineer Mike Metts answered several questions from the Board regarding the condition of the

station and the various proposals for replacement. After discussion the Board took the following action:  
MSC Wilson/Luckman 3/2 to accept the bid from Cora Construction for the D3 Booster Station Replacement in the amount of \$143,000 with a total project cost of \$196,411 including 10% contingency.

Fuller	No
Johnson	Aye
Luckman	Aye
Reynolds	No
Wilson	Aye

President Fuller thanked Bill Kline for his excellent presentation.

#### 10. REQUEST FOR PROPOSALS FOR NETWORK MANAGED SERVICES

AGM Greer reported that the contract with the current providers of computer and network services will end soon. Staff would like to compare costs for services and have prepared a Request for Proposals in order to verify that the District is getting the best service and value for the cost.

MSC Luckman/Johnson 4/1 to approve and authorize the distribution of a Request for Proposals for Network Managed Services

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Wilson	No

#### 11. KAYE KEENE SECOND REQUEST FOR RECONSIDERATION OF COSTS REQUIRED FOR WATER SERVICE CONNECTION

This item was referred back to staff for resubmittal and consideration.

#### 12. PURCHASE AND INSTALLATION OF PLANT IN DEMONSTRATION GARDEN

President Fuller commented on Past-President Director Luckman's service to the District and reported that she would like to recognize her by purchasing a plant on her behalf for installation in the demonstration garden. Vice President Reynolds noted that serving as President of the Board is a thankless job; he offered to pay for the cost. Director Johnson agreed this is a good idea. Director Wilson did not agree with the proposal.

MSC Reynolds/Johnson 3/1/1 to authorize purchase and installation of a plant and plaque recognizing outgoing President Luckman's leadership, with Vice President Reynolds paying the cost not to exceed \$50.

Fuller	Aye
Johnson	Aye
Luckman	Abstain
Reynolds	Aye
Wilson	No

#### 13. AUTHORIZE GENERAL MANAGER TO PROVIDE COMMENTS TO THE COUNTY OF SAN BERNARDINO REGARDING THE PROPOSED SOLAR PROJECT ON ALTA LOMA AND OLYMPIC

AGM Greer reported that the District had received a Planning Project Notice from the County of San Bernardino for the proposed project. The project application indicates no water will be used; however staff questions whether that will be so; a similar project developed recently required a substantial amount of water.

District Counsel Granito suggested that since the developer has not contacted the District, a meeting be set with one or two directors and himself, perhaps at his office. The District has a legitimate and serious concern about such projects.

MSC Johnson/Wilson 5/0 to authorize the General Manager to submit comments to the County of San Bernardino regarding the proposed solar project on Alta Loma and Olympic.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Wilson	Aye

#### 14 COMMITTEE REPORTS

##### AD HOC COMMITTEES:

- A. GENERAL MANAGER SEARCH: Vice President Reynolds and Director Luckman: Director Luckman stated there will be a closed session discussion on this subject tonight.
- B. ADMINISTRATION CODE UPDATE PROJECT: President Fuller and Director Luckman: This will be addressed after updates to the Rules and Regulations.
- C. HOSPITAL WASTEWATER PROJECT: Director Luckman and President Fuller: District Counsel Granito stated that his partner Gerry Eagans will set up a conference call to give a report to the committee.
- D. MOJAVE WATER AGENCY INTEGRATED REGIONAL WATER MANAGEMENT PLAN COMMITTEE: Director Luckman and President Fuller: Director Luckman reported the next Technical Advisory Committee meeting will be February 6<sup>th</sup>; AGM Greer will attend.
- E. RULES AND REGULATIONS COMMITTEE: President Fuller and Vice President Reynolds: Vice President Reynolds reported that the committee hopes to meet next week.
- F. TANK RESTORATION PROJECT: Director Wilson and Director Johnson: Director Wilson reported that the committee met a couple of months ago; the project has been delayed until June due to financing.

##### STANDING COMMITTEES:

- A. PUBLIC INFORMATION COMMITTEE: Director Luckman and President Fuller: Public Outreach Consultant Kathleen Radnich reported that a volunteer docent meeting will be held on January 31<sup>st</sup>; Sunday March 30<sup>th</sup> the District will host an afternoon of water education in conjunction with neighboring water districts, Joshua Tree National Park, Joshua Tree National Park Association and Mojave Water Agency. The newsletter was not included with the bill this month but it is available online.
- B. FINANCE: President Fuller and Director Johnson: President Fuller reported the committee will meet soon.

#### 15. PUBLIC COMMENT

Steven Whitman of Joshua Tree asked about the bid amount approved in Item #8 of this meeting agenda; AGM Greer stated that the amount approved includes 10% contingency.

#### 16. GENERAL MANAGER REPORT

AGM Greer reported on highlights of the monthly Distribution report for December; there were three service line leaks, 17 dead ends were flushed; maintenance was performed on 16 hydrants and one hydrant was replaced. Twelve large meters were replaced. She reported that General Unit employees are due performance evaluations by the end of this month and potential pay increases are contingent upon an excellent rating. Previously, performance evaluations were based on date of hire. Citizens Advisory

Committee Chair Jay St. Gaudens has been ill. She reported that the District pays approximately \$1,600 per month for service for cellphones and wireless devices; \$800 per month for office phones which includes 17 phone lines; \$250 per month for shop phones, and about \$400 for internet and cable service.

17. DIRECTORS COMMENTS/REPORTS

Director Wilson commented that at the June 5<sup>th</sup>, 2013 meeting an item regarding vehicle purchase was postponed to be brought back at the next meeting. AGM Greer reported that the item has not yet been brought back to the Board, and no vehicles have been purchased. Vice President Reynolds noted that life is valuable and every moment should be treasured. President Fuller commented that Vice President Reynolds' mother has been ill; she has been a volunteer docent and an important part of our community.

18. DISTRICT GENERAL COUNSEL REPORT

None.

19. FUTURE AGENDA ITEMS

None.

20. CLOSED SESSION

At 9:17 President Fuller reported that the Board would adjourn to closed session and that no reportable action was anticipated.

21. PUBLIC REPORT ON TONIGHT'S CLOSED SESSION

It was reported that at 9:17 the Board went to closed session to consider public employee appointment for the position of General Manager, pursuant to Government Code Section 54957(b)(1). No reportable action was taken during the closed session. The meeting resumed in open session at 10:10 pm.

22. ADJOURNMENT

The January 15, 2014 Regular Meeting of the Board of Directors was adjourned at 10:12 pm.

Respectfully submitted:

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Susan Greer, Acting General Manager



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**Cash Flow**  
**October 31, 2013**

Beginning Cash		2,493,749.98
<b>SOURCE OF FUNDS:</b>		
Water A/R Collections	290,085.77	
Turn On/Misc	2,541.33	
Consumer Deposits	6,405.00	
Project Deposits	0.00	
Property Taxes G.D.	0.00	
ID #2 Tax Collections	0.00	
Standby Collections - Prior	0.00	
Standby Collections - Current	0.00	
CMM Assessment Collections	0.00	
Water Capacity Charges	0.00	
Sewer Capacity Charges	0.00	
Meter Installation Fees	0.00	
Interest	1,837.90	
	<b>TOTAL SOURCE OF FUNDS</b>	300,870.00
<b>FUNDS USED:</b>		
Debt Service	0.00	
Capital Additions	76,258.24	
Operating Expenses	210,112.95	
<b>Employee</b> Funded Payroll Taxes & CalPERS	30,770.10	
<b>Employer</b> Funded Payroll Taxes & CalPERS	18,015.05	
<b>Employee</b> Funded 457 Transfer	1,781.10	336,937.44
Bank Transfer Payroll	66,910.15	
Bank Transfer Fees/Charges	2,071.58	68,981.73
	<b>TOTAL USE OF FUNDS</b>	405,919.17
Net Increase (Decrease)		(105,049.17)
Cash Balance at End of Period		2,388,700.81

*Handwritten initials/signature*

	BEGINNING BALANCE	TOTAL DEBITS	TOTAL CREDITS	ENDING BALANCE	AVERAGE DAILY BALANCE
GENERAL FUND					
01 -11100	PETTY CASH FUND	600.00	0.00	0.00	600.00
01 -11110	CHANGE FUND	1,500.00	0.00	0.00	1,500.00
01 -11200	GENERAL FUND-U S	91,682.40	478,224.13	483,378.83CR	86,527.70
01 -11210	PAYROLL FUND - U	5,000.00	100,022.94	100,022.94CR	139,525.31
01 -11220	CREDIT CARD FUND	76,936.42	77,051.03	78,783.40CR	11,453.09
01 -11300	LAIF - INVESTMEN	111.63	56,202.87	56,314.50CR	43,752.56
01 -11305	LAIF - EMERGENCY	510,017.50	56,264.50	100,000.00CR	75,204.05
01 -11306	LAIF - EQUIP & T	361,807.34	0.00	0.00	0.00
01 -11307	LAIF - OPPORTUNI	0.00	0.00	0.00	16,743.86
01 -11308	LAIF - WELL & BO	50,000.00	0.00	0.00	466,282.00
01 -11309	LAIF - CONSUMER	395,832.47	50.00	348.33CR	463,445.39
01 -11310	LAIF - WATER CAP	23,121.09	19.50	0.00	361,807.34
01 -11313	LAIF - SEWER CAP	288,320.01	31.85	0.00	361,807.34
01 -11320	LAIF- CMM REDEMP	212,919.69	80.48	0.00	0.00
01 -11325	LAIF - CMM RESER	244,509.72	77.09	0.00	0.00
01 -11330	LAIF - CMM PREPA	2,982.24	0.84	0.00	0.00
01 -11338	LAIF - HI DESERT	228,409.47	384.79	54,611.19CR	0.00
FUND 01 TOTAL		2,493,749.98	768,410.02	873,459.19CR	2,388,700.81
REPORT TOTALS		2,493,749.98	768,410.02	873,459.19CR	2,388,700.81

SERVICE CODE: 100 -WATER USAGE

TABLES SELECTED: ALL

RANK	ACCOUNT NO#	ACCOUNT NAME	ADDRESS	TABLE	CONSUMPTION
1	MULTIPLE	ROSENDIN ELECTRIC		Z	4,870
	64-99211-01	64-99212-01			
2	15-00038-01	HI-DESERT MEDICAL CENTER	6601 WHITEFEATHER RD	E	1,416
3	10-00088-03	JOSHUA TREE MEMORIAL PARK	60121 29 PALMS HWY	D	1,281
4	MULTIPLE	QUAIL SPRINGS VILLAGE APT LLC		C	631
	52-00096-02	52-00097-02 52-00098-02	52-00101-02 52-00109-02 52-00110-02		
4	52-00015-01	JOSHUA TREE PARKS & RECREATION	6171 SUNBURST ST	D	631
6	51-00098-05	SEGAL, THYRZA	6340 OLYMPIC RD	A	432
7	50-00054-03	LAZY H MOBILEHOME PARK	6426 VALLEY VIEW ST	D	427
8	51-00092-02	YUCCA TRAILS APTS.	61451 VERBENA RD	E	315
8	15-00067-01	HI-DESERT MEDICAL CENTER	6722 WHITEFEATHER RD	E	315
10	63-00014-04	BANGO, ESPERANZA	5616 RICE AVE	A	286
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10					10,604
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11-20-2013 08:56 AM

BILLING COMPANY

DATE RANGE: 10/2013 THRU 10/2013

SERVICE CODE: 100 -WATER USAGE

TABLES SELECTED: ALL

REVENUE CODE SELECTED: All

RANK	ACCOUNT NO#	ACCOUNT NAME	ADDRESS	TABLE	BILLING
1	MULTIPLE 64-99211-01	ROSENDIN ELECTRIC 64-99212-01		Z	20,791.50
2	15-00038-01	HI-DESERT MEDICAL CENTER	6601 WHITEFEATHER RD	E	3,622.44
3	10-00088-03	JOSHUA TREE MEMORIAL PARK	60121 29 PALMS HWY	D	3,188.59
4	MULTIPLE 52-00096-02	QUAIL SPRINGS VILLAGE APT LLC 52-00097-02 52-00098-02	52-00101-02 52-00109-02 52-00110-02	C	1,984.49
5	52-00015-01	JOSHUA TREE PARKS & RECREATION	6171 SUNBURST ST	D	1,635.09
6	51-00098-05	SEGAL, THYRZA	6340 OLYMPIC RD	A	1,199.77
7	50-00054-03	LAZY H MOBILEHOME PARK	6426 VALLEY VIEW ST	D	1,147.53
8	51-00092-02	YUCCA TRAILS APTS.	61451 VERBENA RD	E	991.05
8	15-00067-01	HI-DESERT MEDICAL CENTER	6722 WHITEFEATHER RD	E	991.05
10	MULTIPLE 55-00313-01	MORONGO UNIFIED SCHOOL DIST. 55-00314-01		A	936.00
					-----
10					36,487.51
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P.O. BOX 675 • 61750 CHOLLITA ROAD • JOSHUA TREE • CALIFORNIA 92252  
 TELEPHONE (760) 366-8438 FAX (760) 366-9528 E-mail: [customerservice@jbwd.com](mailto:customerservice@jbwd.com)  
[www.jbwd.com](http://www.jbwd.com)

**Cash Flow**  
**November 30, 2013**

Beginning Cash		2,388,700.81
<b>SOURCE OF FUNDS:</b>		
Water A/R Collections	238,018.12	
Turn On/Misc	1,930.51	
Consumer Deposits	4,500.00	
Project Deposits	0.00	
Property Taxes G.D.	14,747.20	
ID #2 Tax Collections	38,707.96	
Standby Collections - Prior	77,661.97	
Standby Collections - Current	165,772.07	
CMM Assessment Collections	59,000.37	
Water Capacity Charges	3,652.00	
Sewer Capacity Charges	0.00	
Meter Installation Fees	594.00	
Interest	0.00	
	<b>TOTAL SOURCE OF FUNDS</b>	604,584.20
<b>FUNDS USED:</b>		
Debt Service	0.00	
Capital Additions	76,444.00	
Operating Expenses	87,899.12	
<b>Employee</b> Funded Payroll Taxes & CalPERS	30,902.32	
<b>Employer</b> Funded Payroll Taxes & CalPERS	17,858.85	
<b>Employee</b> Funded 457 Transfer	1,781.10	214,885.39
Bank Transfer Payroll	70,259.74	
Bank Transfer Fees/Charges	2,043.29	72,303.03
	<b>TOTAL USE OF FUNDS</b>	287,188.42
Net Increase (Decrease)		317,395.78
Cash Balance at End of Period		2,706,096.59

	BEGINNING BALANCE	TOTAL DEBITS	TOTAL CREDITS	ENDING BALANCE	AVERAGE DAILY BALANCE	
GENERAL FUND						
! -11100	PETTY CASH FUND	600.00	0.00	0.00	600.00	600.00
! -11110	CHANGE FUND	1,500.00	0.00	0.00	1,500.00	1,500.00
! -11200	GENERAL FUND-U S	86,527.70	677,608.87	608,761.30CR	155,375.27	181,539.66
! -11210	PAYROLL FUND - U	5,000.00	102,815.88	102,867.18CR	4,948.70	11,845.84
! -11220	CREDIT CARD FUND	75,204.05	68,598.07	69,998.56CR	73,803.56	54,787.01
! -11300	LAIF - INVESTMEN	0.00	346,788.00	346,788.00CR	0.00	112,089.60
! -11305	LAIF - EMERGENCY	466,282.00	264,564.41	0.00	730,846.41	475,100.81
! -11306	LAIF - EQUIP & T	361,807.34	0.00	8,886.99CR	352,920.35	352,920.35
! -11307	LAIF - OPPORTUNI	0.00	14,747.20	10,413.56CR	4,333.64	3,039.96CR
! -11308	LAIF - WELL & BO	50,000.00	0.00	0.00	50,000.00	50,000.00
! -11309	LAIF - CONSUMER	395,534.14	1,651.02	650.00CR	396,535.16	395,567.51
! -11310	LAIF - WATER CAP	23,140.59	3,652.00	0.00	26,792.59	23,262.32
! -11313	LAIF - SEWER CAP	288,351.86	0.00	0.00	288,351.86	288,351.86
! -11320	LAIF- CMM REDEMP	213,000.17	59,231.96	9,599.42CR	262,632.71	242,188.09
! -11325	LAIF - CMM RESER	244,586.81	0.00	231.59CR	244,355.22	244,579.09
! -11330	LAIF - CMM PREPA	2,983.08	0.00	0.00	2,983.08	2,983.08
! -11338	LAIF - HI DESERT	174,183.07	3,173.00	67,238.03CR	110,118.04	135,866.30
FUND 01 TOTAL		2,388,700.81	1,542,830.41	1,225,434.63CR	2,706,096.59	2,570,141.56
REPORT TOTALS		2,388,700.81	1,542,830.41	1,225,434.63CR	2,706,096.59	2,570,141.56

01 -GENERAL FUND  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 41.67

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
<u>REVENUE SUMMARY</u>						
REVENUES	<u>4,831,814</u>	<u>303,679.69</u>	<u>4,004,578.48</u>	<u>0.00</u>	<u>827,235.08</u>	<u>82.88</u>
TOTAL REVENUES	4,831,814	303,679.69	4,004,578.48	0.00	827,235.08	82.88
<u>EXPENSE SUMMARY</u>						
Production	1,121,692	46,972.80	344,705.14	0.00	776,986.73	30.73
Distribution	655,639	52,169.86	238,588.83	0.00	417,049.72	36.39
Customer Service	510,780	38,100.15	182,104.04	0.00	328,675.65	35.65
Administration	536,286	32,628.33	140,332.18	0.00	395,953.81	26.17
Engineering	187,588	11,903.01	68,276.99	0.00	119,310.76	36.40
Finance	424,409	34,151.37	171,535.08	0.00	252,874.09	40.42
Personnel	154,208	8,503.76	62,493.70	0.00	91,714.56	40.53
Legal	104,000	8,868.61	30,233.61	0.00	73,766.39	29.07
Bonds & Loans	595,224	1,426.12	170,362.28	0.00	424,861.98	28.62
HDMC Treatment Plant	0 (	19,544.04)	2,534.67	0.00 (	2,534.67)	0.00
Benefits Allocated	0	0.00	0.00	0.00	0.00	0.00
Field Allocated	0	0.00	0.00	0.00	0.00	0.00
Office allocated	( 1)	0.00	0.00	0.00 (	0.52)	0.00
Non-departmental	<u>191,366</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>191,366.01</u>	<u>0.00</u>
TOTAL EXPENSES	4,481,191	215,179.97	1,411,166.52	0.00	3,070,024.51	31.49
REVENUE OVER/(UNDER) EXPENSES	350,623	88,499.72	2,593,411.96	0.00 (	2,242,789.43)	739.66

01 -GENERAL FUND

% OF YEAR COMPLETED: 41.67

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
01-41010 METERED WATER SALES	1,426,599	111,078.82	753,165.93	0.00	673,433.07	52.79
01-41012 ALLOW FOR WAAP/BILLING ADJ	0	0.00	0.00	0.00	0.00	0.00
01-41015 BASIC FEES	1,323,623	112,703.63	566,473.26	0.00	757,149.30	42.80
01-41030 PRIVATE FIRE PROTECTION SERV.	19,544	1,855.88	9,120.34	0.00	10,423.66	46.67
01-41040 SPECIAL SERVICES REVENUE	112,337	9,705.33	47,397.45	0.00	64,939.55	42.19
01-42100 STANDBY REVENUE-CURRENT	1,165,554	0.00	1,151,912.93	0.00	13,641.07	98.83
01-42110 STANDBY-UNCOLLECTED CURRENT	0	0.00	0.00	0.00	0.00	0.00
01-42341 PRIOR YR REFUNDED REVENUE	0	0.00	0.00	0.00	0.00	0.00
01-43000 PROPERTY TAX - G.D.	396,283	0.00	0.00	0.00	396,283.00	0.00
01-43010 AD VALOREM REVENUE - I.D. #2	121,500	0.00	124,175.56	0.00	( 2,675.56)	102.20
01-43020 ASSESSMENT REVENUE - CMM	255,801	0.00	254,878.95	0.00	922.05	99.64
01-43030 BOND CALL REVENUE - CMM	0	0.00	0.00	0.00	0.00	0.00
01-44000 CONNECTION FEES-HYDRANT,ML EXT	0	0.00	0.00	0.00	0.00	0.00
01-44001 MAINLINE REIMBURSEMENT FEES	0	0.00	0.00	0.00	0.00	0.00
01-44010 WATER CAPACITY CHARGES	0	3,652.00	3,652.00	0.00	( 3,652.00)	0.00
01-44020 PLAN CHECK/INSPECTION FEES	0	0.00	5,299.28	0.00	( 5,299.28)	0.00
01-44025 H ZONE ML REIMB FEES	0	0.00	0.00	0.00	0.00	0.00
01-44030 METER INSTALLATION FEES	0	594.00	594.00	0.00	( 594.00)	0.00
01-44035 METER REPAIR REVENUE	0	0.00	772.30	0.00	( 772.30)	0.00
01-44050 SEWER CAPACITY CHARGES	0	0.00	0.00	0.00	0.00	0.00
01-45000 INTEREST REVENUE - G.D.	9,040	0.00	700.48	0.00	8,339.52	7.75
01-46100 GRANT REVENUE - FEDERAL	0	0.00	0.00	0.00	0.00	0.00
01-46110 GRANT REVENUE - STATE	0	0.00	0.00	0.00	0.00	0.00
01-46120 GRANT REVENUE - LOCAL (HDMC)	0	64,065.03	486,928.55	0.00	( 486,928.55)	0.00
01-46121 GRANT REVENUE - LOCAL (MWA)	0	0.00	598,922.00	0.00	( 598,922.00)	0.00
01-46200 CAPITAL CONTRIBUTIONS	0	0.00	0.00	0.00	0.00	0.00
01-47000 MISCELLANEOUS REVENUE	1,533	25.00	585.45	0.00	947.55	38.19
01-47010 GAIN/LOSS ON SALE OF ASSETS	0	0.00	0.00	0.00	0.00	0.00
01-47020 CHANGE IN MARKET VALUE	0	0.00	0.00	0.00	0.00	0.00
<b>TOTAL REVENUE</b>	<b>4,831,814</b>	<b>303,679.69</b>	<b>4,004,578.48</b>	<b>0.00</b>	<b>827,235.08</b>	<b>82.88</b>

JOSHUA BASIN WATER DISTRICT  
BOARD REPORT  
AS OF: NOVEMBER 30TH, 2013

01 -GENERAL FUND

% OF YEAR COMPLETED: 41.67

EXPENSES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
<u>Production</u>						
01-501-01115 PRODUCTION SALARY	219,113	16,886.92	84,369.58	0.00	134,743.42	38.51
01-501-02205 WATER TREATMENT EXPENSE	14,400	1,215.32	6,039.78	0.00	8,360.22	41.94
01-501-03105 SOURCE OF SUPPLY/WELL MAIN	0	0.00	0.00	0.00	0.00	0.00
01-501-03110 CROSS CONNECTION CONTROL E	0	0.00	0.00	0.00	0.00	0.00
01-501-03115 PUMPING PLANT REPAIR & MAI	66,500	4,069.06	22,395.17	0.00	44,104.83	33.68
01-501-03120 TANK & RESERVOIR MAINTENAN	200,000	0.00	1,394.64	0.00	198,605.36	0.70
01-501-04005 LABORATORY SERVICES	9,500	669.00	4,346.61	0.00	5,153.39	45.75
01-501-06105 POWER FOR PUMPING (ELECTRI	326,223	0.00	114,520.44	0.00	211,703.01	35.10
01-501-07005 PROPERTY INSURANCE	95,000	8,113.42	42,210.59	0.00	52,789.41	44.43
01-501-08001 PRIVATE WELL METERING	0	3,283.81	3,283.81	0.00	( 3,283.81)	0.00
01-501-98001 EE BENEFITS ALLOCATED	108,112	6,525.36	35,985.81	0.00	72,126.41	33.29
01-501-98002 FIELD EXPENSES ALLOCATED	82,843	6,209.91	30,158.71	0.00	52,684.49	36.40
01-601-99200 AUTOMATIC CONTROLS	0	0.00	0.00	0.00	0.00	0.00
01-601-99205 BOOSTER/PUMP STATIONS	0	0.00	0.00	0.00	0.00	0.00
01-601-99220 MONITOR WELLS	0	0.00	0.00	0.00	0.00	0.00
01-601-99230 PRODUCTION WELLS	0	0.00	0.00	0.00	0.00	0.00
01-601-99240 PUMPING PLANT	0	0.00	0.00	0.00	0.00	0.00
01-601-99250 SOURCE OF SUPPLY	0	0.00	0.00	0.00	0.00	0.00
01-601-99260 WATER SAMPLING STATIONS	0	0.00	0.00	0.00	0.00	0.00
01-601-99270 WATER SEEPAGE PITS	0	0.00	0.00	0.00	0.00	0.00
01-601-99280 TANKS & RESERVOIRS	0	0.00	0.00	0.00	0.00	0.00
01-601-99450 SHOP TOOLS & EQUIPMENT - P	0	0.00	0.00	0.00	0.00	0.00
01-601-99510 LARGE EQUIPMENT - PROD	0	0.00	0.00	0.00	0.00	0.00
01-601-99550 AUTOMOTIVE - PRODUCTION	0	0.00	0.00	0.00	0.00	0.00
01-601-99600 GROUND WATER SURVEY	0	0.00	0.00	0.00	0.00	0.00
01-601-99610 URBAN GROUND WATER MNGT	0	0.00	0.00	0.00	0.00	0.00
01-601-99750 SOFTWRE & COMPUTRS- PRODUC	0	0.00	0.00	0.00	0.00	0.00
TOTAL Production	1,121,692	46,972.80	344,705.14	0.00	776,986.73	30.73
<u>Distribution</u>						
01-502-01130 DISTRIBUTION SALARY	358,854	30,521.91	133,175.13	0.00	225,678.87	37.11
01-502-02920 INVENTORY-OVER & SHORT	2,000	418.84	418.84	0.00	1,581.16	20.94
01-502-03105 MAINLINE AND LEAK REPAIR	67,971	6,734.75	26,933.19	0.00	41,037.81	39.62
01-502-03110 EQUIPMENT RENTAL	2,933	227.18	1,135.90	0.00	1,797.10	38.73
01-502-03130 CROSS CONNECTION CONTROL E	1,100	0.00	0.00	0.00	1,100.00	0.00
01-502-04005 UTILITY LOCATING (DIG ALER	9,668	502.48	4,063.71	0.00	5,604.29	42.03
01-502-98001 EE BENEFITS ALLOCATED	151,357	9,135.50	50,380.12	0.00	100,976.59	33.29
01-502-98002 FIELD EXPENSES ALLOCATED	61,756	4,629.20	22,481.94	0.00	39,273.90	36.40
01-602-99210 MAINLINES & FIRE HYDRANTS	0	0.00	0.00	0.00	0.00	0.00
01-602-99220 METERS	0	0.00	0.00	0.00	0.00	0.00
01-602-99450 SHOP TOOLS & EQUIPMNT - DI	0	0.00	0.00	0.00	0.00	0.00
01-602-99550 AUTOMOTIVE - DISTRIBUTION	0	0.00	0.00	0.00	0.00	0.00
01-602-99580 LARGE EQUIPMENT - DISTRIBU	0	0.00	0.00	0.00	0.00	0.00
TOTAL Distribution	655,639	52,169.86	238,588.83	0.00	417,049.72	36.39

01 -GENERAL FUND

% OF YEAR COMPLETED: 41.67

EXPENSES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
<u>Customer Service</u>						
01-503-01105 FIELD SALRY - CUSTOMER SER	22,481	1,901.64	10,921.53	0.00	11,559.47	48.58
01-503-01110 OFFICE SALARY - CUSTOMER S	67,705	6,025.37	30,110.53	0.00	37,594.47	44.47
01-503-03100 METER INSTALLATION EXPENSE	0	262.80	262.80	0.00	( 262.80)	0.00
01-503-03105 METER SERVICE REPAIR	18,710	4,156.77	9,351.06	0.00	9,358.94	49.98
01-503-04005 PLAN CHECK/INSPECTION	0	0.00	0.00	0.00	0.00	0.00
01-503-07005 CREDIT CARD FEES (CUSTOMER	17,000	1,249.85	8,321.80	0.00	8,678.20	48.95
01-503-07010 BAD DEBT	25,000	( 300.35)	( 1,366.48)	0.00	26,366.48	5.47
01-503-07015 PUBLIC INFORMATION	55,130	3,812.24	18,574.35	0.00	36,555.65	33.69
01-503-07020 WATER CONSERVATION EXPENSE	45,000	2,725.00	11,336.75	0.00	33,663.25	25.19
01-503-98001 EE BENEFITS ALLOCATED	122,527	7,395.41	40,783.92	0.00	81,743.13	33.29
01-503-98002 FIELD EXPENSES ALLOCATED	6,025	451.63	2,193.36	0.00	3,831.60	36.40
01-503-98003 OFFICE EXPENSE ALLOCATED	131,202	10,419.79	51,614.42	0.00	79,587.26	39.34
01-603-99400 METER READING EQUIPMENT	0	0.00	0.00	0.00	0.00	0.00
TOTAL Customer Service	510,780	38,100.15	182,104.04	0.00	328,675.65	35.65
<u>Administration</u>						
01-504-01105 ADMINISTRATION SALARY	204,930	6,568.47	34,010.75	0.00	170,919.25	16.60
01-504-01115 DIRECTORS SALARY	29,170	868.15	8,160.61	0.00	21,009.23	27.98
01-504-01210 DIRECTORS / C.A.C. EDUCATI	9,500	0.00	6,550.00	0.00	2,950.00	68.95
01-504-04005 LEGISLATIVE ADVOCACY	45,600	1,750.00	7,000.00	0.00	38,600.00	15.35
01-504-07005 BUSINESS EXPENSE	20,550	502.32	1,716.35	0.00	18,833.65	8.35
01-504-07015 OUTSIDE SERVICES	36,112	2,619.40	15,408.96	0.00	20,703.04	42.67
01-504-07016 MEMBERSHIP, DUES & SUBSCRI	22,420	9,725.00	10,120.00	0.00	12,300.00	45.14
01-504-98001 EE BENEFITS ALLOCATED	144,149	8,700.48	47,981.07	0.00	96,168.23	33.29
01-504-98003 OFFICE EXPENSE ALLOCATED	23,855	1,894.51	9,384.44	0.00	14,470.41	39.34
01-604-99100 LAND & EASEMENT	0	0.00	0.00	0.00	0.00	0.00
01-604-99300 BUILDINGS	0	0.00	0.00	0.00	0.00	0.00
01-604-99320 DEMO GARDEN	0	0.00	0.00	0.00	0.00	0.00
01-604-99450 OFFICE FURNITURE & EQUIPME	0	0.00	0.00	0.00	0.00	0.00
01-604-99600 STRATEGIC PLAN DEV	0	0.00	0.00	0.00	0.00	0.00
01-604-99610 VULNERABILITY ASSESSMENT	0	0.00	0.00	0.00	0.00	0.00
01-604-99620 WASTE WATER FEASIBILITY ST	0	0.00	0.00	0.00	0.00	0.00
01-604-99630 WATER AVAILABILITY EVALUAT	0	0.00	0.00	0.00	0.00	0.00
01-604-99640 DEMOGRAPHIC SURVEY	0	0.00	0.00	0.00	0.00	0.00
01-604-99650 GROUND WATER MONITORING PL	0	0.00	0.00	0.00	0.00	0.00
01-604-99660 RATE STUDIES	0	0.00	0.00	0.00	0.00	0.00
01-604-99900 WASTEWATER SYSTEM & STARTU	0	0.00	0.00	0.00	0.00	0.00
TOTAL Administration	536,286	32,628.33	140,332.18	0.00	395,953.81	26.17
<u>Engineering</u>						
01-505-01105 ENGINEERING/GIS/IT SALARY	81,831	6,963.33	30,723.87	0.00	51,107.13	37.55
01-505-02305 MAPS/DRAFTING SUPPLIES	1,950	0.00	2,064.69	0.00	( 114.69)	105.88
01-505-04005 ENGINEERING CONTRACT SERVI	25,000	0.00	9,310.61	0.00	15,689.39	37.24
01-505-04010 MAPPING SYSTEM UPGRADES	4,500	0.00	0.00	0.00	4,500.00	0.00
01-505-98001 EE BENEFITS ALLOCATED	50,452	3,045.17	16,793.38	0.00	33,658.52	33.29
01-505-98003 OFFICE EXPENSE ALLOCATED	23,855	1,894.51	9,384.44	0.00	14,470.41	39.34
01-605-99400 ENGINEERING EQUIPMENT	0	0.00	0.00	0.00	0.00	0.00
01-605-99410 MAPPING SYSTEM	0	0.00	0.00	0.00	0.00	0.00

01 -GENERAL FUND

% OF YEAR COMPLETED: 41.67

EXPENSES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
01-605-99600 WATER MASTER PLAN	0	0.00	0.00	0.00	0.00	0.00
01-605-99700 WATER MODEL ASSESSMENT H2O	0	0.00	0.00	0.00	0.00	0.00
01-605-99750 SOFTWARE & COMPUTERS	0	0.00	0.00	0.00	0.00	0.00
TOTAL Engineering	187,588	11,903.01	68,276.99	0.00	119,310.76	36.40
<u>Finance</u>						
01-506-01100 FINANCE SALARY	223,383	20,316.92	99,168.24	0.00	124,214.76	44.39
01-506-04005 ACCOUNTING SERVICES	23,582	2,215.00	10,415.00	0.00	13,167.00	44.17
01-506-98001 EE BENEFITS ALLOCATED	129,734	7,830.43	43,182.96	0.00	86,551.51	33.29
01-506-98003 OFFICE EXPENSE ALLOCATED	47,710	3,789.02	18,768.88	0.00	28,940.82	39.34
TOTAL Finance	424,409	34,151.37	171,535.08	0.00	252,874.09	40.42
<u>Personnel</u>						
01-507-01100 PERSONNEL SALARY	40,111	2,214.61	11,983.75	0.00	28,127.25	29.88
01-507-01120 SAFETY SALARY	9,382	0.00	0.00	0.00	9,382.00	0.00
01-507-01215 TRAINING & EE EDUCATION	20,573	166.33	5,641.09	0.00	14,931.91	27.42
01-507-01905 EMPLOYMENT RECRUITING EXPE	19,300	4,305.52	13,960.14	0.00	5,339.86	72.33
01-507-01910 LABOR LEGAL FEES	30,000	0.00	13,488.45	0.00	16,511.55	44.96
01-507-07010 EMERGENCY PREPAREDNESS	8,500	0.00	7,929.95	0.00	570.05	93.29
01-507-98001 EE BENEFITS ALLOCATED	14,415	870.05	4,798.11	0.00	9,616.72	33.29
01-507-98003 OFFICE EXPENSE ALLOCATED	11,927	947.25	4,692.21	0.00	7,235.22	39.34
01-607-99600 PERSONNEL MANUAL/CLASS STU	0	0.00	0.00	0.00	0.00	0.00
TOTAL Personnel	154,208	8,503.76	62,493.70	0.00	91,714.56	40.53
<u>Legal</u>						
01-508-04000 LEGAL SERVICES	104,000	8,868.61	30,233.61	0.00	73,766.39	29.07
TOTAL Legal	104,000	8,868.61	30,233.61	0.00	73,766.39	29.07
<u>Bonds &amp; Loans</u>						
01-509-08110 I.D. #2 BONDS FYBLE-PRINCP	110,000	0.00	0.00	0.00	110,000.00	0.00
01-509-08115 CMM PRINCIPAL	89,000	0.00	89,000.00	0.00	0.00	100.00
01-509-08120 MORONGO BASIN PIPELINE	219,696	0.00	0.00	0.00	219,695.76	0.00
01-509-08210 INTEREST EXPENSE I.D. #2	11,250	0.00	0.00	0.00	11,250.00	0.00
01-509-08215 INTEREST EXPENSE - CMM	153,653	0.00	77,814.85	0.00	75,837.65	50.64
01-509-08220 INTEREST EXPENSE-UTILITY S	0	0.00	0.00	0.00	0.00	0.00
01-509-08315 ID #2 BONDS COLLECTION CHA	330	36.05	67.30	0.00	262.70	20.39
01-509-08320 GENERAL TAX COLLECTION CHA	1,296	95.07	121.41	0.00	1,174.59	9.37
01-509-08325 ADMINISTRATION - CMM	10,000	1,295.00	3,358.72	0.00	6,641.28	33.59
01-509-09205 MISC NON-OP EXPENSE	0	0.00	0.00	0.00	0.00	0.00
TOTAL Bonds & Loans	595,224	1,426.12	170,362.28	0.00	424,861.98	28.62
<u>HDMC Treatment Plant</u>						
01-520-03100 HDMC: CHEMICALS	0	0.00	0.00	0.00	0.00	0.00
01-520-04100 HDMC: CONTRACTED OPERATION	0	19,544.04	481.52	0.00	481.52	0.00
01-520-06100 HDMC: PUMPING POWER	0	0.00	2,053.15	0.00	2,053.15	0.00
TOTAL HDMC Treatment Plant	0	19,544.04	2,534.67	0.00	2,534.67	0.00
<u>Benefits Allocated</u>						
01-551-01210 COMPENSATED LEAVE	193,458	8,586.43	57,430.44	0.00	136,027.56	29.69
01-551-01215 CAFETERIA PLAN EXPENSE	203,880	15,965.16	72,060.09	0.00	131,819.91	35.34

01 -GENERAL FUND

% OF YEAR COMPLETED: 41.67

EXPENSES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
01-551-01220 GROUP INSURANCE EXPENSE	10,815	756.31	3,206.81	0.00	7,608.19	29.65
01-551-01225 WORKERS COMPENSATION INSUR	28,486	0.00	10,446.24	0.00	18,039.76	36.67
01-551-01230 RETIREMENT: PERS Classic 2	166,566	10,258.33	55,716.26	0.00	110,849.24	33.45
01-551-01231 RETIREMENT: PERS Tier 2 2%	0	365.88	1,361.62	0.00	( 1,361.62)	0.00
01-551-01232 RETIREMENT - TEMP	0	0.00	94.36	0.00	( 94.36)	0.00
01-551-01233 RETIREMENT - 457 CONTRIBUT	0	82.00	328.00	0.00	( 328.00)	0.00
01-551-01240 UNIFORMS	6,770	253.65	520.31	0.00	6,249.69	7.69
01-551-01245 ALLOWANCE AND ADJUSTMENTS	0	0.00	0.00	0.00	0.00	0.00
01-551-01305 PAYROLL TAXES	110,771	7,234.64	38,741.24	0.00	72,029.76	34.97
01-551-98000 ALLOCATED EXPENSES	( 720,746)	( 43,502.40)	( 239,905.37)	0.00	( 480,840.13)	33.29
TOTAL Benefits Allocated	0	0.00	0.00	0.00	0.00	0.00
<u>Field Allocated</u>						
01-552-02205 SHOP EXPENSE - COMBINED	16,024	849.92	4,270.80	0.00	11,753.20	26.65
01-552-02210 SMALL TOOLS EXPENSE - COMB	8,500	3,911.26	5,394.83	0.00	3,105.17	63.47
01-552-02215 SAFETY EXPENSE	5,100	84.92	3,249.46	0.00	1,850.54	63.71
01-552-03205 TRACTOR/TOOL REPAIR	14,000	1,441.78	8,067.90	0.00	5,932.10	57.63
01-552-03905 BUILD'G REPAIR/MAINT-SHOP/	8,200	1,096.61	5,335.09	0.00	2,864.91	65.06
01-552-05005 FUEL-VEHICLES	39,500	0.00	13,061.47	0.00	26,438.53	33.07
01-552-05010 AUTO EXPENSE	31,100	366.61	4,866.98	0.00	26,233.02	15.65
01-552-05015 EQUIPMENT CLEARING ACCOUNT	0	0.00	0.00	0.00	0.00	0.00
01-552-06305 COMMUNICATIONS	15,000	1,599.64	7,301.94	0.00	7,698.06	48.68
01-552-07005 REGULATORY, PERMITS, ETC	13,200	1,940.00	3,285.54	0.00	9,914.46	24.89
01-552-98000 ALLOCATED EXPENSES	( 150,624)	( 11,290.74)	( 54,834.01)	0.00	( 95,789.99)	36.40
TOTAL Field Allocated	0	0.00	0.00	0.00	0.00	0.00
<u>Office allocated</u>						
01-553-01405 TEMPORARY LABOR FEES	21,984	1,422.01	7,815.61	0.00	14,167.89	35.55
01-553-02105 OFFICE SUPPLIES & EQUIPMEN	47,219	2,965.70	16,285.73	0.00	30,932.86	34.49
01-553-02110 POSTAGE	23,200	3,554.66	10,808.49	0.00	12,391.51	46.59
01-553-03905 BUILDING REPAIR/MAINT - OF	17,200	468.90	4,949.28	0.00	12,250.72	28.77
01-553-04015 COMPUTER SUPPORT & LICENSE	92,146	7,389.50	35,373.75	0.00	56,772.13	38.39
01-553-06205 TELEPHONE AND UTILITIES	36,800	3,144.31	18,611.53	0.00	18,188.47	50.57
01-553-98000 ALLOCATED EXPENSES	( 238,548)	( 18,945.08)	( 93,844.39)	0.00	( 144,704.10)	39.34
TOTAL Office allocated	( 1)	0.00	0.00	0.00	( 0.52)	0.00
<u>Non-departmental</u>						
01-599-00100 EQUIPMENT & TECH RESERVE	91,113	0.00	0.00	0.00	91,113.01	0.00
01-599-00200 WELL/BOOSTER RESERVE	50,000	0.00	0.00	0.00	50,000.00	0.00
01-599-00300 OPERATIONAL RESERVE & COLA	51,308	0.00	0.00	0.00	51,308.00	0.00
01-599-00400 BUDGET CLEARING	84,945	0.00	0.00	0.00	84,945.00	0.00
01-599-00500 OVERHEAD 17 (OTHER-90/53)	( 86,000)	0.00	0.00	0.00	( 86,000.00)	0.00
01-599-00510 OVERHEAD 16 (LABOR-80/5390	0	0.00	0.00	0.00	0.00	0.00
01-599-08999 UNCOLLECTABLE STANDBYS	0	0.00	0.00	0.00	0.00	0.00
TOTAL Non-departmental	191,366	0.00	0.00	0.00	191,366.01	0.00
<hr/>						
TOTAL EXPENSES	4,481,191	215,179.97	1,411,166.52	0.00	3,070,024.51	31.49
REVENUE OVER/(UNDER) EXPENSES	350,623	88,499.72	2,593,411.96	0.00	( 2,242,789.43)	739.66



JOSHUA BASIN WATER DISTRICT  
MEETING AGENDA REPORT

Meeting of the Board of Directors

February 5, 2014

Report to: President and Members of the Board

Prepared by: Susan Greer 

TOPIC:

UNITED STATES GEOLOGICAL SURVEY (USGS) STUDY CONTINUATION AT A COST OF \$143,075

RECOMMENDATION:

Approve \$143,075 extension to the Joint Funding Agreement with USGS

ANALYSIS:

The USGS has been working with the District since 2006 when the Board approved a cooperative study. The federal budget process requires USGS to have a new contract each year in order to assure federal funding for the USGS portion of the study. The federal budget runs from November 1, 2013 to October 31, 2014. The proposal includes three separate tasks as indicated below.

Task 1- Monitor/sample existing unsaturated-zone monitoring sites and sample production wells. USGS installed four different monitoring sites within the downtown area. Two of those sites were installed in residential development areas and two were installed within the boundary of our new recharge site. Data has been collected over the years but data collection ended in January 2013. Now that we are ready to begin constructing the recharge site, it is prudent to resume monitoring at the recharge facility site in advance of application of recharge water. This would establish baseline hydrologic and water quality conditions. At the same time, it is proposed to continue the basin-wide water-level and water-quality monitoring. Total cost of this work is \$67,400; the District's share is \$53,750.

Task 2 – Extend unsaturated-zone monitoring site JTUZ-4 up to finish grade. One of the previously-installed monitoring sites is located near the center of the recharge site, in accordance with the existing land surface. Final grade for the recharge project will raise the land surface several feet. This task entails USGS extending the well and monitoring equipment up to the new final grade. Total cost for this task is \$11,500; the District's share is \$9,325.

Task 3 – Groundwater-flow and solute-transport model. The District is due a report from USGS based on the groundwater-flow and solute-transport model. All of the field work required has been completed and the report, which will provide information about the residential density that can be supported by a standard septic system, has been delayed for years. USGS has experienced unforeseen challenges in the model development which has delayed the report. The latest information is that the report will be available for review in the spring of 2015 and published by 10/31/15. Total cost for this task is \$106,700; the District's share is \$80,000.

Total cost for the study has been about \$1.3M over the past eight years. The study was critical in being awarded grant funding for our recharge project. Approval of this agreement will provide the best possible data to assure that appropriate waste water treatment is provided to protect the aquifer and that the District receives a complete report on the ground water recharge site.

**STRATEGIC PLAN ITEM:**

N/A – this item is not included in the District’s Strategic Plan List but should be. Since we will be developing a new 2-year budget this year and the current Strategic Plan is nearly two years old, it should be revisited this year anyway.

**FISCAL IMPACT:**

\$143,075, split between 13/14 and 14/15 fiscal years.

Ms. Susan Greer, Acting General Manager  
Joshua Basin Water District  
Post Office Box 675  
61750 Chollita Road  
Joshua Tree, California 92252

Dear Ms. Greer:

This letter confirms discussions between our respective staffs, concerning the continuation of the cooperative water-resources program between the Joshua Basin Water District (JBWD) and the U.S. Geological Survey (USGS) for the period October 1, 2013 to October 31, 2014.

Four unsaturated-zone monitoring sites were installed by the USGS in the Joshua Tree area (JTUZ-1, JTUZ-2, JTUZ-3, and JTUZ-4) (fig. 1). JTUZ-1 and -2 were installed in residential development areas and JTUZ-3 and 4 were installed within the boundary of an artificial-recharge facility, currently being constructed by JBWD. Unsaturated-zone data were collected at JTUZ-1 and -2 and water-level data were collected at JTUZ-1 starting in June of 2007. Unsaturated-zone data were collected at JTUZ-3 starting in February of 2010. Unsaturated-zone and water-level data were collected from JTUZ-4 starting in July of 2012. Monitoring was discontinued at all unsaturated-zone sites around January 2013.

Based on conversations with JBWD staff, it is our understanding that JBWD wishes to resume monitoring at the unsaturated-zone monitoring sites in advance of the application of recharge water at the proposed recharge facility to establish baseline hydrologic and water-quality conditions beneath the facility. In addition, the basin-wide water-level and water-quality monitoring program will be restarted.

***Task 1. Monitor/sample existing unsaturated-zone monitoring sites and sample production wells***

For FFY14, monitoring at unsaturated-zone sites JTUZ-1, -2, -3, and -4 will resume (figure 1). Data collected from JTUZ-3 and -4 will be used to establish base-line conditions in the vicinity of the proposed recharge facility prior to the application of recharge water. Although unsaturated conditions and water levels at JTUZ-1 and -2 appear to have stabilized, it is relatively inexpensive to bring these sites back online if JTUZ-3 and -4 are being maintained, and the data from JTUZ-1 and -2 can be used to monitor background conditions away from the recharge facility.

Data will be recorded at 4-hour intervals at the JTUZ sites, and downloaded bi-monthly to monitor any changes in water levels and to monitor changes in matric potential in the unsaturated zone. Water-quality samples will be collected from the JTUZ-1 and -4 monitoring site piezometers on an annual basis. The samples will be analyzed for major and minor ions, selected trace elements, nutrients (including nitrate), and the stable isotopes of oxygen and hydrogen. Samples collected from the monitoring wells at JTUZ-3, -4 will also be analyzed for dissolved organic carbon. Samples will be collected from the suction-cup lysimeters at JTUZ-3 and -4 bi-annually. These samples will be analyzed for nutrients, bromide, chloride, sulfate, fluoride,

orthophosphate, and the stable isotopes of oxygen and hydrogen. All data collected by USGS personnel will be entered into the USGS database with appropriate quality control.

Based on conversations with JBWD staff, it is our understanding that there are five active production wells serving JBWD (wells 10, 14, 15, 16, and 17) (figure 1) and that JBWD periodically collects water-quality samples from these wells; analytes include alkalinity, calcium, chloride, color, iron, magnesium, manganese, MBAS (foaming agents), odor, pH, silver, sodium, specific conductance, sulfate, total dissolved solids (TDS), total hardness, turbidity, and zinc. For FFY14, USGS will collect additional water-quality samples from the active production wells to establish baseline conditions. The samples will be analyzed for major and minor ions, selected trace elements, nutrients (including nitrate), dissolved organic carbon, and the stable isotopes of oxygen and hydrogen. All data collected by USGS personnel will be entered into the USGS database with appropriate quality control.

The total costs associated with Task 1 are \$67,400.

**Task 2. *Extend unsaturated-zone monitoring site JTUZ-4 up to finished grade***

Unsaturated-zone monitoring site JTUZ-4 was installed near the center of the proposed recharge facility and was completed to the existing land surface. It is our understanding that the final grade in the vicinity of JTUZ-4 will be raised several feet as part of the construction of the recharge facility. USGS staff will extend the well and monitoring equipment up to this new final grade in coordination with the construction contractor and will re-install the well vault and protecting bollard posts and re-establish measuring points based on the new final grade.

The total costs associated with Task 2 are \$11,500.

**Task 3. *Groundwater-flow and solute-transport model***

Progress on the development of a groundwater-flow and solute-transport model of the Joshua Tree and Copper Mountain groundwater subbasins was made; however, unforeseen challenges in model development hindered completion and all funds for this task have been expended. To date, the following have been completed: using latest version of MODFLOW (MODFLOW-NWT); using new unsaturated-zone flow package (UZFI) coupled with solute transport (MT3D); using solute-transport code (MT3D); extended the model to 2010 conditions; and added a new model layer. In addition, the model is being calibrated using PEST (model-independent, non-linear parameter estimation software), which will give insight into, not only, the optimal parameter values but also the sensitivity and uncertainty in the parameters. Once completed, the model can be used to estimate various scenarios, such as the effects of land-use plans and associated septic discharge densities on groundwater quality. The scenarios tested will be jointly developed by the USGS and JBWD.

Calibration of the groundwater-flow and solute-transport model will be completed in FFY14. In addition, a report describing the model results will be available for review in the spring of 2015 and published by the end of FFY15.

The total costs associated with Task 3 are \$106,700 (about \$55,900 for completing the model and \$50,800 for completing the report).

#### SUMMARY

The total cost of the proposed cooperative water-resources program in FFY14 is \$185,600. Of this total, JBWD will contribute \$143,075 and, subject to the availability of federal matching funds (FMF), the USGS will contribute \$42,525. A breakdown of the costs associated with each element in FFY14 is provided in the following table.

<b>FFY14 Tasks</b>	<b>JBWD</b>	<b>USGS</b>	<b>TOTAL</b>
Task 1. Monitoring and sampling	\$53,750	\$13,650	\$67,400
Task 2. Extend JTUZ-4	\$9,325	\$2,175	\$11,500
Task 3. Modeling	\$80,000	\$26,700	\$106,700
<b>TOTAL</b>	<b>\$143,075</b>	<b>\$42,525</b>	<b>\$185,600</b>

Enclosed, you will find four copies of Joint Funding Agreement (JFA) **14WSCXXXXXX** for the period November 1, 2013 to October 31, 2014. Work performed with funds from the JFA will be conducted on a **fixed-price basis**. If the JFA is acceptable, please return three copies with original signatures to our office for further processing. The fourth copy of each JFA is for your files. After signature by the USGS, a fully executed original of the JFA will be forwarded to HDWD for your records.

The USGS is required to have agreements in place prior to any work being performed on a project. We request that JFA fully executed prior to **XXX XX, 2012** to ensure the availability of FFY14 FMF.

If you have any questions concerning this program, please contact Tracy Nishikawa or David O'Leary, in our San Diego Project Office at (619) 225-6100. If you have any administrative questions, please contact Irene Rios, in our San Diego Office, at (619) 225-6156.

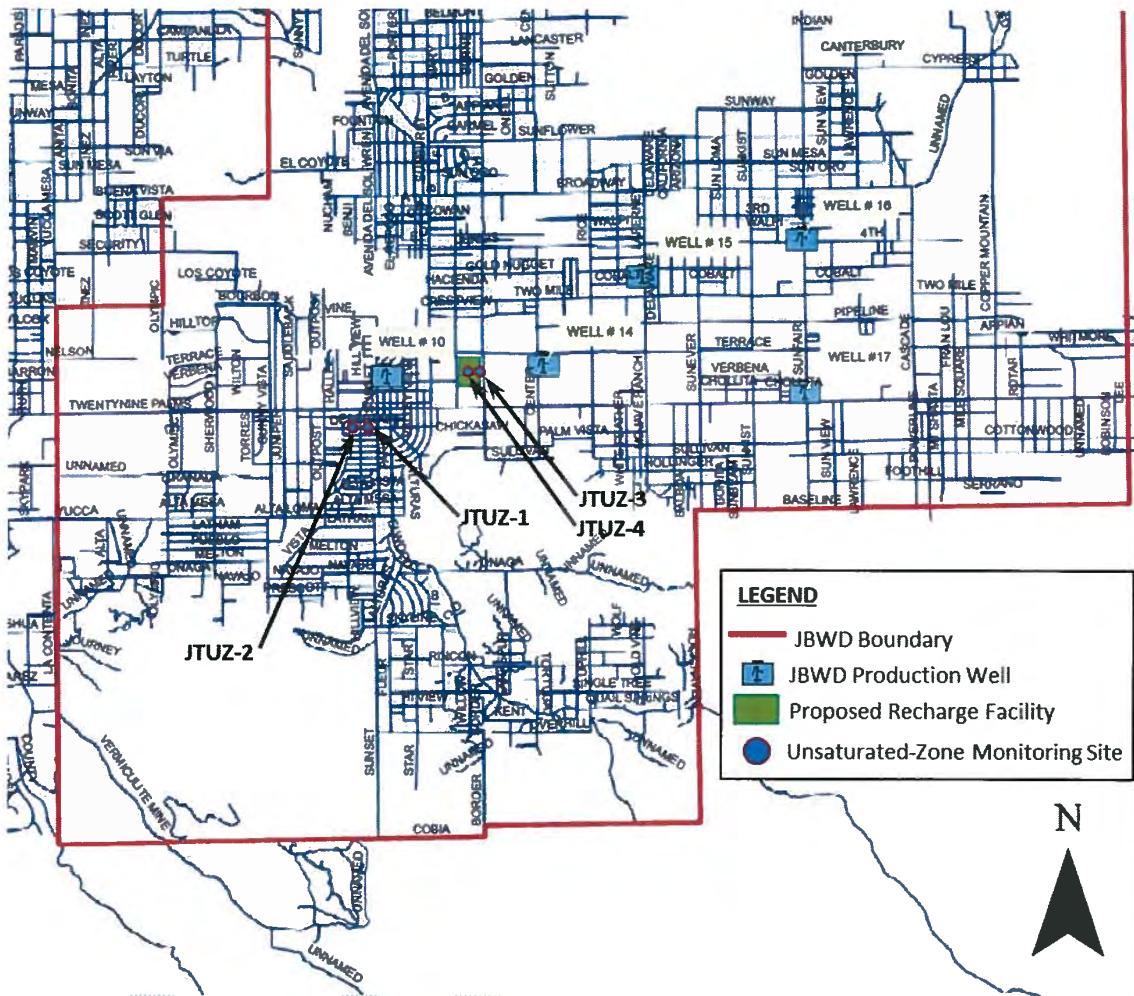
#### Enclosures

cc: Tracy Nishikawa, USGS  
David O'Leary, USGS

Sincerely,

Eric G. Reichard  
Director  
USGS California Water Science Center

**FIGURES**



**Figure 1. Well Locations.**

JOSHUA BASIN WATER DISTRICT  
MEETING AGENDA REPORT

Meeting of the Board of Directors

February 5, 2014

Report to: President and Members of the Board

Prepared by: Michael Metts, PE, Contract District Engineer 

TOPIC:

APPROVAL OF CONSTRUCTION SUPPORT CONTRACTS FOR WATER RECHARGE FACILITY PROJECT AT A TOTAL COST OF \$153,043 INCLUDING 10% CONTINGENCY

RECOMMENDATION:

That the Board authorize the contracts and costs for the Water Recharge Facility project as follows:

- 1) Dudek in the amount of \$54,860 for construction management and inspection;
- 2) Leighton Engineering in the amount of \$49,288 for soils and geotechnical consulting; and
- 3) Diamondback Surveying in the amount of \$31,400 for construction staking;
- 4) Circle Mountain in the amount of \$3,595 for environmental services; and
- 5) A 10% contingency in the amount of \$13,900.

ANALYSIS:

It has been the Board's policy to provide construction management and inspection for major construction projects and to use District staff for construction management and inspection for smaller projects. With that in mind, Dudek was asked to provide a proposal for construction management and inspection for the Water Recharge Facility Project, as they have been intimately involved in engineering of the project and have extensive experience in providing construction management and inspection services.

Dudek provided a proposal of \$51,860 based on an assumed 4 month construction period and part-time inspection (average two days per week). Dudek has recently provided construction management and inspection for the HDMC treatment plant and the Water Recharge Pipeline projects.

Geotechnical and soils services are required to test soil compaction and provide other related services. Leighton Engineering was on the design team and provided the geotechnical testing and consulting for project design, as well as the Water Recharge Pipeline Project. For that reason, it is recommended that they continue to provide the same services during construction, with a proposal cost of \$49,288.

Surveying proposals were received from three firms, including Diamondback Surveying, MSA and NV5. Surveying is required for construction staking over the project's 30 acres project site. Proposals ranged between \$31,400 and \$48,795. It is recommended that Diamondback Surveying be awarded the construction staking contract at a cost of \$31,400.

The exact cost of each of these service categories will depend on the length of construction and the field conditions that are encountered during construction.

Environmental services for the project are required to address the potential presence of desert tortoise, as well as relocate sensitive plants within the site boundary, as required by the Biological Opinion. The majority of these efforts have already been completed under a separate contract. This contract will provide for site verification prior to construction and oversight of contractor operations in relocating sensitive plant species. It is recommended that Circle Mountain be awarded the environmental services contract as a cost of \$3,595.

**STRATEGIC PLAN ITEM:**

1.1.1 Recharge Basin & Pipeline Project.

**FISCAL IMPACT:**

The proposed construction services costs are included in the current year budget and are eligible for reimbursement from previously awarded grant funds. Total funding of all contracts is \$139,143, not including the contingency of \$13,900.



JOSHUA BASIN WATER DISTRICT  
MEETING AGENDA REPORT

Meeting of the Board of Directors

February 5, 2014

Report to: President and Members of the Board

Prepared by: Michael Metts, PE, Contract District Engineer 

TOPIC:

APPROVAL OF CONSTRUCTION SUPPORT CONTRACTS FOR D3 PUMP STATION  
REHABILITATION PROJECT AT A TOTAL COST OF \$34,018 INCLUDING 10%  
CONTINGENCY

RECOMMENDATION:

That the Board authorize the contracts and costs for the D3 Pump Station rehabilitation project as follows:

- 1) Dudek in the amount of \$13,500 for construction management and inspection;
- 2) Heider Engineering in the amount of \$4,918 for soils and geotechnical consulting;
- 3) Rockwell Electric in the amount of \$12,500 for electrical inspection; and
- 4) A 10% contingency in the amount of \$3,100.

ANALYSIS:

It has been the Board's policy to provide construction management and inspection for major construction projects and to use District staff for construction management and inspection for smaller projects. With that in mind, Dudek was asked to provide a proposal for construction management and inspection for the D3 Pump Station Rehabilitation Project, as they have been intimately involved in engineering of the project. It is recommended that Dudek be awarded the project administration and inspection services at a cost \$13,500.

Geotechnical and soils services are required to test soil compaction and provide other related services. Heider Engineering provided these services for Joshua Basin Treatment Plant #1. It is recommended that they be awarded the contract for geotechnical services at a cost of \$4,918.

Electrical inspection will be required during construction of the D3 Pump Station, as well as prior to SCE approval for station startup. Rockwell Electric has provided these inspection service on previous District projects, and it is recommended that they be awarded the contract at a cost of \$12,500

The exact cost of each of these service categories will depend on the length of construction and the field conditions that are encountered during construction.

STRATEGIC PLAN ITEM:

3.6.4 D3 New Booster Pumps and Housing.

**FISCAL IMPACT:**

The proposed construction services costs are included in the current year. Total funding for construction related services is \$34,018, including the contingency of \$3,100.

JOSHUA BASIN WATER DISTRICT  
MEETING AGENDA REPORT

Meeting of the Board of Directors

February 5, 2014

Report to: President and Members of the Board

Prepared by: Susan Greer



TOPIC:

APPROVAL OF RESOLUTION 14-915 AMENDING THE BASIC WATER SERVICE RULES AND REGULATIONS

RECOMMENDATION:

Approve Resolution 14-915

ANALYSIS:

The Rules and Regulations ad hoc Committee, President Fuller and Vice-President Reynolds, has been tasked with reviewing and recommending appropriate changes to the District's Rules and Regulations. They have spent several months and many meetings reviewing Article 1, the Basic Water Service Rules and Regulations. These are the sections of the Rules and Regulations that most affect our customers on a day-to-day basis.

Attached, you will find both the markup copy, which indicates all of the proposed changes that have been made, and a clean copy, which removes all of the references to the changes. The markup copy is right behind this staff report; the clean copies are located behind the proposed resolution, marked "Exhibit A" and "Exhibit B." The articles have been renumbered to be more logical. Note the article number references on the markup copy which shows two different article numbers, the second one in parenthesis. The number in parenthesis is the reference to the original article number in the existing Rules and Regulations. The first article number is the new proposed article number.

The Rules and Regulations haven't been changed in total since 1997, when the last rewrite was done. The majority of changes being proposed are language changes to clarify and increase transparency—often simply expanding to clarify what is already being done. Throughout the document, references to "District" have been changed to "JBWD". District counsel, Gil Granito has weighed in on and approved the proposed changes from a legal perspective.

Some significant changes are highlighted below. All references below are to the new article number in the clean copy document.

- Article 1.10 is new and has been added to clarify our identity verification procedure, required by law.
- Article 1.11 regarding guarantee deposits has been expanded significantly to address other types of deposits and more clearly describe the existing practice.
- Article 1.12 has been moved from Article 13, which is intended to provide rates and very

limited explanation. This explanation is too lengthy for Article 13, but is necessary, so it's been moved.

- Article 1.23 has been expanded to include more details about excessive water use and our Water Account Assistance Program, including removal of the requirement to limit assistance to property owners only—which is discriminatory.
- Article 1.24 has been expanded to clarify the procedure for lock off for non-payment.
- Article 1.28 is new and has been added to clarify our existing payment arrangement and contact procedures.
- Article 1.29 has been expanded significantly to address all of our methods for collection of delinquent accounts.
- Article 1.30 is new and has been added to clarify the various payment methods available.
- Article 1.31 is new and clarifies the existing procedure for uncollected payments and cash only status.
- Article 1.32 is new and provides the written explanation for the tag/letter fee already being charged and included as a fee in Article 13.
- Article 1.33 regarding meter accuracy has been changed to require payment from customers if their meter passes a meter accuracy test and for the District to pay if the meter fails. This is a common practice in the industry.
- Article 1.36 is new and provides details about how meter damage is handled for owner and non-owner accounts.
- Article 1.38 has been expanded to specifically explain what happens to a meter on an existing parcel when the parcel is subdivided.

Old articles 1.24, 1.25 and 1.30 have been deleted from Article I and moved into Article II of the Rules and Regulations—related to installation of or changes to customer service facilities.

Old Article 1.31 regarding cross connections is being deleted in its entirety. All information about cross connection is included separately in Article 8.

Since we're moving some sections of the current Article I into Article II to be more logical, we must also amend Article II at the same time in order to include those sections or they will no longer be applicable when we adopt the new Article I.

STRATEGIC PLAN ITEM:

N/A

FISCAL IMPACT:

N/A

## ARTICLE 1: BASIC WATER SERVICE RULES AND REGULATIONS

Comment [TS1]: Updated changes by Laura Paez 01 28 2014

This Article of Basic Water Service Rules and Regulations sets rules that apply equally to all customers of the District JBWD. All other articles of these Rules and Regulations are supplemental to this Article.

### ARTICLE 1.9 (1.1) Water Service Permit Application

All customers shall complete a written application for water service on a form provided by the District JBWD which shall contain such information as required by the District JBWD. This water service permit application form may be changed by the District JBWD from time to time as the District JBWD finds it necessary to fulfill the requirements of the Rules and Regulations.

### ARTICLE 1.1.4(1.1.1) Customer Account Information/Public Records Act

~~The District JBWD shall request and verify information it deems necessary from water customer such as proper identification or rental agreement regarding name on account, social security number, drivers license number, mailing address, phone number, and service address on new accounts. This information will assist the District JBWD in proceedings to collect unpaid bills, or other District JBWD business. In conformance with the California Public Information Act, is intended to provide access by the public to governmental records, yet protecting individual's rights to privacy. The general policy states that the Public Records Act favors disclosure of information and states that support for refusal to disclose information must be found, if at all, among specified exceptions to that general policy enumerated in the Act. (Government Code Section 6250). The District JBWD may refuse to give out make public individual customer account information if it is found that the information being requested is not necessary to "the conduct of the public's business". Such information would be such as name, telephone number, social security number, driver's license number, utility usage data, and in some instances physical address, if it is found that the information being requested is not necessary to "the conduct of the public's business" and giving due consideration to protecting individual rights to privacy, and in some instances physical address. Information that can be given out is subject to a specific request with explanation and one that does not require the District to research in depth. The District will impose a charge for information.~~

### ARTICLE 1.11 (1.2) Guarantee and Other Water Account Deposits

Before water service will be started for any new or existing meter, the Applicant shall secure the account by depositing with the District JBWD the amount specified in Article 13-3.

- a. Guarantee Deposit: ~~When the Applicant has established a satisfactory payment record for twenty-four consecutive months, the District JBWD will refund the guarantee deposit by crediting the customer's account. If service is discontinued before that time, the deposit will be deducted from the closing bill, and a check for the balance or a water bill will be mailed to the customer at his last known address. A satisfactory payment record is defined as achieved if the Applicant meets the following criteria within as no more than two late payments, no lock-offs for non-payment and no NSF checks for the twenty-four month period~~
- ~~• no more than two late payments,~~
  - ~~• no cut-offs for non-payment and~~

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- no returned checks

The JBWD may require a guarantee deposit on an unsecured account, if one of the aforementioned items occurs during the duration of the water service.

- b. Cut off Deposit. Following cut off for non-payment, customer may be subject to a deposit equal to two times the standard guarantee deposit. Refund of cut off deposit is the same as refund of guarantee deposit.
- c. Damage/Lock Deposit. If a locked meter is unlocked or the meter is damaged, customer may be subject to a deposit equal to two and a half times the standard deposit. Refund of damage/lock deposit is the same as refund of guarantee deposit.

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~~When the Applicant has established a satisfactory payment record for twenty four consecutive months, the District will refund the guarantee deposit by crediting the customer's account. If service is discontinued before that time, the deposit will be deducted from the closing bill, and a check for the balance of a water bill will be mailed to the customer at his last known address. A satisfactory payment record is defined as no more than two late payments, no lock offs for non-payment and no NSF checks for the twenty four month period.~~

Deposits are not transferred from one open account to another. A new deposit may be required when customers are moving from one location to another within the JBWD. The JBWD does not pay interest on the guarantee deposit.

Water service will not be installed, connected, or turned on for any Applicant or customer until all delinquent charges for service or other charges on any or all accounts have been paid in full.

#### ARTICLE 1.35 (1.3): Measurement and Control of Water Delivered

~~Each meter has an will have attached a curb-valve for exclusive use of JBWD. The JBWD-side valve -located closest to the mainline or streetside, is for the exclusive use of JBWD in controlling the water supply through the customer's service, and it shall not be used by the customer. A customer's service valve is provided for the customer's use. The customer's service valve is typically a lever style valve, is situated in the meter box closest to the customer's house and also has the ability to be locked by the customer, for exclusive use of the District, and a customer's service valve may be provided for the customer's use.~~

~~The curb valve is for the exclusive use of the District in controlling the water supply through the customer's service, and it shall not be used by the customer. If the curb valve is damaged by the customer's unauthorized use to such an extent that it requires repair or replacement, such repair or replacement shall be done by the District, and the customer will be billed for all costs including District labor associated with the repair or replacement.~~

#### ARTICLE 1.33 (1.4): Meter Accuracy

All meters shall be tested prior to installation and no meter shall be installed that registers greater than the following variance of actual water passing through the meter and tested by the JBWD or an independent third party that uses the American Water Works Association (AWWA) meter flow standards:

95% to 101% at low flow

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98.5% to 101.5% at moderate flow  
98.5 to 101.5 at high flow

The test, performed in accordance with AWWA standards, must result in accuracy at all three different water flows. The same standard shall be acceptable for existing meters. Any customer has the right to have his meter examined and tested at any time upon completion of the Meter Test Form. The Meter Test Form requires customer to commit to payment of the meter test fee and an adjustment to their water account for any discrepancy identified in the meter performance, either over or under-recording, if the meter fails. Any charges resulting from the meter test will be added to the customer's account and will be subject to collection pursuant to Article 1.24. If the meter does not meet the AWWA meter flow standards at all three water flows, the meter failed. If tested at the JBWD facilities, the customer may request to be present during the test.

~~The same standard shall be acceptable for existing meters. Any customer has the right to have his meter examined and tested by the District upon completion of a meter test application form and payment of the meter test fee as stated in article 1.22.~~

The ~~District~~ JBWD may from time to time or as a matter of policy, institute a periodic meter testing program. The ~~District~~ JBWD reserves the right to test any customer's meter at any time without notification and without charge to the customer.

#### ARTICLE 1.22 (1.5) Billing Adjustments for Meter Error

~~If a meter that is tested is found to at the request of a customer is found to be incorrectly recording according to standards in Article 1.4, has stopped recording usage or has been removed by other than JBWD employee, the percentage error shall be calculated based on by greater than 2%, the percentage error shall be applied to the most recent billing prior to discovering the meter error. Any adjustment represented by this meter test will be applied to the customer's account on his/her next regular billing. The JBWD reserves the right to apply a charge equal to a twelve month average rate, or results of an analysis based on other factors estimating the consumption for up to four years; and apply the adjustment indicated monthly period of record. Any overcharge represented by this meter test will be credited to the customer on his/her next regular billing, or any undercharge shall be added to the customer's next regular billing. Such estimates will be made by an analysis considering previous consumption for the same customer for a comparable time period, or by determination of a JBWD-wide average for the equal size meter service, whichever is more applicable. Adjustment shall be based on the most recent billing cycle.~~

~~If the meter has stopped recording usage or the meter has been removed by other than District employee, the District reserves the right to apply a charge equal to a twelve month average rate, or to estimate the consumption for the most recent monthly period, and apply the adjustment indicated to the customer's next billing. Such estimates will be made from previous consumption for the same customer for a comparable time period, or by determination of a District wide average for the equal size meter service, whichever yields the lesser consumption estimate.~~

The JBWD also reserves the right to back-bill up to four years for the fixed, Basic Fee charge in instances where the charge was not billed to the customer and should have been.

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ARTICLE 1.23 (1.5.1) Excessive Water Use Policy

~~When the meter reading journal indicates an above normal consumption, the following procedures shall be implemented.~~

~~A "high read" water bill letter will be mailed to the customer if usage varies by 60% or greater than the same billing period in the prior year. If the customer does not contact us, then we will assume there isn't a customer concern.~~

If the customer calls regarding the high meter reading, Staff will review the account history and discuss water usage, potential leaks and related matters with the customer in an attempt to determine a cause. If no cause can be found, or the customer or the District JBWD requires further explanation, an excessive water use investigation will be initiated.

a) Excessive Water Use Investigation Process

~~While an investigation is being conducted, customer is required to pay an amount equal to a typical bill from the same period, the "good faith payment". Staff will flag the customer account so that no delinquent charges will accrue and no lock-off for non-payment will occur on the account with respect to the amount in question. Other charges must be paid when due.~~

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A thorough investigation into excessive water use includes the following items:

I. Discussion with Customer

~~JBWD Staff will have an extensive discussion with customer, pointing out common water usage problems and reasons for high usage, and getting feedback from customer.~~

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~~If the cause of the high bill cannot be identified to the customer's satisfaction through discussion, an onsite water survey will be offered.~~

II. Onsite water survey

~~JBWD Staff will offer to visit the property, looking at water fixtures and consumption inside and outside of the home and attempt to assist in determining the cause.~~

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~~If the cause of the high bill cannot be identified to the customer's satisfaction through the onsite water survey, the JBWD will offer the meter testing as a last resort.~~

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~~Site visit. District Staff will visit the property and perform an investigation looking for such things as evidence of leaks, repairs, water use habits, new plantings or construction and irrigation systems. Staff will complete the Excessive Water Use Questionnaire with assistance from the customer.~~

III. Meter testing.

~~The test, performed in accordance with AWWA standards, must result in accuracy at three different water flows. If it has been less than five years since the last test, there is a charge in accordance with Article 13.22. The customer may request to be present during the testing.~~

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~~Customers are required to cooperate with the investigation process. Failure to cooperate will delay the investigation and/or result in an adverse decision.~~

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The JBWD will have the meter tested in accordance with Article 1.33, including payment of fees,

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Information gathered as a result of the review and investigation will be evaluated by the General Manager or a designee Management Staff in an effort to determine the cause of the excessive water use.

If it is determined during the review or investigation process that there is a meter reading error on the part of the JBWD, the account will be adjusted before the next billing cycle to reflect either the correct meter reading (if applicable) or estimated equivalent usage based on information such as the same billing period from the prior year, JBWD-wide average, or other relevant factors,~~the District is the cause, the account will be immediately adjusted to reflect either the correct meter reading (if applicable) or equivalent usage as the same billing period from the prior year or a District wide average.~~ The customer will receive a phone call or written confirmation of the adjustment.

If no cause can be determined or if it is determined that the customer is the cause of the excessive water use, a payment plan option, allowing for payment over an extended period suggested six (6) months, maximum 12 months based on amount, may ~~will~~ be offered to the customer provided that the customer otherwise qualifies for a payment plan. A payment plan requires a minimum payment of \$50 per month. The customer will be provided the information about a copy of this Article, informing of the procedure for requesting help provided by the Water Account Assistance Program.

~~If no cause can be determined, the customer is responsible for water use beyond the customer check valve. The customer will be offered the payment plan option, allowing for an extended period to make payment. The customer will be provided a copy of this Article that informs of the procedure for requesting help provided by the Water Assistance Program.~~  
b) Water Account Assistance Program

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The Water Account Assistance Program provides a method to request bill reduction for a bill of unknown or accidental origin as defined by the customer specifically the the WAAP application. The Program was created to assist customers who are victims of extraordinary or unusual circumstances.

The procedure includes the customer's ~~your~~ written application and ~~our~~ JBWD investigation. Until the ~~District~~ JBWD receives ~~your~~ the customer's written application, the bill is due as presented. The application, plus information obtained as a result of the review and investigation will be forwarded to the General Manager (or ~~his~~ a designee). ~~The General Manager will evaluate the information and conduct an interview of the applicant.~~

~~Applicants are required to cooperate with the Water Account Assistance Program. Failure to cooperate will delay the process and/or result in an adverse decision.~~

~~The General Manager has full authority to determine the amount of assistance, if any, based upon review of the information obtained. The customer reserves the right to appeal any decision to the Board of Directors, requiring attendance at a Board meeting.~~

~~No assistance will be considered for excessive water use cases that result from violation of the District's Rules and Regulations.~~

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Guidelines for assistance

- Account holder must repair any leaks before receiving assistance.
- Customers are limited to two (2) WAAP's within a five (5) year period at the same location. A new owner-customer at the same location could be considered for additional assistance.
- Assistance is limited to two billing cycles; assistance is calculated by comparing the difference between the current and the prior year's bills for the month in question. If water bill is high for two consecutive months and equal to the \$400 difference that is a viable amount that will be considered.
- If the difference is less than \$400.00, the account is not eligible for a WAAP. A payment plan, giving additional time to pay without interest, will be offered.
- If the difference is more than \$400.00 the standard WAAP is 50% of the difference between the current and prior year's bills, to a maximum assistance of \$800. The other 50% of the bill is the customer's responsibility to pay. The customer may request a payment plan for the balance. A water survey will also be required before any assistance is provided.

The procedure includes a customer's written application and JBWD investigation. Until the JBWD receives a written application, the bill is due as presented. The application, plus information obtained as a result of the review and investigation will be forwarded to Staff.

The General Manager or a designee shall determine the amount of assistance, if any, based upon review of the information obtained and in accordance with the current policy. No assistance will be considered for excessive water use cases that result from violation of the JBWD Rules and Regulations.

ARTICLE 1.13 (1.6): Locked Meters

All ~~No~~ meters which ~~are is~~ locked by the ~~District JBWD~~ shall ~~not~~ be altered or unlocked except by an authorized employee or agent of the ~~District JBWD~~. If the lock or meter is damaged, the meter will be locked and the customer breaks the lock or damages the meter, the customer will be charged for materials and labor and the water bill will be adjusted per Article 1.22. to reflect an estimate of usage based on a twelve month average plus deposit on account two and a half times the standard deposit. Article 13.24.

Deposit on account will be increased to two and a half times the standard deposit. Payment of additional deposit and all other applicable fees will be required before service is unlocked.

ARTICLE 1.14 (1.7): Turn On and Turn Off Service

The ~~District JBWD will charge~~ reserves the right to charge a reasonable amount for turning off and turning on service at a customer's request, except when account is being closed. In the case of an emergency on the customer side of the meter, the customer will shut off his water service by use of the customer's service valve. If there is no customer's service valve or the valve is broken, ~~the District JBWD~~ will provide emergency turn-off service, upon request, and without charge. Article 13.4.

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If the customer provides the wrong service address and the JBWD completes the turn on, the customer will pay another fee to turn on water at the correct address.

In no case will an owner or account-holder can request that their service be locked off to require the resident living in the property to establish their own account. The JBWD requires payment of the tag fee and a 48-hour waiting period before service can be locked off in these circumstances to notify the resident and give opportunity to establish service. In no case will an owner request be honored to turn-off water to a residence, duplex, apartment, mobile home or other such dwelling because the occupant has not paid rent on the parcel to the owner.

ARTICLE 1.15 (1.7.1) After Hours Turn on Fee

A deadline will be established by the General Manager or a designee for same-day water service turn-on after before which time there will be no additional fee for same-day water turn-on service. Water will be turned on after the deadline for same-day service provided that the customer agrees to pay a fee per Article 13 for the cost of providing such service. If the prospective account holder does not comply with the after-hours turn on policies including payment of fees and completion of paperwork, service will be disconnected without further notice.

ARTICLE 1.24 (1.8) Turn Off Meter for Non-Payment

Water meters will be turned off for non-payment of water or other District-JBWD charges after written notification, and a hearing if requested, on or after the 35th day after the original date of the billing for service. Customer service turned off for non-payment of bills or charges will not be turned on again until all bills and charges, both past due and current, including turn-off and turn-on charge, and double the guaranty-guarantee deposit deposit for the appropriate meter size has have been paid. Actual termination of water service will not be performed on any Saturday, Sunday, legal holiday or at any time during which the JBWD business office is not open to the public.

JBWD may require a copy of a rental agreement to restore service after being turned off for non-payment.

Single-unit residential or commercial turn off for non-payment requires at least a 48 hour notice prior to termination of service. JBWD is required to make a reasonable, good faith effort to contact an adult residing at the premises of the customer by phone or in person before service is terminated.

Multi-Unit Residential turn off for non-payment requires individual notification of all of the actual users of the water service 15 days before the proposed termination of service. The notice will inform the actual users that they have the right to become the customers of JBWD without being required to pay the amount due on the delinquent account, provided that:

- a. Each actual user meets the requirements of JBWD's Rules and Regulations governing water service; and
- b. Each actual user agrees to the terms and conditions applicable to obtaining water from JBWD.

If a customer has requested and been granted a payment arrangement or contract amortization agreement to extend their payment over a period not to exceed 12 months, and then fails to

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comply with the agreement JBWD will commence termination of service by giving 48 hour prior written notice. After failure to comply with the payment arrangement or contract, the agreement will be terminated and the remaining balance is immediately due or account will be subject to cut-off within 48 hours.

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ARTICLE 1.25 (1.9): Customer Voluntary Turn Off

If a customer expects to be absent from his premises for an extended period of time and wishes to have his service turned off, ~~he may do so upon payment of the turn off charges. Article 13.4~~ the account will be closed. Upon returning, a new account will be opened subject to all new account requirements.

ARTICLE 1.10 (NEW) IDENTITY VERIFICATION

The JBWD is required to establish an identity theft prevention program in accordance with the Federal Trade Commission's Red Flag Rule: enacted to protect consumer's identities. The program is intended to identify, detect and respond appropriately to red flags. A red flag is a pattern, practice, or specific activity that indicates the possible existence of identity theft. The JBWD requires certain personal identifying information from customers for this purpose. Information is input into a third party database to verify identity of customers establishing accounts. If there are any "red flags" identified in the information provided, additional identifying information may be required or, worst case, a customer may be prohibited from establishing an account. The JBWD places the highest priority on protecting any confidential financial or personal information submitted in the course of business.

ARTICLE 1.3 (1.10): ~~District~~ JBWD Right to Turn Off or Refuse Service Under Special Circumstances

The ~~District~~ JBWD may refuse to turn-on or otherwise refuse customer service for any of the following reasons:

- (a) Where apparatus or appliances are in use which might endanger the public health or disrupt the services to other customers.
- (b) Where there exists a cross-connection in violation of the Rules and Regulations or any applicable law.
- (c) As a means of obtaining compliance with the Rules and Regulations of the ~~District~~ JBWD.

ARTICLE 1.40 (1.11): Water Use Without Permit

A person using water from any customer service facility without having made application for and been approved for water service by the ~~District~~ JBWD shall be held liable for payment for the water delivered from the date of the last recorded meter reading. If water use has been detected, but the meter is not operating, the quantity consumed shall be determined as outlined in Article 1.225. Billing Adjustments for Meter Error. The home owner or occupant shall be responsible for the water bill. In addition, the person using water in this manner may (see 1.329) also face criminal prosecution depending upon the circumstances of the situation.

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ARTICLE 1.12 (13.3) Guarantee Deposit Credit Check Process

Applicants who provide a social security number will have their credit checked. The results of the credit check will provide either a green, yellow or red 'score'. **Deposit description** **Deposit amounts**, based upon the score received, are indicated below. **The amounts of the various deposits are included in Article 13.**

Green = good credit, no deposit required

Yellow = moderate credit, ~~\$100 deposit required, 24 months satisfactory payment history~~

Red = poor credit, ~~\$100 deposit required, 24 months satisfactory payment history~~

No Score = maximum deposit required ~~\$100 deposit required, 24 months satisfactory payment history~~

Applicants that don't provide a social security number will be required to pay **the maximum a \$100 deposit** that will be held for 24 months of satisfactory payment history.

Existing JBWD customers transferring service from one address to another who meet the satisfactory payment requirements of Article 1.11 will not be required to provide a new guarantee deposit to start service at the new address.

The **District JBWD** uses a third party for this deposit decision service and is not responsible for inaccuracies in the applicant credit report. Applicants must address concerns to the credit reporting bureaus or JBWD's contractor, Online Utility Exchange. **The District JBWD** will provide an Adverse Decision Letter to the Applicant whenever a yellow or red score is received. The letter provides contact information to assist the Applicant in correcting credit reporting inaccuracies.

ARTICLE ~~1.16~~ (1.12): Damage to Customer Premises Caused by Leaking Pipes and Fixtures

The ~~District JBWD~~ will turn on the water supply as requested by the Customer and shut off the customer's valve if applicable. If there is a leak detector on the meter and it is moving, the employee will shut off customer's valve (if applicable or the ~~District's JBWD's~~ valve) and leave a notice in a prominent location on the customer's premises. Such notice will contain a warning to the customer of the suspected condition and will instruct the customer on where to find and how to turn on the customer's service valve.

The ~~District's JBWD's~~ responsibility ends at the meter and the ~~District JBWD~~ shall not be liable for damages caused by water running from open or faulty fixtures, or from broken or damaged pipes on the customer's side of the meter.

ARTICLE ~~1.34~~ (1.13): Meter Flow Limits

A customer shall not increase the flow through the meter beyond the flow rate limit corresponding to the meter size as set forth in Article ~~2.3~~.

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ARTICLE ~~1.17~~ (1.14): Billing Period and Meter Reading Cycle

The billing period shall be at the option of the ~~District JBWD~~ and may be changed from time to time. The current billing period is monthly. The cycle of meter reading will be set up so that the same meters are read as nearly as possible on the same day of each reading cycle.

ARTICLE ~~1.4~~ (1.15): Water Rates and Fees

The structure and amount of ~~District JBWD~~ water rates will be under continuous study by the ~~District JBWD~~ and will be revised and updated as necessary to maintain an adequate flow of income to support the operations and maintenance activities of the ~~operating activities of the District JBWD and to meet state water conservation requirements.~~

The ~~District JBWD~~ reserves the right to establish separate minimum charges and quantity rate schedules as may be found necessary for each different major classification of water use, including residential, commercial, government, industrial, and agricultural. The ~~District~~ may JBWD may establish such different minimum charges and rate schedules as are cost justified and equitably spread the cost of service to each class of user depending upon the system load caused by each user type. A complete current schedule of water rates is included in Exhibit A.

ARTICLE ~~1.18~~ (1.16): Terms of Bill Payment

Bills for metered water service shall be rendered at the end of each billing period. Such bills shall be due and payable at the office of the ~~District JBWD~~, and shall be delinquent twenty-one days after date of the billing. Customer's water service may be turned off after written notice from the ~~District JBWD~~ and an opportunity to be heard, if payment is not made within thirty-five days of the billing date.

ARTICLE ~~1.27~~ (1.17): Delinquent Account Service Charge

Accounts not paid on or before the date that they become delinquent may be assessed a one-time delinquent account service charge plus a monthly service charge on the unpaid balance.

Accounts paid before the due date with payments that are subsequently returned (e.g. NSF check) will also be charged the delinquent account service charges as indicated above.

ARTICLE ~~1.19~~ (1.18): Water Charges for Opening and Closing Bills

~~Opening and closing bills for less than the normal billing period shall be prorated for the~~ monthly ~~Basic Service Charge~~ shall be pro-rated when opening and closing bills are for less than the normal billing period. All water flow charges will be billed per the meter reading.

ARTICLE ~~1.20~~ (1.19): Special Billings

Meter removal bills, special bills, and bills rendered to persons discontinuing service are due and shall be paid upon presentation. Turn-off and turn-on charges and payments to reinstate or increase deposits shall be paid before service will be turned on.

ARTICLE 1.21 (1.20): Failure to Receive Billings

Failure to receive a billing does not relieve the customer of liability for payment of the charges assessed including any penalties. ~~or for delinquent charges assessed because of failure to pay within the specified thirty five days from invoice date.~~ It is the responsibility of the customer to notify ~~the District JBWD that he has not received~~ a bill for water use or other charges ~~which he has not been received which the customer~~ knows or should know to be due. The ~~District JBWD~~ will then reissue the billing, and with the approval of ~~the General Manager Staff, the District JBWD~~ may elect to forego the collection of delinquency penalties ~~and interest assessments.~~

ARTICLE 1.26 (1.21): Customer Vacating Premises

Customers desiring to have service discontinued should notify the ~~District JBWD~~ at least two days prior to vacating the premises. Unless turn-off of service is so ordered, the customer and/or the owner may be liable for any continued water charges at the vacated location.

ARTICLE 1.29 (1.22): Collection of Delinquent Accounts

The ~~District JBWD~~ will attempt to collect all unpaid water charges including penalties and interest ~~as follows: by letter contact. If this fails, a lien may be filed against the owner.~~

a. Delinquent Accounts Held in the Name of the Property Owner

Unpaid charges on account held in the name of the property owner will be filed as a lien against the property.

b. Delinquent Accounts Held in the Name of non-Property Owners

When the closed account was in the name of other than the property owner, the property owner will be notified that upon a third occurrence of unpaid water bill, uncollected after 90 days, at that location within a three-year period, water service may only be turned on in the name of the property owner. Thereafter, service at that property will not be eligible to be turned on in the name of anyone other than the property owner unless the owner pays off all unpaid water bills or maintains the water account in the owner's name for five (5) years and meets the good payment requirements over the five-year period (no more than five delinquent payments no returned checks and no lock-off for non-payment).

Uncollected delinquent balances on closed accounts will be collected as follows:

a. When opening a new account, any delinquent balance due from a closed account held in the name of the same owner will be collected as a condition of establishing the new account

b. When discovered, any delinquent balance due on a closed account held in the name of the same owner will be transferred to any other open account of the same owner. Failure to pay the delinquent account balance when due will subject the accounts to lock-off for nonpayment.

The ~~District JBWD~~ retains the right to use the above and all other means of collecting unpaid accounts that are now in effect or that in the future may be established.

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ARTICLE 1.37 (1.23): Change in Service Facility

~~The JBWD or a~~ customer ~~may initiate desiring~~ a change in the size, character of use, or location of customer service installation, or any part thereof; If initiated by the customer, the customer shall complete the applicable portions of Application for New Customer's Service Facility. The ~~District~~ JBWD will examine the customer's service facility size criteria as set forth in Article 2.3.

The ~~District~~ JBWD also reserves the right to examine, in detail, the water use activities of any customer at any time.

If the ~~District~~ JBWD determines that a customer's water use exceeds the flow limits of the meter for an average over three billing cycles, the ~~District~~ JBWD may upon notification to the customer remove the existing meter and replace it with one of the proper size; ~~and~~ whereupon, the customer shall pay the incremental difference in cost associated with the new meter size.

In no case will a meter of greater size than the size of the customer's service facility be installed. If the customer requests a meter larger than his service facility, and the customer is willing to pay the cost to replace his service facility to support the larger meter size, the ~~District~~ JBWD will honor the customer's request. No credit will be allowed against the replacement cost for the existing facility.

ARTICLE 1.24. ~~Change in Customer Service Facility Location~~

~~If a customer requests that his service facility be moved, the move will be done by the District, and the customer will pay all costs of the relocation and the customer will be responsible to relocate their own water line to the new service facility. Customer services located within fenced areas will be relocated by the district and all expenses will be paid for by the customer, or the customer may be required to relocate such fence at the District's discretion. The District will not be responsible for reconnecting customer service line.~~

ARTICLE 1.25. ~~District Right to Ingress and Egress on Customer Premises~~

~~The District shall have the right to ingress and egress upon the customer's premises for any purpose in connection with the furnishing of water service during normal business hours or anytime during an emergency. Failure to give access to the District for meter reading may be grounds for discontinuous of service to the parcel. The parcel owner may choose to pay for remote meter reading equipment.~~

ARTICLE 1.7 (1.26): Maintenance of Water Pressure, Unplanned Interruption in Service, and Shutting Down for Emergency Repairs

The ~~District~~ JBWD shall have the right to shut down water supply ~~in an emergency situation for repair. The District will attempt to notify customers in advance of shutdown when such notification is practicable. The District will attempt to notify the customer in advance of shut down for routine normal water service maintenance or in an emergency situation for repair of the water line replacementsystem. The JBWD will attempt to notify cCustomers who have previously notified and been registered and approved by the District of the need for a continuous, non-interruptible supply of water shall notified of an interruption in water regardless of the situation~~ in advance of shutdown when such notification is practicable.

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The ~~District JBWD~~ will attempt to maintain service pressures under normal conditions within a range of 40 to 125 psi. ~~There will be although conditions that develop where pressures will fall below this range, and other conditions will occur are expected~~ where the pressures will exceed this range. All customers who accept water service to their premises agree as a condition of the acceptance of water service that they will hold the ~~District JBWD~~ harmless for any damage that may occur as a result of these low or high pressure situations that are due to emergency situations or Acts of God.

ARTICLE ~~1.39~~ (1.27). Tampering With the ~~District JBWD~~ Water System

No person other than an employee, operating within the scope of his duties is authorized to operate or otherwise interfere with operation of the water system. Any person caught in the act of tampering with the operation of the water system will face criminal prosecution, ~~according to but not limited to government code section~~

ARTICLE ~~1.6~~ (1.28). Water Conservation

All customers of the ~~District JBWD~~ accept the responsibility to achieve water conservation practices. The ~~District JBWD~~ shall, when necessary, use the right of emergency restriction as authorized by Section 31026 of the County Water ~~District-District~~ Code. The ~~District JBWD~~ reserves the right to close curb valves to prevent water loss where leaks are evident, and shall be held harmless for damage to customer's premises and appliances due to such action.

The ~~District JBWD~~ may establish, and may modify, a water conservation plan. Such duly adopted water conservation plan will be adopted by separate resolution.

ARTICLE ~~1.5~~ (1.29). ~~District JBWD~~ Ownership of Water System Facilities

All customer service facilities through and including the meter shall be the property of the ~~District JBWD~~, and will be operated and maintained by the ~~District JBWD~~. The customer's pipeline and plumbing on his own parcel, ~~shall be the customer's property and it shall be the customer's responsibility to operate and maintain such property.~~

ARTICLE ~~1.30~~. ~~District Right of Access to Water System Facilities Within Easements on Private Parcel~~

~~All water system facilities installed within easements on private parcel shall remain the parcel of the District and shall be operated, maintained repaired, or replaced by the District without the necessity of consent of the owner of the parcel. The parcel owner shall use reasonable care in the protection of the District facilities, and at no time will interfere with the District in maintaining such facilities.~~

~~The Parcel owner will not impair the District's capability of entering personnel and equipment for the purpose of operating, maintaining, repairing, or replacing facilities or reading meters on customer service facilities attached thereto. The District will have the right, without notice, to clear such obstructions and the person causing such obstruction will not be compensated by the District for the loss, damage or replacement of such obstruction.~~

**ARTICLE 1.31. ~~Cross Connections~~**

~~All customers shall be governed by the cross connection requirements of the Rules and Regulations as set forth in Article 8 entitled Cross Connection Control.~~

**ARTICLE 1.8 (1.32). Customer Pressure Reducing and Relief Valves**

The ~~District~~ JBWD recommends that a pressure regulator be installed on all new service connections before water enters the structure. All systems with pressure reducing and relief valves shall be maintained by the customer.

**ARTICLE 1.38 (1.33). Parcel Divided Subsequent to Initial Installation of Customer Service Facility**

It ~~will be~~ is the responsibility of the parcel owner to notify the ~~District~~ JBWD of a proposed parcel split and comply with the ~~District~~ JBWD Rules and Regulations.

The ~~District~~ JBWD has final approval of the location of water facilities on the parcels that are split and a line extension may be required as a condition of a parcel split for additional water service facilities. When parcels are split, the water meter will belong to and stay with the parcel where it is physically situated. New water meter(s) will have to be purchased for the other parcel(s), where there is no longer a water meter located, including payment of associated charges such as capacity fees.

**ARTICLE 1.2 (1.34) ~~Mandatory Hookup Policy~~ Non-Discrimination for Water Service**

The ~~District~~ JBWD is a public agency, exercising non-discrimination with all persons, and offering water service to any person who meets the requirements of the application for service and pays the necessary fees.

**Article 1.28 Payment Arrangements and Contracts**

Customers that can't pay their bills by the scheduled cut-off date may be able to make a payment arrangement or contract, depending on amount and length of time for spreading payments, that gives them additional time to make payment. The JBWD will consider whether the customer qualifies for a payment arrangement or contract based on past payment history and track record of honoring previous commitments. Water service will not be terminated for any customer who complies with the payment arrangement, if the customer also keeps the account current as new charges accrue in each subsequent billing period. The JBWD sends customers a letter indicating a payment arrangement agreement. After failure to comply with the payment arrangement or contract, the agreement will be terminated and the remaining balance is immediately due or account will be subject to cut-off within 48 hours.

**Article 1.30 Payment Methods**

The JBWD offers several methods for making payment including cash, checks and credit card payments. Customers may pay by check or credit card in person or may sign up for the Auto Pay service where the JBWD will automatically draft payment from the customer's checking/savings account or credit card account.

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A payment drop box is located in the JBWD parking lot for use in dropping off checks during or after regular business hours. Cash should not be placed in the drop box. Payments are ordinarily picked up from the box once per day only and are posted to the accounts on the following business day. Payments are picked-up from the drop box at the end of the business on the payment due date. Payments dropped in the box after the end of business on the due date are considered delinquent. Payments are picked up from the drop box at the beginning of business on cut-off day. Payments for accounts subject to cut-off should not be dropped in the box after 7:00 am on cut-off day.

Payments must be received in the drop box by 5:00 on the payment due date in order to avoid delinquent charges.

Payments for accounts subject to disconnection should not be placed in the drop box after 7:00 am on the disconnect day.

Once payment has been received, JBWD does not refund any payment or overpayment until the account closes.

#### Article 1.31 Uncollected Payments

Customers who make payment that is eventually returned from the bank as uncollected will be charged a returned payment charge and other charges as appropriate. The second returned payment within a two-year period will result in customer being required to make all payments by cash or credit cards for two years. After two years of good payment history including no more than two late payments and no lock-offs, customer may request to be removed from the cash-only status.

#### Article 1.32 Tag/Letter Fee

The JBWD charges a fee whenever we are required to prepare or deliver a letter or tag, whether by mail or personal delivery. Letters and tags are used in situations such as for impending lock-off, returned checks and payment arrangements.

#### Article 1.36 Meter Damage

If any portion of the meter is damaged by the customer's unauthorized use to such an extent that it requires repair or replacement, such repair or replacement shall be done by the JBWD, and the customer or property owner, as noted below, will be billed for all costs including JBWD labor associated with the repair or replacement.

##### *a. Payment for Damaged Meters for Accounts in the name of the Property Owner*

If the account holder of the damaged meter is the property owner, the service will not be restored until the damage is paid. If service was not interrupted as a result of the damage, the charge will be placed against the account for collection through the normal account billing procedures. If the damage remains unpaid by the account holder-property owner, a lien will be placed against the property with the county recorder.

##### *b. Damaged Meters for Accounts in the name of Non-Property Owners*

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If the account holder of the damaged meter is not the property owner, water will not be restored until payment has been received. If service has not been interrupted, charges for the damage will be placed against the account for collection through the normal account billing procedures. The property owner will be notified with seven (7) days that the damage has occurred and that future service will not be provided to the property until the damage is paid. New applicants for service at an address where unpaid damage exists and the property owner has been notified will be denied service until the damage is paid.

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Article 1 of Rules and Regulations – markups 01 27 14

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ARTICLE 2.9 Change in Customer Service Facility Location

If a customer requests that his service facility be moved, the move will be done by the JBWD, and the customer will pay all costs of the relocate and the customer will be responsible to relocate their own water line to the new service facility. Customer services located within fenced areas will be relocated by the JBWD and all expenses will be paid for by the customer, or the customer may be required to relocate such fence at the JBWD's discretion. The JBWD will not be responsible for reconnecting customer service line.

ARTICLE 2.10 JBWD Right to Ingress and Egress on Customer Premises

The JBWD shall have the right to ingress and egress upon the customer's premises for any purpose in connection with the furnishing of water service during normal business hours or anytime during an emergency. Failure to give access to the JBWD for meter reading may be grounds for discontinuous of service to the parcel. The parcel owner may choose to pay for remote meter reading equipment.

ARTICLE 2.11 JBWD Right of Access to Water System Facilities Within Easements on Private Parcel

All water system facilities installed within easements on private parcel shall remain the parcel of the JBWD and shall be operated, maintained, repaired, or replaced by the JBWD without the necessity of consent of the owner of the parcel. The parcel owner shall use reasonable care in the protection of the JBWD facilities, and at no time will interfere with the JBWD in maintaining such facilities:

The Parcel owner will not impair the JBWD's capability of entering personnel and equipment for the purpose of operating, maintaining, repairing, or replacing facilities or reading meters on customer service facilities attached thereto. The JBWD will have the right, without notice, to clear such obstructions and the person causing such obstruction will not be compensated by the JBWD for the loss, damage or replacement of such obstruction.

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RESOLUTION 14-915

RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE JOSHUA BASIN WATER DISTRICT AMENDING ARTICLE I  
OF THE DISTRICT'S RULES AND REGULATIONS IN ITS ENTIRETY  
AND ADDING SECTIONS 2.9, 2.10 AND 2.11 TO ARTICLE II  
OF THE DISTRICT'S RULES AND REGULATIONS

WHEREAS, Resolution 97-572, as amended, adopted on May 21, 1997, established the Rules and Regulations regarding water system operation, and

WHEREAS, the Board of Directors want to modify the Rules and Regulations to clarify operations, increase transparency and address changing circumstances.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Joshua Basin Water District that Article I of the District's Rules and Regulations is amended in its entirety as reflected in Exhibit A, attached.

FURTHER RESOLVED, that Article II of the District's Rules and Regulations are amended to add sections 2.9, 2.10 and 2.11 as reflected in Exhibit B, attached.

ADOPTED this 5<sup>th</sup> day of February, 2014 by the following vote:

Director Fuller: \_\_\_\_\_  
Director Reynolds: \_\_\_\_\_  
Director Johnson: \_\_\_\_\_  
Director Luckman: \_\_\_\_\_  
Director Wilson: \_\_\_\_\_

\_\_\_\_\_  
Victoria Fuller, President

ATTEST: \_\_\_\_\_  
Susan Greer, Acting General Manager

## **EXHIBIT A**

### **ARTICLE 1: BASIC WATER SERVICE RULES AND REGULATIONS**

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This Article of Basic Water Service Rules and Regulations sets rules that apply equally to all customers of the JBWD. All other articles of these Rules and Regulations are supplemental to this Article.

#### **ARTICLE 1.1. Customer Account Information/Public Records Act**

JBWD shall request and verify information it deems necessary from water customer such as proper identification or rental agreement. This information will assist the JBWD in proceedings to collect unpaid bills, or other JBWD business. In conformance with the California Public Information Act, the JBWD may refuse to make public individual customer account information such as name, telephone number, social security number, driver's license number, utility usage data, and in some instances physical address, if it is found that the information being requested is not necessary to "the conduct of the public's business" and giving due consideration to protecting individual rights to privacy.

#### **ARTICLE 1.2 Non-Discrimination for Water Service**

The JBWD is a public agency, exercising non-discrimination with all persons, and offering water service to any person who meets the requirements of the application for service and pays the necessary fees.

#### **ARTICLE 1.3 JBWD Right to Turn Off or Refuse Service Under Special Circumstances**

The JBWD may refuse to turn-on or otherwise refuse customer service for any of the following reasons:

- (a) Where apparatus or appliances are in use which might endanger the public health or disrupt the services to other customers.
- (b) Where there exists a cross-connection in violation of the Rules and Regulations or any applicable law.
- (c) As a means of obtaining compliance with the Rules and Regulations of the JBWD.

#### **ARTICLE 1.4 Water Rates and Fees**

The structure and amount of JBWD water rates will be under continuous study by the JBWD and will be revised and updated as necessary to maintain an adequate flow of income to support the operations and maintenance activities of the JBWD and to meet state water conservation requirements.

The JBWD reserves the right to establish separate minimum charges and quantity rate schedules as may be found necessary for each different major classification of water use, including residential, commercial, government, industrial, and agricultural. The JBWD may establish such different minimum charges and rate schedules as are cost justified and equitably spread the cost of service to each class of user depending upon the system load caused by each user type. A complete current schedule of water rates is included in Exhibit A.

#### **ARTICLE 1.5 JBWD Ownership of Water System Facilities**

All customer service facilities through and including the meter shall be the property of the JBWD, and will be operated and maintained by the JBWD. The customer's pipeline and

plumbing on his own parcel shall be the customer's property and it shall be the customer's responsibility to operate and maintain.

#### ARTICLE 1.6 Water Conservation

All customers of the JBWD accept the responsibility to achieve water conservation practices. The JBWD shall, when necessary, use the right of emergency restriction as authorized by Section 31026 of the County Water District Code. The JBWD reserves the right to close curb valves to prevent water loss where leaks are evident, and shall be held harmless for damage to customer's premises and appliances due to such action.

The JBWD may establish, and may modify, a water conservation plan. Such duly adopted water conservation plan will be adopted by separate resolution.

#### ARTICLE 1.7 Maintenance of Water Pressure, Unplanned Interruption in Service, and Shutting Down for Emergency Repairs

The JBWD shall have the right to shut down water supply for routine maintenance or in an emergency situation for repair of the water system. The JBWD will attempt to notify customers in advance of shutdown when such notification is practicable. The JBWD will attempt to maintain service pressures under normal conditions within a range of 40 to 125 psi although conditions are expected where the pressures will exceed this range. All customers who accept water service to their premises agree as a condition of the acceptance of water service that they will hold the JBWD harmless for any damage that may occur as a result of these low or high pressure situations that are due to emergency situations or Acts of God.

#### ARTICLE 1.8 Customer Pressure Reducing and Relief Valves

The JBWD recommends that a pressure regulator be installed on all new service connections before water enters the structure. All systems with pressure reducing and relief valves shall be maintained by the customer.

#### ARTICLE 1.9 Water Service Permit Application

All customers shall complete a written application for water service on a form provided by the JBWD which shall contain such information as required by the JBWD. This water service permit application form may be changed by the JBWD from time to time as the JBWD finds it necessary to fulfill the requirements of the Rules and Regulations.

#### ARTICLE 1.10 Identity Verification

The JBWD is required to establish an identity theft prevention program in accordance with the Federal Trade Commission's Red Flag Rule: enacted to protect consumer's identities. The program is intended to identify, detect and respond appropriately to red flags. A red flag is a pattern, practice, or specific activity that indicates the possible existence of identity theft. The JBWD requires certain personal identifying information from customers for this purpose. Information is input into a third party database to verify identity of customers establishing accounts. If there are any "red flags" identified in the information provided, additional identifying information may be required or, worst case, a customer may be prohibited from establishing an account. The JBWD places the highest priority on protecting any confidential financial or personal information submitted in the course of business.



#### ARTICLE 1.11 Guarantee and Other Water Account Deposits

Before water service will be started for any new or existing meter, the Applicant shall secure the account by depositing with the JBWD the amount specified in Article 13.

- a. **Guarantee Deposit:** When the Applicant has established a satisfactory payment record for twenty-four consecutive months, the JBWD will refund the guarantee deposit by crediting the customer's account. If service is discontinued before that time, the deposit will be deducted from the closing bill, and a check for the balance or a water bill will be mailed to the customer at his last known address. A satisfactory payment record is achieved if the Applicant meets the following criteria within the twenty-four month period
  - no more than two late payments,
  - no cut-offs for non-payment and
  - no returned checksThe JBWD may require a guarantee deposit on an unsecured account, if one of the aforementioned items occurs during the duration of the water service.
- b. **Cut off Deposit.** Following cut off for non-payment, customer may be subject to a deposit equal to two times the standard guarantee deposit. Refund of cut off deposit is the same as refund of guarantee deposit.
- c. **Damage/Lock Deposit.** If a locked meter is unlocked or the meter is damaged, customer may be subject to a deposit equal to two and a half times the standard deposit. Refund of damage/lock deposit is the same as refund of guarantee deposit.

Water service will not be installed, connected, or turned on for any Applicant or customer until all delinquent charges for service or other charges on any or all accounts have been paid in full.

#### ARTICLE 1.12 Guarantee Deposit Credit Check Process

Applicants who provide a social security number will have their credit checked. The results of the credit check will provide either a green, yellow or red 'score'. Deposit description, based upon the score received, is indicated below. The amounts of the various deposits are included in Article 13.

Green = good credit, no deposit required  
Yellow = moderate credit,  
Red = poor credit,  
No Score = maximum deposit required

Applicants that don't provide a social security number will be required to pay the maximum a deposit that will be held for 24 months of satisfactory payment history.

Existing JBWD customers transferring service from one address to another who meet the satisfactory payment requirements of Article 1.11 will not be required to provide a new guarantee deposit to start service at the new address.

The JBWD uses a third party for this deposit decision service and is not responsible for inaccuracies in the applicant credit report. Applicants must address concerns to the credit reporting bureaus or JBWD's contractor, Online Utility Exchange. The JBWD will provide an

Adverse Decision Letter to the Applicant whenever a yellow or red score is received. The letter provides contact information to assist the Applicant in correcting credit reporting inaccuracies.

#### ARTICLE 1.13 Locked Meters

No meter which is locked by the JBWD shall be altered or unlocked except by an authorized employee or agent of the JBWD. If the lock or meter is damaged, the meter will be locked and the customer will be charged for materials and labor and the water bill will be adjusted per Article 1.22. Deposit on account will be increased to two and a half times the standard deposit. Payment of additional deposit and all other applicable fees will be required before service is unlocked.

#### ARTICLE 1.14 Turn On and Turn Off Service

The JBWD will charge for turning off and turning on service at a customer's request, except when account is being closed. In the case of an emergency on the customer side of the meter, the customer will shut off his water service by use of the customer's service valve. If there is no customer's service valve or the valve is broken, the JBWD will provide emergency turn-off service, upon request, and without charge.

If the customer provides the wrong service address and the JBWD completes the turn on, the customer will pay another fee to turn on water at the correct address.

An owner or account-holder can request that their service be locked off to require the resident living in the property to establish their own account. The JBWD requires payment of the tag fee and a 48-hour waiting period before service can be locked off in these circumstances to notify the resident and give opportunity to establish service. In no case will an owner request be honored to turn-off water to a residence, duplex, apartment, mobile home or other such dwelling because the occupant has not paid rent on the parcel to the owner.

#### ARTICLE 1.15 After Hours Turn on Fee

A deadline will be established by the General Manager or a designee for same-day water service turn-on after which time there will be no additional fee for same-day water turn-on service. Water will be turned on after the deadline for same-day service provided that the customer agrees to pay a fee per Article 13 for the cost of providing such service. If the prospective account holder does not comply with the after-hours turn on policies including payment of fees and completion of paperwork, service will be disconnected without further notice.

#### ARTICLE 1.16 Damage to Customer Premises Caused by Leaking Pipes and Fixtures

The JBWD will turn on the water supply as requested by the Customer and shut off the customer's valve if applicable. If there is a leak detector on the meter and it is moving, the employee will shut off customer's valve (if applicable or the JBWD's valve) and leave a notice in a prominent location on the customer's premises. Such notice will contain a warning to the customer of the suspected condition and will instruct the customer on where to find and how to turn on the customer's service valve.

The JBWD's responsibility ends at the meter and the JBWD shall not be liable for damages caused by water running from open or faulty fixtures, or from broken or damaged pipes on the customer's side of the meter.

#### ARTICLE 1.17 Billing Period and Meter Reading Cycle

The billing period shall be at the option of the JBWD and may be changed from time to time. The current billing period is monthly. The cycle of meter reading will be set up so that the same meters are read as nearly as possible on the same day of each reading cycle.

#### ARTICLE 1.18 Terms of Bill Payment

Bills for metered water service shall be rendered at the end of each billing period. Such bills shall be due and payable at the office of the JBWD, and shall be delinquent twenty-one days after date of the billing. Customer's water service may be turned off after written notice from the JBWD and an opportunity to be heard, if payment is not made within thirty-five days of the billing date.

#### ARTICLE 1.19 Water Charges for Opening and Closing Bills

The monthly Basic Service Charge shall be pro-rated when opening and closing bills are for less than the normal billing period, . All water flow charges will be billed per the meter reading.

#### ARTICLE 1.20 Special Billings

Meter removal bills, special bills, and bills rendered to persons discontinuing service are due and shall be paid upon presentation. Turn-off and turn-on charges and payments to reinstate or increase deposits shall be paid before service will be turned on.

#### ARTICLE 1.21 Failure to Receive Billings

Failure to receive a billing does not relieve the customer of liability for payment of the charges assessed including any penalties. It is the responsibility of the customer to notify JBWD that a bill for water use or other charges has not been received which the customer knows or should know to be due. The JBWD will then reissue the billing, and with the approval of Staff, the JBWD may elect to forego the collection of delinquency penalties.

#### ARTICLE 1.22 Billing Adjustments for Meter Error

If a meter that is tested is found to be incorrectly recording according to standards in Article 1.4, has stopped recording usage or has been removed by other than JBWD employee, the percentage error shall be calculated based on the most recent billing prior to discovering the meter error. Any adjustment represented by this meter test will be applied to the customer's account on his/her next regular billing. The JBWD reserves the right to apply a charge equal to a twelve month average rate, or results of an analysis based on other factors estimating the consumption for up to four years; and apply the adjustment indicated to the customer's next billing. Such estimates will be made by an analysis considering previous consumption for the same customer for a comparable time period, or by determination of a JBWD -wide average for the equal size meter service, whichever is more applicable.

The JBWD also reserves the right to back-bill up to four years for the fixed, Basic Fee charge in instances where the charge was not billed to the customer and should have been.

#### ARTICLE 1.23 Excessive Water Use Policy

If the customer calls regarding the high meter reading, Staff will review the account history and discuss water usage, potential leaks and related matters with the customer in an attempt to determine a cause. If no cause can be found, or the customer or the JBWD requires further explanation, an excessive water use investigation will be initiated.

a) Excessive Water Use Investigation Process

While an investigation is being conducted, customer is required to pay an amount equal to a typical bill from the same period, the “good faith payment”. Staff will flag the customer account so that no delinquent charges will accrue and no lock-off for non-payment will occur on the account with respect to the amount in question. Other charges must be paid when due.

A thorough investigation into excessive water use includes the following items:

I. Discussion with Customer

JBWD Staff will have an extensive discussion with customer, pointing out common water usage problems and reasons for high usage, and getting feedback from customer.

If the cause of the high bill cannot be identified to the customer’s satisfaction through discussion, an onsite water survey will be offered.

II. Onsite water survey

JBWD Staff will offer to visit the property, looking at water fixtures and consumption inside and outside of the home and attempt to assist in determining the cause.

If the cause of the high bill cannot be identified to the customer’s satisfaction through the onsite water survey, the JBWD will offer the meter testing as a last resort.

III. Meter testing.

The JBWD will have the meter tested in accordance with Article 1.33, including payment of fees.

Information gathered as a result of the review and investigation will be evaluated by the General Manager or a designee in an effort to determine the cause of the excessive water use.

If it is determined during the review or investigation process that there is a meter reading error on the part of the JBWD, the account will be adjusted before the next billing cycle to reflect either the correct meter reading (if applicable) or estimated equivalent usage based on information such as the same billing period from the prior year, JBWD-wide average, or other relevant factors.. The customer will receive a phone call or written confirmation of the adjustment.

If no cause can be determined or if it is determined that the customer is the cause of the excessive water use, a payment plan option, allowing for payment over an extended period suggested six (6) months, maximum 12 months based on amount, may be offered to the customer provided that the customer otherwise qualifies for a payment plan. A payment plan requires a minimum payment of \$50 per month. The customer will be provided the information about the Water Account Assistance Program.

b) Water Account Assistance Program

The Water Account Assistance Program provides a method to request bill reduction for a bill of unknown or accidental origin as defined by the customer specifically the the WAAP application. The Program was created to assist customers who are victims of extraordinary or unusual circumstances.

The procedure includes the customer's written application and JBWD investigation. Until the JBWD receives the customer's written application, the bill is due as presented. The application, plus information obtained as a result of the review and investigation will be forwarded to the General Manager or a designee.

#### Guidelines for assistance

- Account holder must repair any leaks before receiving assistance.
- Customers are limited to two (2) WAAP's within a five (5) year period at the same location. A new owner-customer at the same location could be considered for additional assistance.
- Assistance is limited to two billing cycles; assistance is calculated by comparing the difference between the current and the prior year's bills for the month in question. If water bill is high for two consecutive months and equal to the \$400 difference that is a viable amount that will be considered.
- If the difference is less than \$400.00, the account is not eligible for a WAAP. A payment plan, giving additional time to pay without interest, will be offered.
- If the difference is more than \$400.00 the standard WAAP is 50% of the difference between the current and prior year's bills, to a maximum assistance of \$800. The other 50% of the bill is the customer's responsibility to pay. The customer may request a payment plan for the balance. A water survey will also be required before any assistance is provided.

The procedure includes a customer's written application and JBWD investigation. Until the JBWD receives a written application, the bill is due as presented. The application, plus information obtained as a result of the review and investigation will be forwarded to Staff.

The General Manager or a designee shall determine the amount of assistance, if any, based upon review of the information obtained and in accordance with the current policy. No assistance will be considered for excessive water use cases that result from violation of the JBWD Rules and Regulations.

#### ARTICLE 1.24 Turn Off Meter for Non-Payment

Water meters will be turned off for non-payment of water or other JBWD charges after written notification, on or after the 35th day after the original date of the billing for service. Customer service turned off for non-payment of bills or charges will not be turned on again until all bills and charges, both past due and current, including double the guarantee deposit have been paid. Actual termination of water service will not be performed on any Saturday, Sunday, legal holiday or at any time during which the JBWD business office is not open to the public.

JBWD may require a copy of a rental agreement to restore service after being turned off for non-payment.

Single-unit residential or commercial turn off for non-payment requires at least a 48 hour notice prior to termination of service. JBWD is required to make a reasonable, good faith effort to

contact an adult residing at the premises of the customer by phone or in person before service is terminated.

Multi-Unit Residential turn off for non-payment requires individual notification of all of the actual users of the water service 15 days before the proposed termination of service. The notice will inform the actual users that they have the right to become the customers of JBWD without being required to pay the amount due on the delinquent account, provided that:

- a. Each actual user meets the requirements of JBWD's Rules and Regulations governing water service; and
- b. Each actual user agrees to the terms and conditions applicable to obtaining water from JBWD.

If a customer has requested and been granted a payment arrangement or contract amortization agreement to extend their payment over a period not to exceed 12 months, and then fails to comply with the agreement JBWD will commence termination of service by giving 48 hour prior written notice. After failure to comply with the payment arrangement or contract, the agreement will be terminated and the remaining balance is immediately due or account will be subject to cut-off within 48 hours.

#### ARTICLE 1.25 Customer Voluntary Turn Off

If a customer expects to be absent from his premises for an extended period of time and wishes to have his service turned off, the account will be closed. Upon returning, a new account will be opened subject to all new account requirements.

#### ARTICLE 1.26 Customer Vacating Premises

Customers desiring to have service discontinued should notify the JBWD at least two days prior to vacating the premises. Unless turn-off of service is so ordered, the customer and/or the owner may be liable for any continued water charges at the vacated location.

#### ARTICLE 1.27 Delinquent Account Service Charge

Accounts not paid on or before the date that they become delinquent may be assessed a one-time delinquent account service charge plus a monthly service charge on the unpaid balance.

Accounts paid before the due date with payments that are subsequently returned (e.g. NSF check) will also be charged the delinquent account service charges as indicated above.

#### ARTICLE 1.28 Payment Arrangements and Contracts

Customers that can't pay their bills by the scheduled cut-off date may be able to make a payment arrangement or contract, depending on amount and length of time for spreading payments, that gives them additional time to make payment. The JBWD will consider whether the customer qualifies for a payment arrangement or contract based on past payment history and track record of honoring previous commitments. Water service will not be terminated for any customer who complies with the payment arrangement, if the customer also keeps the account current as new charges accrue in each subsequent billing period. The JBWD sends customers a letter indicating a payment arrangement agreement. After failure to comply with the payment arrangement or contract, the agreement will be terminated and the remaining balance is immediately due or account will be subject to cut-off within 48 hours.

## ARTICLE 1.29 Collection of Delinquent Accounts

The JBWD will attempt to collect all unpaid water charges including penalties and interest as follows:

- a. Delinquent Accounts Held in the Name of the Property Owner  
Unpaid charges on account held in the name of the property owner will be filed as a lien against the property.
- b. Delinquent Accounts Held in the Name of non-Property Owners

When the closed account was in the name of other than the property owner, the property owner will be notified that upon a third occurrence of unpaid water bill, uncollected after 90 days, at that location within a three-year period, water service may only be turned on in the name of the property owner. Thereafter, service at that property will not be eligible to be turned on in the name of anyone other than the property owner unless the owner pays off all unpaid water bills or maintains the water account in the owner's name for five (5) years and meets the good payment requirements over the five-year period (no more than five delinquent payments no returned checks and no lock-off for non-payment).

Uncollected delinquent balances on closed accounts will be collected as follows:

- a. When opening a new account, any delinquent balance due from a closed account held in the name of the same owner will be collected as a condition of establishing the new account
- b. When discovered, any delinquent balance due on a closed account held in the name of the same owner will be transferred to any other open account of the same owner. Failure to pay the delinquent account balance when due will subject the accounts to lock-off for nonpayment.

The JBWD retains the right to use the above and all other means of collecting unpaid accounts that are now in effect or that in the future may be established.

## ARTICLE 1.30 Payment Methods

The JBWD offers several methods for making payment including cash, checks and credit card payments. Customers may pay by check or credit card in person or may sign up for the Auto Pay service where the JBWD will automatically draft payment from the customer's checking/savings account or credit card account.

A payment drop box is located in the JBWD parking lot for use in dropping off checks during or after regular business hours. Cash should not be placed in the drop box. Payments are ordinarily picked up from the box once per day only and are posted to the accounts on the following business day. Payments are picked-up from the drop box at the end of the business on the payment due date. Payments dropped in the box after the end of business on the due date are considered delinquent. Payments are picked up from the drop box at the beginning of business on cut-off day. Payments for accounts subject to cut-off should not be dropped in the box after 7:00 am on cut-off day.

Payments must be received in the drop box by 5:00 on the payment due date in order to avoid delinquent charges.

Payments for accounts subject to disconnection should not be placed in the drop box after 7:00 am on the disconnect day.

Once payment has been received, JBWD does not refund any payment or overpayment until the account closes.

#### ARTICLE 1.31 Uncollected Payments

Customers who make payment that is eventually returned from the bank as uncollected will be charged a returned payment charge and other charges as appropriate. The second returned payment within a two-year period will result in customer being required to make all payments by cash or credit cards for two years. After two years of good payment history including no more than two late payments and no lock-offs, customer may request to be removed from the cash-only status.

#### ARTICLE 1.32 Tag/Letter Fee

The JBWD charges a fee whenever we are required to prepare or deliver a letter or tag, whether by mail or personal delivery. Letters and tags are used in situations such as for impending lock-off, returned checks and payment arrangements.

#### ARTICLE 1.33 Meter Accuracy

All meters shall be tested prior to installation and no meter shall be installed that registers greater than the following variance of actual water passing through the meter and tested by the JBWD or an independent third party that uses the American Water Works Association (AWWA) meter flow standards:

- 95% to 101% at low flow
- 98.5% to 101.5% at moderate flow
- 98.5 to 101.5 at high flow

The test, performed in accordance with AWWA standards, must result in accuracy at all three different water flows. The same standard shall be acceptable for existing meters. Any customer has the right to have his meter examined and tested at any time upon completion of the Meter Test Form. The Meter Test Form requires customer to commit to payment of the meter test fee and an adjustment to their water account for any discrepancy identified in the meter performance, either over or under-recording, if the meter fails. Any charges resulting from the meter test will be added to the customer's account and will be subject to collection pursuant to Article 1.24. If the meter does not meet the AWWA meter flow standards at all three water flows, the meter failed. If tested at the JBWD facilities, the customer may request to be present during the test.

The JBWD may from time to time or as a matter of policy, institute a periodic meter testing program. The JBWD reserves the right to test any customer's meter at any time without notification and without charge to the customer.

#### ARTICLE 1.34 Meter Flow Limits

A customer shall not increase the flow through the meter beyond the flow rate limit corresponding to the meter size as set forth in Article 2.



#### ARTICLE 1.35 Measurement and Control of Water Delivered

Each meter has an attached valve for exclusive use of JBWD. The JBWD-side valve located closest to the mainline or streetside, is for the exclusive use of JBWD in controlling the water supply through the customer's service, and it shall not be used by the customer. A customer's service valve is provided for the customer's use. The customer's service valve is typically a lever style valve, is situated in the meter box closest to the customer's house and also has the ability to be locked by the customer.

#### ARTICLE 1.36 Meter Damage

If any portion of the meter is damaged by the customer's unauthorized use to such an extent that it requires repair or replacement, such repair or replacement shall be done by the JBWD, and the customer or property owner, as noted below, will be billed for all costs including JBWD labor associated with the repair or replacement.

*a. Payment for Damaged Meters for Accounts in the name of the Property Owner*

If the account holder of the damaged meter is the property owner, the service will not be restored until the damage is paid. If service was not interrupted as a result of the damage, the charge will be placed against the account for collection through the normal account billing procedures. If the damage remains unpaid by the account holder-property owner, a lien will be placed against the property with the county recorder.

*b. Damaged Meters for Accounts in the name of Non-Property Owners*

If the account holder of the damaged meter is not the property owner, water will not be restored until payment has been received. If service has not been interrupted, charges for the damage will be placed against the account for collection through the normal account billing procedures. The property owner will be notified with seven (7) days that the damage has occurred and that future service will not be provided to the property until the damage is paid. New applicants for service at an address where unpaid damage exists and the property owner has been notified will be denied service until the damage is paid.

#### ARTICLE 1.37 Change in Service Facility

The JBWD or a customer may initiate a change in the size, character of use, or location of customer service installation, or any part thereof. If initiated by the customer, the customer shall complete the applicable portions of Application for New Customer's Service Facility. The JBWD will examine the customer's service facility size criteria as set forth in Article 2.3.

The JBWD also reserves the right to examine, in detail, the water use activities of any customer at any time.

If the JBWD determines that a customer's water use exceeds the flow limits of the meter for an average over three billing cycles, the JBWD may upon notification to the customer remove the existing meter and replace it with one of the proper size; whereupon, the customer shall pay the incremental difference in cost associated with the new meter size.

In no case will a meter of greater size than the size of the customer's service facility be installed. If the customer requests a meter larger than his service facility, and the customer is willing to pay the cost to replace his service facility to support the larger meter size, the JBWD will honor the

customer's request. No credit will be allowed against the replacement cost for the existing facility.

**ARTICLE 1.38 Parcel Divided Subsequent to Initial Installation of Customer Service Facility**

It is the responsibility of the parcel owner to notify the JBWD of a proposed parcel split and comply with the JBWD Rules and Regulations.

The JBWD has final approval of the location of water facilities on the parcels that are split and a line extension may be required as a condition of a parcel split for additional water service facilities. When parcels are split, the water meter will belong to and stay with the parcel where it is physically situated. New water meter(s) will have to be purchased for the other parcel(s), where there is no longer a water meter located, including payment of associated charges such as capacity fees.

**ARTICLE 1.39 Tampering With the JBWD Water System**

No person other than an employee, operating within the scope of his duties is authorized to operate or otherwise interfere with operation of the water system. Any person caught in the act of tampering with the operation of the water system will face criminal prosecution.

**ARTICLE 1.40 Water Use Without Permit**

A person using water from any customer service facility without having made application for and been approved for water service by the JBWD shall be held liable for payment for the water delivered from the date of the last recorded meter reading. If water use has been detected, but the meter is not operating, the quantity consumed shall be determined as outlined in Article 1.22. Billing Adjustments for Meter Error. The home owner or occupant shall be responsible for the water bill. In addition, the person using water in this manner may (see 1. 39) also face criminal prosecution depending upon the circumstances of the situation.

## **EXHIBIT B**

### **ARTICLE 2.9 Change in Customer Service Facility Location**

If a customer requests that his service facility be moved, the move will be done by JBWD, and the customer will pay all costs of the relocate and the customer will be responsible to relocate their own water line to the new service facility. Customer services located within fenced areas will be relocated by JBWD and all expenses will be paid for by the customer, or the customer may be required to relocate such fence at JBWD's discretion. JBWD will not be responsible for reconnecting customer service line.

### **ARTICLE 2.10 JBWD Right to Ingress and Egress on Customer Premises**

JBWD shall have the right to ingress and egress upon the customer's premises for any purpose in connection with the furnishing of water service during normal business hours or anytime during an emergency. Failure to give access to JBWD for meter reading may be grounds for discontinuous of service to the parcel. The parcel owner may choose to pay for remote meter reading equipment.

### **ARTICLE 2.11 JBWD Right of Access to Water System Facilities Within Easements on Private Parcel**

All water system facilities installed within easements on private parcel shall remain the parcel of JBWD and shall be operated, maintained, repaired, or replaced by JBWD without the necessity of consent of the owner of the parcel. The parcel owner shall use reasonable care in the protection of JBWD facilities, and at no time will interfere with JBWD in maintaining such facilities:

The Parcel owner will not impair JBWD's capability of entering personnel and equipment for the purpose of operating, maintaining, repairing, or replacing facilities or reading meters on customer service facilities attached thereto. JBWD will have the right, without notice, to clear such obstructions and the person causing such obstruction will not be compensated by JBWD for the loss, damage or replacement of such obstruction.

JOSHUA BASIN WATER DISTRICT  
MEETING AGENDA REPORT

Meeting of the Board of Directors

February 5, 2014

Report to: Board of Directors

Prepared by: Susan Greer on behalf of the Finance Committee



TOPIC:

CHANGE FINANCIAL REPORTING FREQUENCY TO QUARTERLY OR AS-NEEDED

RECOMMENDATION:

Finance Committee recommends quarterly financial reporting frequency or as-needed

ANALYSIS:

The District's financial reporting changes over time at the request of the Board. We have prepared 20-50+ pages of various financial reports each month, depending on Board direction, for many years. What has never changed is the frequency of the reporting, always monthly. The Finance Committee, President Fuller and Director Johnson, recommend that the considerable effort involved in generating a monthly financial report is effort that could better be utilized elsewhere. Financial reporting responsibilities fall on the highest-level employees in the Finance Department.

Less frequent reporting is recommended for several reasons.

The effort involved in the monthly financial reporting is considerable and we have no monthly budget to compare it to. The beginning of the fiscal year, especially, is problematic, showing very low expenses due to invoices being accrued into the previous fiscal year. That creates the appearance of very low expenses and a "good job" by Staff when it is really only a timing issue. Another confusing example are periodic payments like debt service which are made either once (principle) or twice (interest) per year. It is confusing and potentially misleading to see that 100% of the budget has already been expended as of September, only three months into the fiscal year. That has the appearance that we are over budget when percentage of completion as of September should be 25%, when in fact, we are exactly where we should be and there will be no more cost for the remainder of the year.

Another consideration for less-frequent financial reporting is especially apparent at the beginning of the fiscal year. Standby and other taxes, approximately 40% of our annual revenues, are not recorded until at least September or October, sometimes later depending on the County. Meanwhile, expenses are still incurred as normal, creating an appearance that expenses are far-outpacing revenues. That is true for a time and all part of the plan, but only looks odd for the first few months until the tax revenues are recorded. Again, with no monthly budget, it is misleading. The District's expenses and revenues are not evenly spaced throughout the 12-month fiscal year creating difficulty in interpreting results.

Financial reporting has taken many forms over the years. Everything from over 50-pages of various system and manually-generated reports to a few pages of information in addition to the check register.

There is no ‘right answer’ here, the decision is the Board’s entirely—based on what you need in order to meet your fiduciary responsibility.

Staff’s perspective is that many Directors and members of the public see the check audit report as the most meaningful of the financial reports provided. Few questions about the financial report are ever received while questions about the check audit report are common. The Committee recommends that we continue to distribute the check register every month before review by the Finance Committee so that information is not delayed. In addition, the Committee also recommends that the cash analysis, showing the amount of money in the bank, continue to be distributed monthly. Both the check register and the cash analysis are easily system-generated without much effort.

The JBWD Administration Code, Section 4.04.04 includes the requirement for monthly financial reporting. It does not specify what that means, and it has meant a lot of different things over the years based on Board requirements. That Section could be changed if further clarification is wanted or could probably be left as-is.

It is not uncommon for agencies to produce quarterly financials and locally, Hi Desert Water District does so. Mojave Water Agency reports monthly to their Finance Committee and quarterly to their Board of Directors.

The Finance Committee recommends changing the reporting frequency with the caveat that additional financial reporting may be requested by the Board, on an as-needed basis. And, it goes without saying, that it is the responsibility of the District Staff to inform the Board on a timely basis of any issues, irregularities or concerns related to the District’s finances that the Board should know about.

If the Board authorizes the transition to quarterly financials, we would complete the December financial and then transition to quarterly reporting, beginning in March.

**STRATEGIC PLAN ITEM:**

4.3.3 Develop New Reporting to Board.

**FISCAL IMPACT:**

The transition from monthly to quarterly financial reporting will save an estimated 80 hours per year—two work weeks—for the Finance Department, equivalent to nearly \$3,000.