

## Bighorn-Desert View Water Agency

### Board of Directors

Michael McBride, President  
Judy Corl-Lorono, Vice President  
Terry Burkhart, Secretary  
J. Dennis Staley, Director  
J. Larry Coulombe, Director

Marina D West, PG, General Manager



A Public Agency

### Agency Office

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## BOARD OF DIRECTORS' REGULAR MEETING AGENDA

BOARD MEETING OFFICE  
1720 N. Cherokee Trail, Landers, CA 92285  
Tuesday, January 28, 2014 - 6:00 p.m.

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. APPROVAL OF AGENDA

**DISCUSSION AND ACTION ITEMS** - The Board of Directors and Staff will discuss the following items, and the Board will consider taking action, if so inclined.

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

When giving your public comment, please have your information prepared, if you wish to be identified for the record then please state your name. Due to time constraints, each member of the public will be allotted three-minutes to provide their public comment.

### 5. CSA 70/W-1 REORGANIZATION

Board considers taking the following action(s) by roll call vote:

1. Authorize staff to initiate an application for the dissolution of County Service Area 70/Zone W-1 (Goat Mountain/Landers); and
2. Establish an initial project budget of \$41,000 from unrestricted reserves for expenses outlined in the staff report; and
3. Authorize execution of Agreement with Stanley R. Hoffman, Associates in the amount of \$9,500 plus a 10% contingency.

**6. BOARD TO APPOINT A PRESIDENT**

The Board of Directors to select a Director to be appointed President by a majority roll call vote.

**7. BOARD TO APPOINT A VICE PRESIDENT**

The Board of Directors to select a Director to be appointed Vice President by a majority roll call vote.

**8. BOARD TO APPOINT A SECRETARY**

The Board of Directors to select a Director to be appointed Secretary by a majority roll call vote.

**9. BOARD TO APPOINT A DISTRICT ENGINEER**

The Board of Directors to select a Director to be appointed District Engineer by a majority roll call vote.

**10. SCHEDULING OF BOARD WORKSHOP FOR FEBRUARY 2014**

Board considers taking the following action(s):

1. Board to set date for a workshop to discuss future goals and objectives for 2014.

**11. DISBURSEMENTS OCTOBER, NOVEMBER AND DECEMBER 2013**

Recommended Action:

Ratify Check Register (payment of bills) for October, November and December 2013.

**12. CONSENT ITEMS –** The following items are expected to be routine and non-controversial and will be acted on by the Board at one time without discussion, unless a member of the Public or member of the Board requests that the item be held for discussion or further action.

a. Financial Statements October, November and December 2013

1. Balance Sheet
2. Statement of Revenue and Expense
3. General Account (Union Bank)
4. Disbursements
5. Local Agency Investment Fund Balance Timeline

b. Service Order Report, November and December 2013

c. Production Report, November and December 2013

d. Special Board Meeting Minutes, November 19, 2013

e. Authorize staff execute a purchase order with Nelson Heating and Air in accordance with their proposal dated December 16, 2013 in an amount not to exceed \$7,900.

Recommended Action:

Approve as presented (Items a - e):

**13. MATTERS REMOVED FROM CONSENT ITEMS**

**14. PUBLIC COMMENT PERIOD**

Any person may address the Board on any matter within the Agency's jurisdiction on items not appearing on this agenda.

When giving your public comment, please have your information prepared. If you wish to be identified for the record then please state your name. Due to time constraints, each

member of the public will be allotted three-minutes to provide their public comment. State Law prohibits the Board of Directors from discussing or taking action on items not included on the agenda.

**15. VERBAL REPORTS - Including Reports on Courses/Conferences/Meetings.**

- a. GENERAL MANAGER'S REPORT
- b. DIRECTORS' REPORT
- c. PRESIDENT'S REPORT

**16. COMMUNICATION AND INFORMATION ITEMS**

**17. FUTURE AGENDA ITEMS**

**18. ADJOURNMENT**

In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted in the main lobby of the Bighorn-Desert View Water Agency, 622 S. Jemez Trail, Yucca Valley, CA not less than 72 hours if prior to a Regular meeting, date and time above; or in accordance with California Government Code Section 54956 this agenda has been posted not less than 24 hours if prior to a Special meeting, date and time above.

As a general rule, agenda reports or other written documentation has been prepared or organized with respect to each item of business listed on the agenda.

Copies of these materials and other discloseable public records in connection with an open session agenda item, are also on file with and available for inspection at the Office of the Agency Secretary, 622 S. Jemez Trail, Yucca Valley, California, during regular business hours, 8:00 A.M. to 4:30 P.M., Monday through Friday. If such writings are distributed to members of the Board of Directors on the day of a Board meeting, the writings will be available at the entrance to the Board of Directors meeting room at the Bighorn-Desert View Water Agency.

Internet: Once uploaded, agenda materials can also be viewed at [www.bdvwa.org](http://www.bdvwa.org).

Public Comments: You may wish to submit your comments in writing to assure that you are able to express yourself adequately.

Per Government Code Section 54954.2, any person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in the meeting, should contact the Board's Secretary at 760-364-2315 during Agency business hours.

## AGENDA ITEM # 5

**BIGHORN-DESERT VIEW WATER AGENCY  
AGENDA ITEM SUBMITTAL**

**Meeting Date:** January 28, 2014

**To:** Board of Directors

**Budgeted:** No

**Budgeted Amount:** N/A

**Cost:** \$41,000

**From:** Marina D. West

**General Counsel Approval:** Consulted

**CEQA Compliance:** LAFCO files CEQA as the Lead Agency

**Subject:** Initiation of Proceedings to Dissolve County Service Area 70/Zone W-1 (Goat Mountain/Landers) and Annexation into Bighorn-Desert View Water Agency

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**SUMMARY**

On December 19, 2013, the board received a request from citizens of County Service Area 70/Zone W-1 (Goat Mountain/Landers) to take action to annex Zone W-1 (W1) into the Bighorn-Desert View Water Agency service area.

The board directed staff to report back at the January 28, 2014 meeting regarding the parameters and costs to annex W1. To that end staff has prepared the attached report in response to the Board's request.

Staff concludes that annexation of W1 into BDVWA is feasible and advantageous to both BDVWA and W1. The cost to proceed has been estimated at \$41,000. The timeline to complete the process has been estimated at 8 to 12 months based on the statutory actions and timelines that are part of the process involving action by both the Local Area Formation Commission (LAFCO) for the dissolution and annexation and the County of San Bernardino Board of Supervisors for actions related to property tax assessments that would ultimately transfer to BDVWA upon completion.

**RECOMMENDATION**

That the Board considers taking the follow action(s):

1. Authorize staff to initiate an application for the dissolution of County Service Area 70/Zone W-1 (Goat Mountain/Landers); and
2. Establish an initial project budget of \$41,000 from unrestricted reserves for expenses outlined in the staff report; and
3. Authorize execution of Agreement with Stanley R. Hoffman, Associates in the amount of \$9,500 plus a 10% contingency.

**BACKGROUND/ANALYSIS**

In addition to the attached report the W-1 Reorganization Ad Hoc Committee recommends the Board execute the attached agreement with Stanley R. Hoffman Associates to assist staff in the preparation of the application and to coordinate with staff on the various requirements of the application process. The Ad Hoc Committee and staff are recommending this "sole source" contract with Mr. Stanley Hoffman based on strong recommendations from the Helendale Community Services District due to his reputation and experience with San Bernardino LAFCO in processing such requests. The proposed cost for Mr. Hoffman's services is \$9,500. Staff requests a budget contingency of approximately 10% to cover any expenses associated with meetings not contemplated in the proposal but which may be necessary. The proposed project budget already includes this contract and contract contingency.

#### **PRIOR RELEVANT BOARD ACTION(S)**

**12/19/2013 Motion No. 13-079** directing staff to investigate and accumulate information to bring back to the Board regarding a possible "merger" with CSA 70/Zone W-1 (Goat Mountain/Landers).

**2/11/2013 Board Strategic Planning Workshop** which identifies consolidation with W-1 as a Board objective.

**2/10/2012 Board Strategic Planning Workshop** which identifies consolidation with W-1 as a Board objective.

## **Proposal**

Should Bighorn-Desert View Water Agency (BDVWA) to take action to dissolve County Service Area 70/Zone W-1 Goat Mountain/Landers (W1) and annex the territory into BDVWA?

## **Executive Summary**

County Service Area 70/Zone W-1 – Goat Mountain/Landers (W1) supplies water to approximately 9 square miles of unincorporated, rural parcels generally due east of Yucca Mesa Road and Reche Road and therefore immediately adjacent to BDVWA (Figure 1). These services are managed by the staff of the County of San Bernardino Special Districts Department (SDD).

Sixty (60) informal petitions have been received from citizens of W-1 requesting BDVWA to become their service provider by initiating actions to dissolve W1 and annex the territory into BDVWA. Following distribution of a newsletter announcing the January 28, 2014 Board of Directors meeting a total of 9 phone calls (1 “no” response, 8 “yes” responses) and 10 emails (1 “no” response, 1 “unsure” response and 8 “yes” responses) were received.

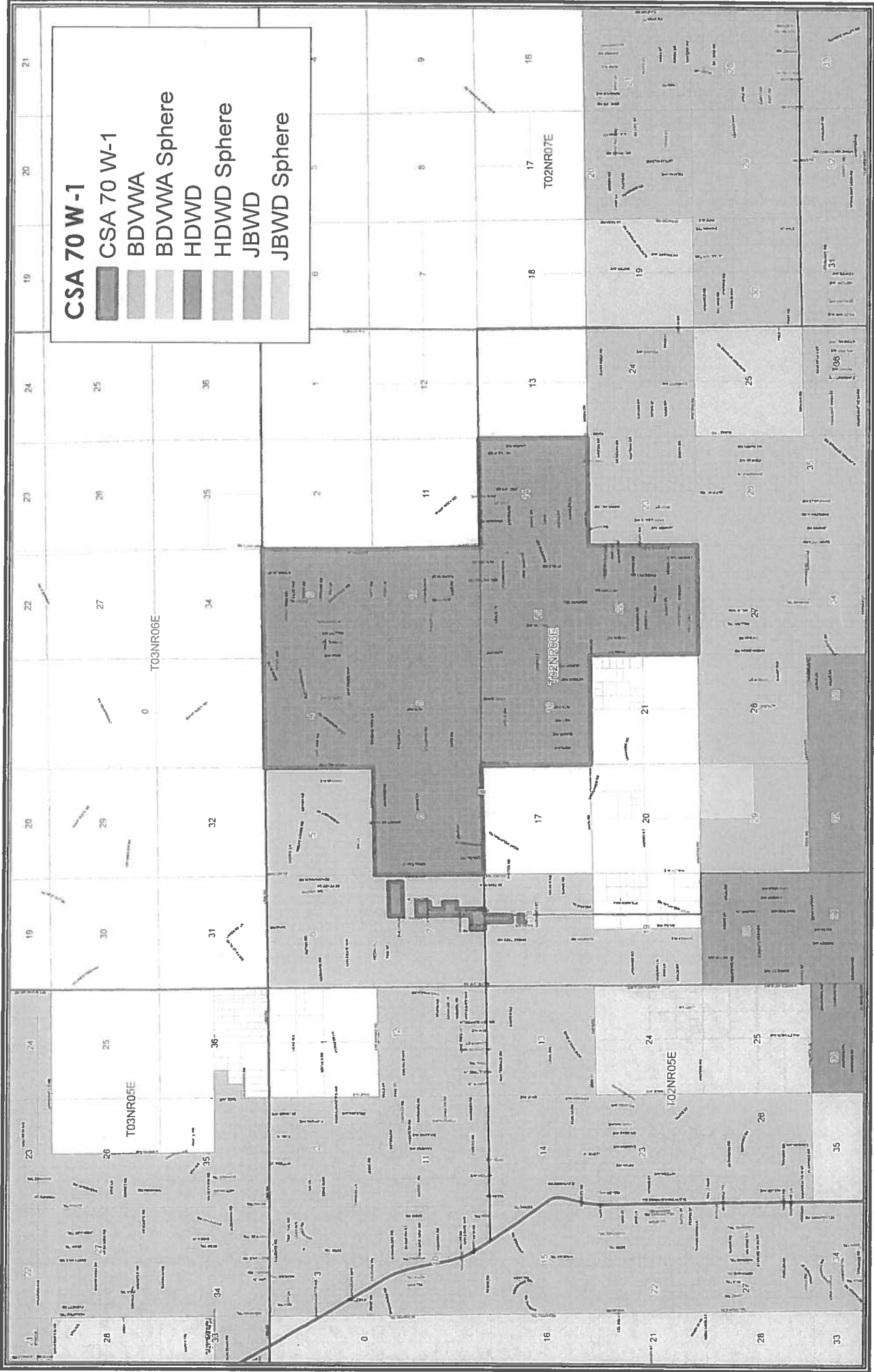
On December 19, 2013, the Board of Directors directed staff to evaluate the parameters of annexation. To that end, staff has prepared this report which outlines the procedures, costs, water system operational budget, W1 water system deficiencies and remedies, miscellaneous equipment needs and other relevant information necessary for the Board of Directors to provide direction to staff on whether or not to lead the dissolution and annexation proceedings.

While the citizens of W1 have the authority to initiate to the process, LAFCO staff concurs that initiation by BDVWA is the most streamlined approach to dissolution/annexation.

The information supports staff’s conclusion that BDVWA can provide a cost effective solution to the citizens of W1 while providing operational flexibility and rate stability to our own customers.

The timeline to complete this process, considering the various statutory notification periods and public meetings at BDVWA, LAFCO and the County of San Bernardino Board of Supervisors, is a minimum of 8 to 12 months.

Figure 1





## **Background**

The Board of Directors first indicated a formal interest in reorganization (ie. annexation) with County Service Area 70/Zone W-1 Landers/Goat Mountain (W1) operated by the County Special Districts Department (SDD) at a formal Goal Setting Workshop held February 10, 2012. By mid-2012, the Local Agency Formation Commission (LAFCO) had expanded the Sphere of Influence (SOI) of BDVWA to include the W1 service area. About the same time, staff received a series of questions from a W1 customer regarding operations and maintenance of BDVWA and associated costs. By July 2012, W1 had raised water rates and the cost between the two entities began to deviate.

At the February 11, 2013 Board Workshop the board unanimously reiterated its goal of evaluating the reorganization. By July 2013, W1 basic monthly rates and water charges were raised again by about 20% with all W1 charges surpassing all BDVWA charges (Table 1 and 2). During the notification period for the 2013 rate increase W1 ratepayers assembled approximately 170 signatures against the rate increase (per. comm., M. Lipsitz, Jan. 2014). The number of protests was insufficient to halt the rate increase and a request for an extension was denied by the County of San Bernardino Board of Supervisors (BOS). During the June 4, 2013 Public Hearing on the rate increase SDD Director Rigney commented that this was the beginning of a three (3) year rate increase plan with the goal of building a reserve fund which would enable "system replacement" every 20 to 30 years.

The rate increase was effective July 18, 2013 but customers were subsequently billed from July 1, 2013. This led to additional distrust of the administrative performance of the Special Districts Department.

Not long after the W1 rate increase was approved, a "citizen's task force" of approximately ten (10) W1 customers assembled to begin more serious inquiries about a merger with BDVWA. Staff advised that in order for the BDVWA Board of Directors to proceed they would need some sort of assurance that there was widespread support for reorganization. At the Board of Directors Special Meeting of November 19, 2013 the "citizen's task force" submitted approximately 70 new signatures specifically in favor of a merger. Following discussion, the Board voted 5/0 in favor of staff providing more information regarding procedures and costs to pursue annexation of W1 into BDVWA (ie. merger). The Board requested this information be presented at the January 28, 2014 meeting of the full board.

In preparation for the January 28, 2014 meeting the W-1 Reorganization Ad Hoc Committee and staff accomplished the following:

# Table 1

Time Period	Rate History for CSA 70/W-1 Goat Mountain/Landers				
	Monthly Service		HCF rate (lowest tier < HCF rate (highest tier		
	Charge (3/4" meter)	(1" meter)	15 HCF/Mo))	>40 HCF/Mo)	Percent increase
Jul 2013 to Jun 2014	29.36	48.93	4.77	6.31	20%
Jul 2012 to Jun 2013	24.59	35.66	3.98	5.71	3%
Jul 2011 to Jun 2012	23.87	34.62	3.87	5.54	3%
Jul 2010 to Jun 2011	23.17	33.61	3.76	5.38	6%
Jul 2009 to Jun 2010	21.86	31.71	3.55	5.08	4%
Jul 2008 to Jun 2009	21.02	30.49	3.41	4.88	2.5%
Jul 2007 to Jun 2008	20.5	29.74	3.32	4.76	3%
Jul 2006 to Jun 2007	19.9	28.87	3.22	4.53	3%
Jul 2005 to Jun 2006	19.32	28.02	3.12	4.39	3%
Jul 2004 to Jun 2005	18.75	?	3.02	?	9%
Jul 2003 to Jun 2004	17.2	24.95	2.77	3.9	9.5%
Jul 2002 to Jun 2003	16.25	23.1	2.45	3.4	24%
Jul 2001 to Jun 2002	13.65	?	1.9	?	

Source: Prop. 218 Notice to Property Owners: Proposed Rate Actions by  
County of San Bernardino, Special Districts Department,  
Water/Sanitation Division, County Service Area 70  
Improvement Zone W-1 (Goat Mountain/Landers)

Table 2

Bighorn-Desert View Water Agency  
Comprehensive Annual Financial Report  
Fiscal Year End June 30, 2013

WATER RATES  
LAST TEN FISCAL YEARS

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>BIGHORN MOUNTAINS</b>										
<b>Accounts 01-06</b>										
Consumption Rate	\$4.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Basic Service Charge	\$17.72	\$20.00	\$20.00	\$20.00	\$20.00	\$27.50	\$27.50	\$27.50	\$27.50	\$27.50
<b>DESERT VIEW</b>										
<b>Accounts 07-11</b>										
Consumption Rate	\$4.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Basic Service Charge	\$17.72	\$20.00	\$20.00	\$20.00	\$20.00	\$27.50	\$27.50	\$27.50	\$27.50	\$27.50
FMHA	\$4.65	\$4.65	\$4.65	\$4.65	\$4.65	\$4.65	\$4.65	\$4.65	\$4.65	\$4.65
<b>Accounts 30-33 (BULK HAULING)</b>										
Consumption Rate	\$4.00	\$3.00	\$3.00	\$7.00	\$7.00	\$7.00	\$8.50	\$8.50	\$8.50	\$8.50
Basic Service Charge	\$13.62	\$20.00	\$20.00	None	None	None	None	None	None	None

"Basic Rate" is montly fixed basic service charge regardless of water consumption.

"Usage Rate" is rate imposed per 100 cubic feet metered Agency bills customers bi-monthly.

Basic Service Charge and Consumption Rate changes are subject to California Constitution limitations (aka: Proposition 218)

- Met with representative of the Helendale Community Services District to discuss their transition from a County Service Area (water, sewer, parks, etc.) to an independently governed Community Services District.
- Met with W1 citizen's task force and staff from the Local Agency Formation Commission (LAFCO) to discuss procedures for dissolution of W1 and annexation into BDVWA.
- Community Outreach:
  - Distributed a newsletter to all property owners and registered voters of W1 notifying them of the January 28, 2014 BDVWA Board Meeting and requesting their input on the concept of a merger.
  - Newsletters were also mailed between the 2012 BDVWA Municipal Sphere Review/ Sphere of Influence review completed by LAFCO and December 2013 to communicate the concept of a merger to the citizens of W1.
  - Maintained frequent communication with members of the citizen's task force.
- Distributed a newsletter to all BDVWA customers notifying them of the January 28, 2014 BDVWA Board Meeting and requesting their input on the concept of a merger.
- Obtained information from the California Department of Public Health regarding operations and maintenance of W1.
- Met with representatives of Third District Supervisor James Ramos to keep them apprised of the status of BDVWA's progress in fulfilling the citizen's request.

## **Advantages and Disadvantages**

According to the California Rural Water Association there are several benefits to consolidation:

- Improve system reliability
- Consolidation of assets
- Increasing the number of service connections (spreading overhead across a broader customer base)
- Potential increase in system income
- Improved credit status
- Potential cost savings

For customers of W1 the merger results in a number of positive benefits to the community:

- **Local Control:** Citizens would enjoy a governance structure comprised of elected officials that reside within the boundaries of the new entity. Our Board meetings are held locally within the community. Our Board agendas focus solely on the provision of water service within the boundaries of its service area.
- **More Oversight:** Citizens will have direct access to the governance of BDVWA operations via access to agendas, meetings, detailed budgets and detailed audits. They have the ability to keep a closer watch on expenditures and activities of the Board of Directors. They do not have this transparency with the Special Districts Department simply due to its size and governance structure. For instance, SDD spending authority is \$100,000 (Co.SB Policy No. 11-04) while BDVWA staff must get permission for unique expenditures that exceed \$1,500 (BDVWA 04P-02).
- **Local Access:** The business office for BDVWA is located within the community making it more accessible for customers to pay their bill, ask questions, and execute information requests.
- **Operational Efficiencies:** Following consolidation, BDVWA staff will be 100% dedicated staff to servicing the territory of BDVWA. Equipment and resources that will not be “shared” or re-directed to other zones.
  - With operational efficiencies comes cost savings for all customers through the concept of “economies of scale”. In this case, the cost advantages are gained by increasing the number of customers contributing to operations and maintenance while maintaining other overhead costs. For instance, rather than two governing boards, there will be only one. Rather than two separate transactions to a vendor for the same item, such as fuel or field materials, there will

still be one transaction just of a larger total sum. Overhead is another area where cost savings will be achieved as insurance, electricity/propane for buildings, and legal fees are not necessarily increasing but are being spread across a broader customer base.

- **Cost Savings:** It is proposed that rates and charges for W1 customers be adjusted to the current BDVWA rates. This is an immediate savings of 6% (3/4-in meter) to 44% (1-in meter) on the Basic Service Charge and 37% (tier 1) to 52% (tier 3) on the water consumption charge.
- **Transaction Time:** The consolidated agency would be significantly smaller than the whole of the Special Districts Department which should result in increased response time as the phone and transaction traffic should be decreased.

For BDVWA customers, the benefits of a merger are as follows:

- **Operational Efficiencies:** The consolidation will require the addition of some staff which will result in more flexibility for the whole Agency in allocating resources day-to-day especially during emergencies.
- **Cost Savings:** Overhead costs will be distributed across a larger customer base keeping rates and charges stable than without the additional customer base.
- **Stability/Unification:** Enlarging the territory of the Agency may fend-off a takeover from a larger water agency. The communities of Landers, Flamingo Heights and Johnson Valley would be unified under BDVWA.
- **No pension liability for existing SDD employees.** SDD reports that W1 has zero employees. W1 is simply charged a fee for the labor resources allocated to it on a day-to-day basis.

#### Disadvantages

The California Rural Water Association does not identify any disadvantages of mergers.

For W1 customers, the disadvantages of a proposed merger could be:

- **Change in service provider** usually means changes in procedure and communications and for a short period of time may cause confusion and frustration.

- It is possible that some customers of W1 would not approve of a merger. If the merger is successful then these customers may have negative feelings towards it.

For BDVWA customers, the disadvantages of a merger are as follows:

- Response Time: A larger agency may take more time to respond to customer inquiries as phone and transaction traffic will increase.
- Failure to succeed: Process could fail by a majority vote of the LAFCO Commission or by a 50%+1 protest vote of the registered voters OR property owners.

## Initiation of Procedures/Application

BDVWA staff and members of the Lander's Citizens Task Force met with staff of the Local Agency Formation Commission (LAFCO) to announce their desire to move forward with BDVWA and to discuss how to proceed.

LAFCO staff suggested that the best approach might be for BDVWA to initiate proceedings for annexation. BDVWA staff and the citizens agreed for both financial and technical reasons.

In order to proceed with dissolution of W1 and annexation into BDVWA the following is required:

1. Initiation: A proposal may be initiated by a resolution adopted by the governing body of any related public body (e.g. special district). The proposal must be submitted on the appropriate LAFCO forms along with the applicable number of maps, legal descriptions and filing fees to cover the proposal submitted.

The proposal breakdown of the LAFCO requirements is based on the following assumptions:

- a. Forms:
  - i. Application and preliminary environmental description form
  - ii. Annexation, detachment, reorganization supplement
    1. Plan for services, generally including
      - a. Level and range of each service to be provided
      - b. Indication of when the service can be feasibly extended
      - c. Fiscal Impact Analysis with minimum five-year projection of revenues and expenses.
      - d. Relationship of annexing territory to any existing or proposed improvement zone.
- b. One map and legal description for the W1 territory.
- c. Filing Fees



## Costs to Proceed with and Complete Annexation

Non-LAFCO Fees		
Staff Time (General Manager)	180 hours	
Education and Outreach	Inc. in current budget	
Professional Svs. (LAFCO Application) w/contingency	\$10,500	
Legal Description/Map	\$2,000	
Department of Public Health Permit - Change of Ownership	\$500	
LAFCO Fees		
Application Filing Fee	\$11,500	
Dissolution Fee (if applicable)	\$5,000	
Legal Counsel (Actual Cost)	\$1,150	minimum deposit
Environmental Review (Actual Cost) - If MND or EIR required then minimum deposit is \$20,000	\$450	minimum deposit
CAL Fish and Wildlife CEQA Filing Fee	\$3,150	Maximum fee minimum deposit
Individual Notices (Actual Cost)	\$700	
LAFCO Completion Fees and Charges		
Protest Proceeding (Actual Cost)	\$1,000	minimum deposit
Geographical Information Management System (GIMS) Processing	\$1,500	Maximum estimate
Certificate of Completion	\$3,500	
LAFCO Commission Workshop (if applicable)	Actual Cost	
<b>TOTAL</b>	<b>\$40,950</b>	

## **Annexation Protest Procedures**

If the Board of Directors pursues annexation of W1, the first step would be to complete an application and a Resolution to Initiation Proceedings and file them at LAFCO to formally initiate the request. Within 30 days of receiving a proposal, LAFCO staff determines that the application is either "incomplete" or "complete". If the application is deemed "complete" then LAFCO issues a certificate of filing and sets a date for a LAFCO hearing within 90 days. If the LAFCO Commission approves the application then within a few days of that action the formal protest procedures directed at land owners and registered voters will be executed. Generally speaking if less than 50% protest then annexation then it would be approved.

Staff has been informed that one of the required steps is for the County of San Bernardino Board of Supervisors to take action to reassign the property tax receipts from W1 to BDVWA.

The outline of the "Annexation Protest Procedures" is included herein as Appendix 1.

## **W1 Audit Summary 2008 to 2013**

Staff prepared Table 3 summarizing the financial reports for fiscal years 2008 through 2013 prepared for the SDD by an independent accounting firm.

Staff reviewed the audit summary with our auditor, Ken Al-Imam, who provided the following comments:

- Revenues for W1 are covering expenses however the coverage is narrowing over time.
- W1 has a cash reserve of approximately \$1.2M which would be transferred to BDVWA upon completion of annexation.
- There are no negative trends noted in the audits.

Table 3

Statement of Net Assets						
	2008	2009	2010	2011	2012	2013
ASSETS						
Current Assets					ENTERPRISE FUND	
Cash and cash Equivalents	973,682	1,038,982	1,073,700	1,077,407	1,085,736	1,205,750
Accounts receivable, net	4,841	72,969	77,921	92,795	92,943	70,143
Taxes receivable	289	6,451	7,939	3,863	1,406	
Interest receivable	10,274	5,261	3,398	2,314	4,992	3,552
Due from other governments		9,992			1,559	
special assessments receivable						
Total Current Assets	989,086	1,133,655	1,162,958	1,176,379	1,186,636	1,283,684
NonCurrent Assets						
Capital Assets:						
Land	3,500	3,500	3,500	3,500	3,500	3,500
Improvements to land	2,627,381	2,627,381	2,627,381	2,627,381	2,627,381	2,627,381
Structures and Improvments	109,058	109,058	109,058	109,058	109,058	109,058
Vehicles	45,515	45,515	45,515	82,936	82,936	82,936
Construction in Progress						439
Accumulated depreciation	(1,310,471)	(1,371,573)	(1,432,675)	(1,499,494)	(1,566,833)	(1,634,173)
Total Noncurrent Assets	1,474,983	1,413,881	1,352,779	1,323,381	1,256,042	1,189,141
TOTAL ASSETS	2,464,069	2,547,536	2,515,737	2,499,760	2,442,678	2,472,825
LIABILITIES						
Current Liabilities:						
Accounts payable		2,034		5,236		3,213
Accrued Interest payable	3,438	3,209	3,209	3,209	2,250	1,979
Due to other funds						424
Bonds payable	55,000	55,000	60,000	65,000	65,000	70,000
Due to Other governments		3,429	1,036	925		

Due to other funds						309	
Total Current Liabilities	58,438	63,672	64,245	74,370	67,559	75,616	
Noncurrent Liabilities:							
Bonds payable	720,000	665,000	605,000	540,000	475,000	405,000	
Total Noncurrent Liabilities	720,000	665,000	605,000	540,000	475,000	405,000	
TOTAL LIABILITIES	778,438	728,672	669,245	614,370	542,559	480,616	
NET ASSETS							
Invested in capital assets, net of related debt	699,983	693,881	687,779	718,381	716,042	714,141	
Unrestricted	985,648	1,124,983	1,158,713	1,167,009	1,184,077	1,278,068	
TOTAL NET ASSETS	1,685,631	1,818,864	1,846,492	1,885,390	1,900,119	1,992,209	

**Statement of Rev, Exp. & Change in Net Assets**

	2008	2009	2010	2011	2012	2013
<b>OPERATING REVENUES</b>						
Water sales	327,555	327,674	337,330	355,125	327,902	327,447
Connection Fees	14,349	9,925				
Other	1,829	1,413	196	537		
Total Operating Revenues	343,733	339,012	337,526	355,662	327,902	327,447
<b>OPERATING EXPENSES</b>						
Professional Services	11,826	17,325	7,612	6,960	7,172	2,173
Salaries and benefits	289,324	275,443	265,552	283,447	290,197	229,889
Services and supplies	140,132	64,194	111,090	119,031	105,047	117,504
Utilities	32,883	32,267	31,699	36,840	25,781	32,509
Depreciation	61,102	61,102	61,102	66,819	67,339	67,340
Other					1,090	1,614
Total Operating Expenses	535,267	450,331	477,055	513,097	496,626	451,029
Operating (Loss)	(191,534)	(111,319)	(139,529)	(157,435)	(168,724)	(123,582)
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment Earnings	49,487	35,732	13,062	9,503	4,845	15,148
Interest Expense	(41,250)	(38,521)	(36,000)	(33,250)	(29,291)	(26,729)
Property Taxes	83,130	114,433	105,573	119,195	120,773	124,414
Special Assessments	83,567	78,435	74,140	74,038	78,472	92,805
Other Taxes	11,704	10,029	1,343	1,273	297	282
State Assistance	2,074	2,301	2,205	3,101		
Penalties	9,405	8,175	8,947	14,690	8,123	6,767
Intergovernmental		22,000	(9,992)			
Gain on sale of Capital Assets				1,304		
Other	10,241	11,968	7,879	6,479	234	2,985
Total Nonoperating Revenues (Exp)	208,358	244,552	167,157	196,333	183,453	215,672
Change in Net Assets/Change in net position	16,824	133,233	27,628	38,898	14,729	92,090

Net Assets - beginning	1,668,807	1,685,631	1,818,864	1,846,492	1,885,390	1,900,119
Net Assets - ending	1,685,631	1,818,864	1,846,492	1,885,390	1,900,119	1,992,209

# Statement of Cash Flows

## CASH FLOWS FROM OPERATING ACTIVITIES

	2008	2009	2010	2011	2012	2013
Receipts from customers	353,887	260,892	342,566	340,788	327,754	350,247
Payments to suppliers	(184,841)	(108,323)	(154,828)	(157,706)	(144,942)	(150,472)
Payments to employees	(289,324)	(275,443)	(265,552)	(283,447)	(290,197)	(229,889)
Net Cash Provided by Operating Activities	(120,278)	(122,874)	(77,814)	(100,365)	(107,385)	(30,114)

## CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Property Taxes	92,158	108,271	104,085	123,271	123,077	125,973
Special Assessments	83,567	78,435	74,140	74,038	73,480	93,558
State assistance	2,074	2,301	2,205	3,101		
Penalties	9,405	8,175	8,947	14,690	8,123	6,767
Other Taxes	11,704	10,029	1,343	1,273	297	282
Intergovernmental		22,000	(9,992)			
Other Nonoperating revenues	10,241	11,968	7,879	6,479	234	2,985
Net Cash Provided by Noncapital Financing Activities	209,149	241,179	188,607	222,852	205,211	229,565

## CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of Capital assets				(37,421)		(439)
Principal paid on bonds	(50,000)	(55,000)	(55,000)	(60,000)	(65,000)	(65,000)
Interest paid on bonds	(41,250)	(38,750)	(36,000)	(33,250)	(30,250)	(27,000)
Net cash (Used for) Capital and Related Financing Activit	(91,250)	(93,750)	(91,000)	(130,671)	(95,250)	(92,439)

## CASH FLOWS FROM INVESTING ACTIVITIES

Investment Earnings	50,026	40,745	14,925	10,587	5,753	13,002
Gain on sale of capital asset				1,304		
Net Cash Provided by Investing Activities	50,026	40,745	14,925	11,891	5,753	13,002

## Net Increase/Decrease in Cash and Cash Equivalents

	47,647	65,300	34,718	3,707	8,329	120,014
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## Cash and Cash Equivalents - beginning of the year

	926,035	973,682	1,038,982	1,073,700	1,077,407	1,085,736
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## Cash and Cash Equivalents - end of the year

	973,682	1,038,982	1,073,700	1,077,407	1,085,736	1,205,750
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Reconciliation of operating (loss) to net cash (provided by) operating activities:

Operating (loss)	(191,534)	(111,319)	(139,529)	(157,435)	(168,724)	(123,582)
Adjustments to reconcile operating (loss) to net cash (provided by) operating activities:						
Depreciation Expense	61,102	61,102	61,102	66,819	67,339	67,340
Change in assets and liabilities:	10,154					22,800
Decrease in accounts receivable, net						
Increase in accounts receivable, net		(68,128)	(4,952)	(14,874)	(148)	
Increase in due from other governments		(9,992)				
increase in accounts payable		2,034		5,236		3,213
Increase in due to other governments		3,429				
Decrease in due from other governments			9,992	(111)		
Decrease in accounts payable			(2,034)		(5,236)	
Decrease in due to other governments			(2,393)		(925)	
Increase in due to other funds					309	115
Net Cash (Provided by) Operating Activities	(120,278)	(122,874)	(77,814)	(100,365)	(107,385)	(30,114)

## Proposed Budget for Operating W1

See Table 4 for the W1 budget prepared by staff.

### Budget Assumptions/Highlights:

- According to latest report submitted to the CA Department of Public Health (DPH) by SDD, W-1 had 647 meters (460 active and 187 inactive). BDVWA has approximately 1927 meters (1561 active and 366 inactive). Therefore, the W-1 system would increase the size of BDVWA by 34%.
- Debt Service: According to LAFCO, BDVWA would assume responsibility for the existing debt service. The balance of the debt is approximately \$405,000 and the debt will be retired in 2019. The annual principal and interest is approximately \$94,000. The debt service is essentially covered by the property tax assessments collected specifically for this purpose. BDVWA will assume responsibility for the remaining debt and will receive the tax assessments for this purpose.
- Expense Budget: A base expense budget was prepared initially assuming all line items will increase by 30% with other assumptions as follows:
  - Some expense line items would not result in a 30% increase in costs to BDVWA such as director costs, building maintenance, and consumables. Following further scrutiny, adjustments were made to some expense budget line items.
  - Some expense line items are anticipated to be greater than 30% such as labor, power, and fuel.
  - The expense budget assumes three full-time equivalent employees will be required to operate and manage the W1 system. The expense budget is very conservative in the cost of these employees. It assumes two field employees and one administrative employee. It further assumes these positions are paid at the top of the second tier per the BDVWA Employee Handbook Range and Step Scale. It also presumes eligibility in the BDVWA retirement program (CalPERS 3% at 60) and that each employee would exercise their right to the medical and dental benefits for at least three dependents.
- Revenue Budget: The revenue budget assumes that only 80% of the customers are paying the Basic Service Charge. It further assumes that W1 is billed for 80% of the water pumped. These are very conservative assumptions and exceed BDVWA's own experience.

- Standby revenues were obtained from the County Tax Assessors office.
- Delinquent water charges are assessed annually on the tax bill. Over the past five years the lien amount has been approximately \$25,000. The total amount of outstanding liens is currently unknown but estimated at less than \$100,000.

### Budget Summary

The proposed budget demonstrates that BDVWA could operate and maintain the W1 system utilizing up to three new full time employees based on rates and charges consistent with BDVWA's current fee structure. The budget further demonstrates that a revenue surplus would be generated annually which would be utilized for capital improvements (CIP) and replacement/refurbishment (RR) needs over time. CIP and RR assumptions are provided later in this report.

# Table 4

<u>SUMMARY</u>		
	W-1 Estimates	
	revenue	expenses
<b>REVENUE - OPERATING</b>	343,663	
<i>ADMINISTRATION EXPENSE</i>		162,236
<i>OPERATION EXPENSE</i>		209,582
<b>TOTAL REVENUE (NON-OPERATING)</b>	195,353	
<i>DEBT EXPENSE</i>	93,000	94,000
<b>CAPITAL IMPROVEMENT/ REPLACEMENT/REFURBISHMENT</b>		
<i>FY2013/2014 portion from BFC &amp; Meter Install (restricted)</i>		5,353
<b><i>Op. and non-Op Revenue Available to allocate (unrestricted)</i></b>		<b>67,845</b>
<b>Verification of Totals</b>	<b>632,016</b>	<b>539,016</b>
* MWA Debt Participation is funded by Operating Revenues		

### **REVENUE SUMMARY**

Description	Amount
OPERATING INCOME	
Metered Water Sales	159,063
Basic Service Charge	171,600
Other Operating Income	13,000
Interest Income Unrestricted	-
Grants and Funding Partners	-
* Subtotal	<b>343,663</b>
NON-OPERATING INCOME	
Stand-By Income	74,000
Debt Service	93,000
General Tax Income (1%)	23,000
Subtotal	<b>190,000</b>
NON-OPERATING INCOME - New Services	
Meter Connect Fees (SL Install Fees)	1,255
Basic Facilities Charge (Buy In)	4,098
Subtotal	<b>5,353</b>
<b>Total Revenue</b>	<b>539,016</b>

		<b><u>ADMINISTRATIVE EXPENSE</u></b>	2013-2014
<b>Account</b>		<b>Description</b>	<b>Amount</b>
56001		Directors Fees	3,700
56002		Director Meeting Expense	-
56002	01	Director 1	-
56002	02	Director 2	-
56002	03	Director 3	-
56002	04	Director 4	-
56002	05	Director 5	-
56003		Administrative Compensation	45,240
56005		Administrative Meeting Expenses	1,000
56006		Contractual Services- Auditor	8,884
56007		Contractual Services- Legal	5,000
56008		PERS	5,600
56009		Payroll Tax	2,919
56011		Telephone & Fax	-
56012		Mailing Expenses	-
56014		Contractual Services- Other	3,500
56016		Property/Liability Insurance	8,048
56017		Workers Comp. Insurance	3,000
56018		Dues & Subscriptions	2,876
56020		Power- Office & Yards	1,556
56022		Bad Debt Expense	348
56025		Propane	-
56030		Office Supplies	500
56100		Employee Benefits Insurance	66,000
56110		Employee Education	945
56200		Office Equipment Expense	-
56300		Customer Relations	1,988
56400		Other Administrative Expenses	-
58100		Elections Costs	1,132
		<b>Total Administrative Expense</b>	<b>162,236</b>

2013-2014

**OPERATIONS EXPENSE**

<b>Account</b>	<b>Description</b>	<b>Amount</b>
54102	Operations Compensation	105,000
54103	Uniforms	757
54105	Auto Controls	778
54106	Vehicle/Tractor/Equip Expense	3,185
54107	Vehicle Expense- Fuel	6,679
54109	Field Materials and Supplies	12,500
54111	Water Testing	1,688
54112	Contractual Services- Engineering	27,500
54114	Water System Repairs	12,500
54115	Building Maintenance/Repair	1,000
54117	Ames Basin Monitoring	-
54119	Communications Expense	859
54121	Disinfection Expense	1,636
54125	Power- Wells/Booster Pumps	32,000
54130	Other Operations Expense	3,500
55001	Bulk Pumping Plant Expense	-
55002	Bulk Operations and Maintenance	-
	<b>Total Operations Expense</b>	<b>209,582</b>

**DEBT EXPENSE**

<b>Account</b>	<b>Description</b>	<b>Payment Amount</b>	<b>Paid from Revenue</b>	<b>Paid from LAIF</b>
	W1 Debt Service P/I	94,000	93,000	-
				-
				-
				-
				-
	<b>Total Debt Expense</b>	<b>94,000</b>	<b>93,000</b>	

\*Assumes no debt service payments from LAIF reserves

MWA Pipeline debt is paid from Operating Revenue.



			30% of 3-year avg. BDV budget	Get Real Index	<b>W-1 Details</b>		
54102	OPERATIONS COMPENSATION		\$ 48,479	\$ 110,000	Increase to 2 field staff at top of level 2 with OT for callouts, etc.		
54103	UNIFORMS		\$ 757	\$ 757			
54105	VERIZON-TELEMETRY		\$ 778	\$ 778			
54106	VEHICLE/TRACTOR/EQUIP EXPENSE		\$ 3,185	\$ 3,185			
54107	VEHICLE EXPENSE- FUEL		\$ 6,679	\$ 6,679			
54109	FIELD MATERIAL & SUPPLIES		\$ 6,590	\$ 12,500	increase to 50% of our budget since we don't know the condition of the system and it may need some immediate repairs.		
54111	WATER TESTING		\$ 1,688	\$ 1,688			
54112	ENGINEERING		\$ 18,579	\$ 27,500	increase to 50% of our budget since we don't know the condition of the system and it may need some immediate repairs.		
54114	WATER SYSTEM REPAIRS		\$ 6,537	\$ 12,500	increase to 50% of our budget since we don't know the condition of the system and it may need some immediate repairs.		
54115	BUILDING REPAIR AND MAINT		\$ 4,130	\$ 1,000	some items are one time only for 13/14, and other items will not increase because of the merger (or minimal increase)		
54117	AMES BASIN MONITORING		\$ -	\$ -			
54119	COMMUNICATIONS EXP		\$ 859	\$ 859			
54121	DISINFECTION EXPENSE		\$ 1,636	\$ 1,636	reasonable assumption based on production		

			30% of 3-year avg. BDV budget	Get Real Index	<b>W-1 Details</b>				
54125	POWER WELLS & BOOSTER		\$ 18,218	\$ 32,000	Based on power costs per acre-foot I get 25K but Audit says "utilities" = 32K				
54130	OTHER OPER EXPENSES		\$ 6,492	\$ 3,500	most items will not increase by 30%, adjusted downward				
55001	BULK PUMPING PLANT EXPENSE		\$ 2,016	-	W-1 has one hauling station connected to the pressurized water system (unlike JV which accounts for a majority of the non-routine costs) but power costs were moved up to 54125				
55002	BULK OPERATIONS AND MAINTENANCE		\$ 1,287	\$ -	not applicable, can be absorbed into water system repairs				
56001	DIRECTORS FEES		\$ 6,430	\$ 3,700	Realistically, the merger shouldn't add more meetings but to be conservative I added 10%				
56002	DIRECTOR MEETING EXPENSE		\$ 733	\$ -	Now in 56001				
56002 01	DIRECTOR 1		\$ 563	\$ -	Now in 56001				
56002 02	DIRECTOR 2		\$ 718	\$ -	Now in 56001				
56002 03	DIRECTOR 3		\$ 30	\$ -	Now in 56001				
56002 04	DIRECTOR 4		\$ 55	\$ -	Now in 56001				
56002 05	DIRECTOR 5		\$ 52		Now in 56001				
56003	ADMINISTRATION COMP		\$ 74,211	\$ 45,240	Assume 1 staff at top of level 2				
56005	ADMIN/BOD MEETING EXPENSE		\$ 45	\$ 1,000					
56006	CONTRACTUAL SERVICES- AUDITOR		\$ 8,884	\$ 8,884	Probably overexaggeration but nothing else to go on for this analysis				
56007	CONTRACTUAL SERV- LEGAL		\$ 10,882	\$ 5,000	do not anticipate significant additional legal fees				

			30% of 3-year avg. BDV budget	Get Real Index	<b>W-1 Details</b>			
56008	PERS		\$ 12,293	\$ 5,600	calculated based on actual labor cost and Employer percentage of 12.3.			
56009	PAYROLL TAXES		\$ 2,919	\$ 2,919				
56011	PHONE, FAX LINES, INTERNET		\$ 2,024	\$ -	Not expected to increase			
56012	MAILING EXPENSE		\$ 1,921	\$ -	no net increase in these items, some of which are going to be deleted following outsourced billing transition in early 2014.			
56014	CONTRACTUAL SERV- OTHER		\$ 4,745	\$ 3,500	\$2,500 is cost to print and mail bills and DQ bills to W1. Add \$1000 for banking and other items not expected to change.			
56016	PROPERTY/LIABILITY EXPENSE		\$ 8,048	\$ 8,048	Use 30%, would refine est. with SDRMA once we have more specifics about what we are insuring (land, equipment, system, etc.)			
56017	WORKERS COMP INS		\$ 1,630	\$ 3,000	Assumption is approx. \$3,000 per EE			
56018	DUES & SUBSCRIPTIONS and ANNUAL FEES		\$ 2,876	\$ 2,876				
56020	POWER OFFICE & YARDS		\$ 1,556	\$ 1,556	Not expected to increase			
56022	BAD DEBT EXPENSE		\$ 348	\$ 348				
56025	PROPANE		\$ 503	\$ -	Not expected to increase			

			30% of 3-year avg. BDV budget	Get Real Index	<b>W-1 Details</b>		
56030	OFFICE SUPPLIES/ PRINTING		\$ 2,157	\$ 500	Not expected to add significantly to this item.		
56100	EMPLOYEE BENEFITS INS		\$ 24,225	\$ 66,000	essentially, 22,000 per employee assuming family medical and 20% increase in next season.		
56110	EMPLOYEE EDUCATION		\$ 945	\$ 945			
56200	OFFICE EQUIPMENT EXPENSE		\$ 1,649	\$ -	not expected to increase		
56300	CUSTOMER RELATIONS		\$ 1,988	\$ 1,988			
56400	OTHER ADMIN EXPENSES		\$ 752	\$ -			
58100	ELECTION COSTS		\$ 1,132	\$ 1,132	Not quite sure what the increase would be so used 30% of average. We haven't received latest bill yet.		
				\$ 8,150			
<b>TOTAL EXPENSES</b>			\$ 312,267	\$ 384,968			

## **Transfer and Disposition of W1 Assets and Liabilities**

By statute, all assets and liabilities of consolidating organizations accrue to the new entity. Thus BDVWA will receive title to all assets of W1 and will become responsible for subsequent capital improvements required to maintain water supply for ratepayers within W1. At this time, staff does not know exactly what assets will transfer to BDVWA aside from the physical water system and therefore has made some assumptions regarding capital equipment needs.

## **Water Rights**

On March 13, 2012, W1 executed and became party to the Ames/Reche Groundwater Storage and Recovery Program and Management Agreement and by this agreement has an annual groundwater production allocation of 267 acre feet. Due to conservation efforts within the W1 service area, W1 would need to increase demand by approximately 125 acre feet (nearly double) before importation of State Water Project water would be mandated. This allows sufficient time for growth and rate adjustments to accommodate the added cost of imported water supplies. These production rights would be transferred to BDVWA upon completion of the dissolution and annexation proceedings.

W1 has a 1% share of the capacity in the Morongo Basin Pipeline. This share would transfer to BDVWA upon completion of the dissolution and annexation proceedings. BDVWA would become responsible for the annual debt service to MWA. The debt service of \$8,100 has been included in the expense budget.

## **Foreseeable Capital Equipment**

At this time staff assumes that W1 does not own any equipment. Of course, assets will be determined at some point in the process. Therefore, staff expects equipment requirements to include, but not necessarily limited to the following:

- One new vehicle for each Distribution System Operator hired.
- Tools to equip each new Distribution System Operator for daily work.
- One new backhoe.

Based on the analysis that W1 would join BDVWA with a reserve account of approximately \$1.2M then W1 would be able to provide the resources to acquire this equipment on behalf of the acquired system.

## **Emergency Response**

Emergency response procedures for W1 will be integrated into BDVWA's existing Emergency Response and Emergency Chlorination Plans. BDVWA is a member of both CalWARN and the Emergency Response Network of the Inland Empire

(ERNIE). BDVWA is in compliance with the National Incident Management System (NIMS) and staff has been trained in compliance with both NIMS and the Standardized Incident Management System (SIMS).

## **System Summary**

All information concerning the water distribution system was gleaned from either annual reports submitted to DPH by SDD or inspection reports of the DPH.

The W1 water system is classified by the DPH as a "D2" system. The BDVWA water system is also classified as a "D2" system. This classification sets the criteria for operator certification/licensing. BDVWA staff possesses distribution certifications and treatment certifications that meet or exceed the requirements.

The W1 water system is approximately 32 years old as is the BDVWA water system. The W1 distribution system was constructed with 6- to 12-inch asbestos cement pipe with 323 isolation valves with associated air/vac valves and dry barrel fire hydrants. There are also 5 pressure regulating stations and 12 dead-ends. The water service laterals are polyethylene. W1 also reports there are 6 backflow devices. This construction is also similar to BDVWA. There are three production wells, three reservoirs and one booster station. The wells were drilled in 1963, 1979, and 1996. In 2012, W1 reported a production amount to of 140 acre-feet per year compared to 420 acre-feet produced by BDVWA wells.

According to the evaluation by DPH the W1 system has enough storage capacity and well capacity to meet maximum day demand even with its largest well out of service. It should be noted that these calculations do not take into account fire flow.

## **System Administration**

W1 uses the DataStream utility billing software as does BDVWA. Inquiries with DataStream reveal that integration of W1 into an existing billing and service order system will require minimum effort.

Billing, customer service, and other administrative tasks will be integrated into existing operations. The additional workload may be absorbed due to other administrative changes occurring now such as outsourced billing. Nevertheless, the proposed budget does include one full-time staff position to accommodate any unforeseen administrative workload that may transpire after the merger.

## **System Operations**

Staff proposes that the W1 water system be operated, initially, as a stand-alone water system until such time as BDVWA becomes proficient in its overall operation, condition and it has been brought into compliance by resolving outstanding deficiencies noted in the 2012 DPH Facility Inspection Report. Thereafter, staff will be better able to assess the most efficient way to combine the systems, if at all. Under this scenario the DPH will require a simple "Change of Ownership Permit".

BDVWA has existing staff and expertise to assume operation of the W1 system. Additional staff will need to be hired due to the increased preventative maintenance workload from the 30% size adjustment.

### **Water System General Information**

- The DPH reports that AutoCAD system maps exist for the W-1 system.
- The DPH reports that "wells, booster and storage facilities were found, in 2012, to be well maintained during the survey".

### **System Operation and Maintenance**

Routine activities will include monitoring the operation of the water distribution system, daily inspection of pumping and storage facilities, water quality sampling, meter reading, cross connection control program, education/safety training, security, record keeping, customer service and leak response/repair.

Preventative maintenance programs include valve exercising, fire hydrant maintenance, pumps (booster and well), wells, pressure regulating stations, reservoir and other inspections, flushing and meter testing,

All routine and preventative maintenance activities will be incorporated into existing operations. The additional work load will be handled through the addition of new staff positions which are included in the proposed budget.

Funds for the preventative maintenance will come from both the annual operating budget and unrestricted reserve funds.

### **System Deficiencies**

Staff has prepared responses to those deficiencies noted in the 2012 DPH facility inspection.



## Water Quality

- Unless completed, BDVWA will need to immediately resolve all outstanding system deficiencies as defined in Dec. 2012 Dept. of Health Services Sanitary Survey of the W-1 System. At a minimum this will include:
  - Submission of Bacteriological Sampling Plan in compliance with the Groundwater Rule. Estimated staff time of less than 40 hours.
  - Relocate wellhead sample spigots such that raw water samples are not contaminated with chlorine.
  - Installation of two to three additional sampling stations in the W-1 system to insure proper chlorine residual at the furthest reaches of the system and to monitor for coliform bacteria in accordance with Best Management Practices to insure public safety as recommended in the DPH report.
  - Initiate an annual flushing program for the W-1 system.
  - DPH reports numerous deficiencies with water quality monitoring. Staff had already discovered errors in the preparation of the annual W1 Consumer Confidence Report (CCR). Staff concludes that verification of all water quality sampling requirements is required and that adjustments may be necessary but not difficult or time consuming.

## Foreseeable Capital Improvements

- Pressure Reducing Stations: There are five Pressure Reducing Stations (PRV) in the W-1 system. CA DPH report (2012) states that “pressure reducing stations” were refurbished since 2002. The Special Districts Department Capital Improvement Budget identifies PRV’s for overhaul but these improvements have yet to be made. Field inspections will be necessary to determine the status of the PRV’s but staff concludes that the W-1 PRV’s are of similar age to BDVWA’s and therefore will require overhaul on a routine interval for proper operation. The PRV stations that have not been overhauled will be placed on an overhaul schedule consistent with BDVWA’s program of 1 to 2 stations per year. The cost of a PRV overhaul is approximately \$5,000 to \$10,000 per station.
- Water Meters: County Special District’s CIP reports that a meter replacement program is necessary but this program has not been implemented. BDVWA proposes to “pull and test” existing meters to determine functionality/accuracy before undertaking a mass “pull and replace” program.

- **Reservoirs:** SDD CIP reports that the reservoirs require refurbishment. Given similar age and operation of BDVWA's reservoirs and given that SDD reservoirs are galvanized. BDVWA proposes that refurbishment is not as significant as that undertaken last fiscal year. Furthermore, the Department of Public Health (2012) reports that the reservoir R-2 Tank A was refurbished since 2002. They report that the remaining two reservoirs do not require coatings as do the BDVWA tanks and that the exteriors are in "good condition". The only issue was excessive dust on the tank surfaces which simply requires overflow.
- **Mainlines:** DPH report summarizes the condition of the system as follows, "adequate pressure is maintained throughout the distribution system. Distribution mains are 29 years old, below the typical life expectancy estimate for well-maintained mains of 35-40 years. The number of mainline leaks does not indicate the distribution system is failing".
- **Service Lines:** The information contained in the DPH report is inconsistent with the information submitted directly by SDD in the 2012 Annual Report. Staff concludes that due to the similar age of the W-1 system to BDVWA's service line leaks would not be expected to exceed our own experience. Annually BDVWA repairs and replaces service lines as a matter of routine maintenance.
- **System Intertie:** There is no physical intertie between the BDVWA and the W1 system. DPH recommends emergency interties between adjoining systems. Staff envisions an engineering study will be necessary to determine if there should be an emergency intertie and where it should be located or if the systems should be integrated into BDVWA's. If the systems become operationally integrated then an emergency intertie is not needed. However, there would still not be an emergency intertie to BDVWA. At this time, staff is in discussions with Hi Desert Water District to reactivate the intertie that was operational in the 1990's. HDWD is taking the lead on design of this bi-directional intertie. Staff is pushing to complete this project in the current fiscal year.

## **Conclusion**

Based on the research completed to date, staff concludes that BDVWA can provide a cost effective solution to the citizens of W1 while providing operational flexibility and rate stability to our own customers.

# Appendix 1

## LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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DATE: November 6, 2007  
FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer  
TO: INTERESTED PERSONS

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SUBJECT: ANNEXATION PROTEST PROCEDURES

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One of the most frequent questions directed to the LAFCO staff pertains to the rights and responsibilities of voters and landowners within an annexation area. Often, the questions revolve around the procedures that must be followed in submitting written, formal protest to annexation proceedings. At the outset, a couple of points about this procedure need to be emphasized:

- Written expressions of protest or support for an annexation are always welcomed by the Local Agency Formation Commission. At the Commission level, however, these expressions are purely "advisory" in the sense that the Commission has the legal ability to approve or deny a proposal regardless of the level of consent or protest. Written protest only becomes legally binding in the final protest hearings.
- The legal requirements for a valid written protest are relatively simple, but they are very precise. Failure to comply with any one of the requirements will invalidate the protest.

With these basic points in mind, the California Government Code, commencing generally with Section 57000, provides the procedures and requirements for submitting a valid written protest. These can be summarized as follows:

1. Within a few days of a Commission action to approve an annexation, a resolution reflecting that approval will be forwarded to a variety of affected agencies and persons. The issuance of the resolution sets in motion two separate processes:
  - a) The law allows a thirty-day time period from the date of the Commission approval for any person or affected agency to request the Commission to reconsider its decision. If no request is submitted during this period, the application will move forward through the protest proceeding.

- b) The LAFCO Executive Officer will formally announce a period of time during which registered voters and/or landowners may submit written protest against annexation. The announcement of the protest proceeding is provided through publication of a legal advertisement in a local newspaper and through mailing of individual notices to everyone who has requested to receive individual notice. The Executive Officer is to provide individual notice of the protest hearing to all landowners and registered voters (in inhabited) within the study area. By law, the protest period can be no less than 21 days from the date the announcement of the protest proceeding is provided, nor more than 60 days.
2. Written protest may take the form of a petition or an individual letter, but it must meet the following criteria:
- a) Written protest must be circulated, signed, dated, and submitted to the LAFCO office **within** the protest period designated. Signatures bearing a date prior to the protest proceeding announcement, and signatures bearing a date after the close of the protest proceeding deadline, will not be counted as a valid protest. Protest cannot be accepted by fax.
  - b) The protest must indicate whether the letter or petition is signed by registered voters or landowners (**NOTE:** Do not mix voter protest and landowner protest on the same petition). If a person is a landowner and voter within the annexation area, then that person would be eligible to sign either or both petitions.
  - c) The protest letter or petition must refer to the specific annexation issue being considered (For example, "LAFCO #2876—Annexation to the City of San Bernardino").
  - d) For a valid landowner protest, an address or parcel number within the annexation area must be provided. For a valid voter protest, the voter must provide a name and address as they appear on the affidavit of voter registration. Only those voters and owners of land within an annexation area are eligible to submit a legally binding written protest.
  - e) The law does not require that reasons be given for a protest. It is legally sufficient to simply indicate that "We, the undersigned registered voters (or landowners) do hereby protest LAFCO #\_\_\_\_\_."

Sample protest petitions, meeting the minimum requirements identified above, are included as attachments to this memo.

- 3. At the conclusion of the protest period, the LAFCO Executive Officer will make a finding as to the value of valid, written protest. Based upon the level of protest received, the Executive Officer shall issue a resolution taking one of the following actions:

## PROTEST PROCEDURES

November 6, 2007

- a) For *uninhabited* annexations (defined in Government Code Section 56046 as those annexations which contain less than 12 registered voters):
  - (1) **Terminate** the annexation if protest is received from landowners who own 50% or more of the assessed value of land (improvement values are not counted) within the annexation area; or,
  - (2) **Approve** the annexation if written protest is submitted by landowners who own less than 50% of the assessed value of the annexation area.
- b) For *inhabited* annexations (areas containing 12 or more registered voters):
  - (1) **Terminate** the annexation if protest is received from 50% or more of the registered voters in the annexation area.
  - (2) **Call an election** if protest is received from at least 25% and less than 50% of the registered voters, **or** if 25% to 100% of the number of landowners—who own at least 25% of the total annexation land value—submit written protest. The voters (whether they own land or not) would then decide the issue by majority vote in a special election.
  - (3) **Approve** the annexation without an election if written protest is received from less than 25% of the voters and less than 25% of the landowners (owning less than 25% of the land value).

Further information concerning the annexation protest procedures can be obtained through review of the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code Section 56000 et seq.). Specifically, Sections 57025, 57051, and 57075 will be most relevant to your review.

Additional information can also be obtained by writing or visiting the LAFCO staff office at the address listed above. The staff can also be reached through E-mail at: [lafco@lafco.sbcounty.gov](mailto:lafco@lafco.sbcounty.gov).

KRM

### Attachments:

- 1 -- Registered Voter Protest Petition
- 2 -- Landowner Protest Petition

January 17, 2014

Ms. Marina D. West, PG  
General Manager  
Bighorn Desert View Water Agency  
622 Jemez Trail  
Yucca Valley, CA 92284

**SUBJECT: Bighorn Desert View Water Agency / Annexation Study Proposal**

Dear Ms. West:

Thank you for inviting Stanley R. Hoffman Associates, Inc. (SRHA) to submit this proposal to prepare a Plan of Service (POS) and a Fiscal Analysis (FIR) of the proposed Bighorn Desert View Water Agency (BDVWA) boundary change in the easterly location of your Agency, including:

- 1) annexation of several island areas within your current water Agency boundary where you are currently providing water service, and
- 2) annexation of the County's CSA 70 Zone W-1 water service area whereupon annexation you would take over the water service from the County's Agency

The analysis will be directed toward providing the San Bernardino County Local Agency Formation Commission (LAFCO) with the necessary information to make a decision about the proposed annexation of the areas into your Agency and dissolution of the service by the County's CSA 70 Zone W-1 area.

Currently, the Bighorn-Desert View Water Agency provides water services to its existing service area, plus water service under contract to the areas that are islands within its existing boundaries in the easterly location of your Agency. The analysis would show that the BVDWA could feasibility provide the water service to the proposed annexation areas in a cost-effective manner. Also, we would prepare the necessary report documentation and applications required for LAFCO to make a decision. LAFCO also requires that a boundary map and legal description be provided which would be prepared separately from our scope by a registered civil engineer.

**METHODOLOGY**

Our approach would be to coordinate with you and your staff in developing the project description, including residential and non-residential land uses and acreage to be served, and the relevant property tax records, public infrastructure and public service requirements. We understand that the analysis of the water serving requirements and rate structure would be provided by the Agency staff.

As part of our proposal, we would prepare the necessary application for initiating the process and applications for the annexation process. Also, we would prepare the list of assessor parcels and ownerships within the subject area in the format required by LAFCO.

**BUDGET / SCHEDULE**

A detailed scope of work and budget outlining our tasks and costs to prepare the analysis is shown in Attachment 1 and Table 1. The budget to prepare the Plan of Services and the Fiscal Impact Analysis of annexation is proposed at \$9,500. This assumes that coordination with Agency LAFCO

**Stanley R. Hoffman Associates, Inc.**

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January 17, 2014  
Ms. Marina West  
Bighorn Desert View Water Agency / Annexation Study Proposal  
Page 2 of 5

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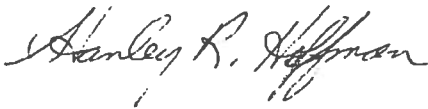
staff would be via phone and email. It is not anticipated that any direct meetings would be required with LAFCO, however, if any are required they would be billed on a time and materials basis, as required. We anticipate about four (4) weeks to prepare the initial draft report for your review. We would then finalize the report upon receiving your comments. We would also coordinate with LAFCO regarding our draft report, as well, to ensure that it addresses all of their issues.

If this scope of work, budget, and schedule is acceptable, please sign this Letter Agreement and return it to me (scanned and sent via email is ok). We can then commence work upon your authorization.

Thank you again for inviting us to assist you in this very important effort. Please call me if you have any questions.

Very truly yours,

STANLEY R. HOFFMAN ASSOCIATES, Inc.  
AGENCY



Stanley R. Hoffman  
President

Approved:

BIGHORN-DESERT VIEW WATER

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Name: Marina D. West

---

Title: General Manager

---

Date

January 17, 2014  
Ms. Marina West  
Bighorn Desert View Water Agency / Annexation Study Proposal  
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## **Attachment 1**

### **Plan of Services and Fiscal Analysis Proposed Sphere of Influence Expansion and Annexation Study Bighorn-Desert View Water Agency Scope of Work**

The Local Agency Formation Commission (LAFCO) of the County of San Bernardino requires a jurisdiction or agency to submit a Plan of Service and Fiscal Analysis when the entity is affected by a proposed change in boundaries, such as annexations or dissolutions. The Bighorn Desert View Water Agency has proposed to take over water services on its easterly boundary, and therefore the Agency must demonstrate that the appropriate infrastructure improvements and services can be provided commensurate with demand from the annexation areas. The Plan of Services shows how public services and infrastructure will be provided and presents the related responsibility for these improvements and services, as needed. In addition to the Plan of Services, the scope of work includes an analysis to show the fiscal impacts of annexation on the Agency's General Fund. The scope of work includes the following four tasks:

1. Plan of Services
2. Fiscal Analysis of Proposed Annexation
3. Preparation of LAFCO forms
4. Coordination

#### **Task 1 Plan of Services**

This task will develop a Plan of Services report that will cover the required public infrastructure and public service requirements for the area, as needed, upon annexation to the Bighorn-Desert View Water Agency. The Plan of Services identifies the water services, water supply sources, water rates and existing and future capital facility any existing or future debt requirements. It also includes the analysis of the dissolution of the County's CSA 70 Zone W-1 that is currently providing water service to the area outside the Agency's easterly boundary. While we would incorporate the appropriate information into the documentation for LAFCO, it is our understanding that the Agency staff would provide the feasibility analysis and discussion of the takeover of any existing debt obligations or the need for future capital facilities.

#### **Task 2 Fiscal Impacts of Proposed Annexation**

This task will analyze the resultant fiscal impacts upon annexation. It involves preparation of the proposed project description consisting of key acreage and square footage information, demographic and employment estimates and assessor parcel and valuation information. LAFCO also requires the fiscal study to take a five-year perspective in terms of future development. This task will include the fiscal analysis of any public infrastructure or service provision that is the responsibility of the Agency. Again, it is our understanding that the Agency staff would provide the fiscal analysis. We would then include this analysis into our report and prepare maps of the project area showing the boundaries and the surrounding area in electronic form for inclusion into our report. Data needs include:

- Location and boundaries of site in GIS format
- Property tax records with assessor parcel information



January 17, 2014

Ms. Marina West

Bighorn Desert View Water Agency / Annexation Study Proposal

Page 4 of 5

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- Estimated property valuation, taxable sales, and population, households and employment
- Public infrastructure that would be the maintenance responsibility of the Agency
- Vicinity and boundary area maps (JPEG or PDF format)

### **Task 3 Preparation of LAFCO Forms**

This task includes completing the following LAFCO forms:

- Application and Preliminary Environmental Description Form with each of the following supplements forms for annexation and detachment
- A listing of the assessor parcels and their respective addresses in LAFCO format
- An estimate of the required fees for LAFCO processing

Additionally, the Water Agency Board would have to approve a Resolution of Application (2 certified copies with original signature of Clerk/Secretary) to LAFCO initiating the process along with any processing fees. LAFCO has a format that can be followed.

### **Task 4 Coordination**

Ongoing coordination will occur via phone, email and regular mail and will be conducted as necessary. It is not anticipated that any formal meetings would be required. If attendance at public meetings or any additional major meetings are required, we will bill on a time and materials basis according to our standard rates as shown in the budget below.

**Products:** *Preparation of Plan of Service/ Fiscal Impact Report, and preparation of LAFCO forms required for dissolution of existing water district and annexation into BDVWA.*

January 17, 2014

Ms. Marina West

Bighorn Desert View Water Agency / Annexation Study Proposal

Page 5 of 5

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**Table 1**  
**Proposed Budget**  
**Water Service Annexation Fiscal & Plan for Services Analysis**  
**Bighorn Desert View Water Agency Annexation Study**

Task	Description	RATE:			TOTAL HOURS	TOTAL COST
		\$200 Hoffman	\$175 Osborn	\$100 Support		
1.0	Plan for Services	4	0	4	8	\$1,200
2.0	Fiscal Analysis	4	0	14	18	\$2,200
3.0	Preparation of LAFCO Forms/Maps	6	12	20	38	\$5,300
4.0	Coordination	4	0	0	4	\$800
TOTAL		18	12	38	68	\$9,500

1. No major direct costs are anticipated, however, if any are identified, they would be pre-approved.

**Customer Service Staff**

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**From:** John Meza ""  
**Sent:** Thursday, January 23, 2014 8:31 PM  
**To:** Customer Service Staff  
**Subject:** RE: Merger Discussion Jan 28,2014

I appreciate your time to read my concerns and hope that the residents of Lander and Bighorn View Agency Water can find a solution to better service this area that is control by the County . I hope the board and director's and county supervisor's of San Bernardino will make the right decision that will be a win situation for everyone involve in the process. Please keep me update as to the vote Decison or any changes at Jan 28th meeting.

Thank you again

Mr John C Meza

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**From:** bdvwa@mindspring.com  
**To:**  
**Subject:** RE: Merger Discussion Jan 28,2014  
**Date:** Wed, 22 Jan 2014 14:42:12 -0800

Thank you for taking the time to contact us. This information will be relayed to the Board of Directors at the Jan. 28<sup>th</sup> meeting.

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**From:** John Meza  
**Sent:** Saturday, January 18, 2014 2:35 PM  
**To:** bdvwa@mindspring.com  
**Subject:** Merger Discussion Jan 28,2014

Date: Jan 18,2014

I received a Letter in regards to Merger Talks for Landers residents who get water services by the County 70/W 1 am one of those property owner. I will not be able to attend because I work evening shift I 'v had my property since 1992 county record Parcel # 000 corner of Napa and Covelo and have notice dramatic increases in rate and fee the last 6 years and it continues to increase year by year. I'm fortunate to have work, but must commute far due to lack of good work in the basin area. Base on my tracking history the last 5 years the cost of everyday expense has increase across the broad and I have talk to others in this region area who also experiencing the same. The Salary's and Job availability are scares in this area and with those folks getting government assistance it's barely meeting the needs of basic necessities for younger and older people who reside and live in this area ,especially those hit hard that live in the Lander area and paying twice the water service then other water agency. The increase of rate are unfair and I don't understand why ? San Bernardino water agency is holding to this small area coverage of the basin that is miles

1/24/2014

away from their office in Victorville . I would image customer are very frustrated as well myself knowing they don't have easy access to an office and staff in the area and must wait or drive far to meet with a service representative . I agree that Bighorn View Agency should Merge the residence of Lander area who have County W/1 as their provider. It just make more sense and Bighorn being local in the jurisdiction that will provide the best water service and controlling cost and meeting the water needs of the community. Such a Merger agreement will help residence at the same time promote Landers future for years to come with Bighorn Desert Water help. I'm for a merger and please make my voice be heard at this board meeting that will be held on Jan 28,2014 1720 N Cherokee Trail Lander Ca at 6pm . If you would like to email or call me with question regarding this email your welcome to contact me. My phone number is and above email if am not available please leave a brief message and will return you call as soon as a can thank you for your time.

Mr. John C Meza

Yucca Valley CA 92284

## Customer Service Staff

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**From:** Marina West [bdvwa2@mindspring.com]  
**Sent:** Thursday, January 23, 2014 10:33 PM  
**To:** bdvwa@mindspring.com  
**Subject:** Fwd: Re: CSA 70 W-1 merger with Bighorn-Desert View

For the record

From my Android; please disregard any typos :-)

----- Original message -----

**Subject:** Re: CSA 70 W-1 merger with Bighorn-Desert View  
**From:** " " <>  
**To:** "Marina West, BDVWA" <bdvwa2@mindspring.com>  
**CC:**

Thank you for your prompt response! It isn't too much information at all, and this is the first time I have ever felt like I have really been informed about what is going on regarding our water

Thank you also for clarifying some points in detail and also providing links, both my neighbor's and the link which I can access tomorrow. I wish I had known about Mr Lipsitz's site earlier, since it answers nearly all of my questions (whether we'd pay higher fees on our property taxes if we merged, for example), and confirms my suspicions about our rates rising year after year. I also wonder where all of that revenue went, if not for maintenance.

I do some bookkeeping, and pay the utility bills for a non profit in Yucca Valley, and another in Joshua Tree, and am well aware that we were paying more for our water than either of those communities (although YV's seemed nearly the same until their tiering system is compared to W-1's) before the last rate hike. Most people probably have no idea what people in neighboring water districts pay for their water.

I did hand in the letter that required 50% +1 responses. When I handed mine in, the person who took it seemed confident that we were only a few persons short of reaching the necessary number of signatures. That was the last I heard about it until I got my first water bill after the rate increase. Ouch!

I think the lack of information freely available to W-1 customers (such as having something like your newsletters sent in with our bi monthly bill, rather than just the annual water quality letter, and rate hike proposals versed in bureaucratese) makes us feel like we are shut out of the process.

I guess I can't thank you enough for giving me all of this information, because I'd like to thank you again!

Marcia

On Thu, Jan 23, 2014 at 7:15 PM, Marina West, BDVWA <bdvwa2@mindspring.com> wrote:

1/24/2014

Good Evening Ms. Geiger,

I would like to take this opportunity to answer your questions and I apologize in advance if this is too much information. However, it sounds as if you really want some answers to your questions/issues.

1) There are no indirect costs and your correct, we probably should have mentioned that in the flyer. New property tax assessments must be approved by a majority vote of the people it affects. Therefore, any notion that BDVWA can just add new assessments to your property taxes is false. That being said, W1 has an existing tax assessment listed on the property tax bill as "CSA 70W-1 debt svcs bonds". This bond continues until 2019 and will remain the responsibility of the properties in W-1. It is true that within BDVWA there are tax assessments and surcharges specific to debt service which are the responsibility of those properties upon which they are assessed. W1 will not subsidize anyone's debt and visa versa, it is against the law. Liens are placed on individual properties that fail to pay their bills (typically, properties where no one lives and the monthly base charge is not paid but water was already "locked off" for non-payment). County Special Districts has the same practice for collections of unpaid accounts.

2) Your second point could not be farther from the truth. In December, Mike Lipsitz leading a task force of about 10 customers asked my board of directors to please consider a merger. This happens to be a goal my board has had for a few years in an effort to stabilize its own rates and unite the community. County Special District's is raising its rates based on its own set of reasons. Those reasons have been poorly articulated to the customers, hence the groundswell to dissolve W-1 and merge with BDVWA. They do not have a right to raise rates without your consent. The law (Prop. 218) gives the property owners the right to protest but it requires 50%+1. Mike L. et. al. were only able to garner 190 protests which was less than the required 300+ and his team was unable to get an extension from the Board of Supervisors. That's when we learned of the "3-yr. cycle of rate increases totaling 60%. I also own property in W-1 so I have been following this very closely since July. The basic problem with County Special District's is that they have a huge overhead. BDVWA is going to propose to immediately drop W1 rates to those of BDVWA (\$27.50 per month and \$3/unit fixed) and given our operational experience we will still be able to set aside a reasonable amount of reserve money each year for capital improvements and hire the staff to assume responsibility for the added 9 square miles of territory and customer base. I will never say that rates won't eventually go up. I'm trying to achieve a better balance by getting bigger.

3) As for the drastic rate increase 10 years ago. One of your neighbors has developed this website and he talks about that very issue.

see [www.landreswaterrescue.com](http://www.landreswaterrescue.com) ((You will have to cut and paste these links))

The links to the answers he got are here:

<http://www.landreswaterrescue.com/documents/BruceDavis2003Inquiry.htm>

4) I honestly haven't seen any documentation regarding grants and repairs following the 1992 earthquake but I am confident that things were not "completely overhauled" as you understand. Although W1 lost the tank behind the Post Office overall W1 had very little

damage from the quake compared to BDVWA. Either way, any refurbishment from that period would now be nearly 20 years old and justifiably in need of refurbishment again. If you wish to know what the State Department of Public Health thinks of the W1 water system I direct you to this link,

<http://www.landreswaterrescue.com/documents/californiastatelog/PRA20121219-CSA70W1.pdf>

5) Formally, and in short, this is how a "merger" happens: Someone has to initiate and there has to be compelling reason to do so. Initiation can only happen in two ways: 1) voter or land owner petition to annex - voter land owner driven and petitioners pay for the process , 2) Agency initiation - an existing service provider decides it wants to expand and pays the fees. I've estimated the fees around \$41,000.

Then an application is submitted to the Local Agency Formation Commission (LAFCO). LAFCO will decide if the merger, under either scenario 1 or 2, should proceed. IF LAFCO Commission votes "ok" then LAFCO asks the Landowners and Registered Voters IF THEY WANT TO PROCEED ((the CoSB Board of Supervisors does not directly vote or even consider this action, although getting the support of Sup. Ramos is critical). From here it gets a little more complicated but bottom line, if less than 50%+1 vote NO (This is a protest vote not an affirmative vote of YES) then it will fail.

Since July, momentum has been building via the "community task force" led by Mike Lipsitz. On Tuesday my Board will decide if it will invest the initial \$41,000 in this application and move forward. The Board is not taking this decision lightly hence our newsletter inviting you to let them know if you are for, against or unsure. Community involvement couldn't be more important than now.

By the end of tomorrow, Friday January 23 the BDVWA Board agenda will be published. It will contain my full report and budget as well as other information pertinent to the Board's decision. I am recommending they move ahead. See this link: <http://www.bdvwa.org/board-of-directors/board-meetings/agendas-and-packets-2014/> after 5 pm.

Again, Thank You for your interest and your questions/concerns. If you have any additional questions please do not hesitate to contact us again.

I hope to meet you on Tuesday.

Sincerely,

Marina West  
General Manager

-----Forwarded Message-----

From: Customer Service Staff

Sent: Jan 23, 2014 4:33 PM

To: 'Bdvwa2'

Subject: FW: CSA 70 W-1 merger with Bighorn-Desert View

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**From:**  
**Sent:** Thursday, January 23, 2014 3:51 PM  
**To:** [bdvwa@mindspring.com](mailto:bdvwa@mindspring.com)  
**Subject:** CSA 70 W-1 merger with Bighorn-Desert View

I am writing in response to the newsletter I received from Bighorn-Desert View Water District, regarding the proposed merger between that agency and CSA 70 W-1.

While not totally against the merger, I have reservations. One of those is what indirect costs will be incurred by property owners if this merger is approved, as I have been lead to believe that there are liens and fees paid on Bighorn-Desert View customers' property taxes that are not levied on property owners currently living in the CSA 70 W-1 district. Listing the BDVWA's favorable water rates is fine, but I think it would be truly transparent on BDVWA's part to tell property owners how much more they can expect to pay on their property taxes if this merger goes through.

My other reservation is the coercive nature of San Bernardino County to force CSA 70 W-1 residents to agree to this merger by raising our water rates arbitrarily and without our consent. The County has shown itself in the past to be less than honorable in the treatment of it's residents, and this action appears no less so.

I would also like a retrospective report of the drastic rate increase to CSA 70 W-1 about 10 years ago, when the county's reasoning was to 'bring CSA 70 W-1's rates in line with other water rates in our area'. By that time our wells, tanks and waterlines had been completely overhauled from government grants due to the Landers earthquake in '94, and there was even enough funds left over to build a large maintenance building for the CSA 70 W-1 road crew's equipment, at the water offices on Landers Lane behind the post office.

Additionally, we were told that our water supply at current levels were enough to easily last a couple hundred years, and was pure enough to pass water guidelines without chlorination.

What happened? Why is maintaining CSA 70 W-1 suddenly unsustainable unless our rates are raised drastically every year, or we are to be merged with another utility?

Most worrisome, is that the bottom line on this issue, as with most county related issues, is that it will be decided by the San Bernardino County Board of Supervisors, and residents of County



Special District CSA 70 W-1, will have no choice or say in the matter, in spite of the fact that we have been invited to attend a meeting to voice our concerns.

I plan on attending the meeting on January 28, 2014.

Macia Geiger

Landers, CA 92285

**Customer Service Staff**

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**From:**

**Sent:** Thursday, January 16, 2014 12:56 PM

**To:** bdvwa@mindspring.com

**Subject:** merger

I will not be able to attend, but I do favor the merger.

Marcia J. Bandy

Landers

1/21/2014

## Customer Service Staff

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**From:**  
**Sent:** Thursday, January 16, 2014 6:01 PM  
**To:** bdvwa@mindspring.com  
**Subject:** Water for Landers

I just got your flyer in the mail. I'm all for ANYTHING that will lower the water rates in Landers. Please keep me informed!

Julie Smith

Landers, CA

Mailing Address:

## Customer Service Staff

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**From:**

**Sent:** Wednesday, January 15, 2014 5:57 PM

**To:** bdvwa@mindspring.com

**Subject:** merger

I love the idea of bighorn supplying our water.  
please make it happen.

jeff wren

-----  
landers ca 92285

## Customer Service Staff

---

**From:** William Sell

**Sent:** Tuesday, January 14, 2014 6:00 PM

**To:** bdvwa@mindspring.com

**Subject:** merger

who sets the rates now for each agency? who will set the rates after a merger? What guarantees a better rate with a merger? I'm in favor of a merger at this point, but i would like some more information. Thank you

## Customer Service Staff

---

**From:** Customer Service Staff [bdvwa@mindspring.com]

**Sent:** Friday, January 17, 2014 4:26 PM

**To:** 'William Sell'

**Subject:** RE: merger

Mr. Sell,

To answer your questions:

The County of San Bernardino Board of Supervisors approves the rates for Landers W-1 System. This is done at the recommendation of the Special District's Department.

If there is a merger, the rates would then be set by the Board of Directors of the Bighorn-Desert View Water Agency.

What guarantees a better rate with a merger? Well, I will be producing a recommended budget for operating the W-1 system to the Board on Jan. 28<sup>th</sup>. The draft of this budget proposes to set rates for W-1 at \$27.50 per month and \$3 per unit of water (no tiers). With these simply assumptions it appears that County Special Districts has a very high overhead. I guess the elimination of that overhead is what guarantees a lower rate. However, rates and charges can never stay constant and must rise over time.

Does that help answer your questions? If not, please let us know.

Marina

---

**From:** William Sell ]

**Sent:** Tuesday, January 14, 2014 6:00 PM

**To:** bdvwa@mindspring.com

**Subject:** merger

who sets the rates now for each agency? who will set the rates after a merger? What guarantees a better rate with a merger? I'm in favor of a merger at this point, but i would like some more information. Thank you

## Customer Service Staff

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**From:**  
**Sent:** Tuesday, January 14, 2014 10:22 PM  
**To:** bdvwa@mindspring.com  
**Subject:** Water billing switch

We are all for it.  
Will try to make meeting  
Erik

Sent from the desk of Erik's iPad

**Customer Service Staff**

---

**From:**

**Sent:** Monday, January 13, 2014 2:47 PM

**To:** bdvwa@mindspring.com

**Subject:** for a merger

Hi,

As Landers residents, under county water, we are all in favor of Bighorn taking over as our water supplier.

Thanks,

John & Debbie Cava

1/21/2014



**Customer Service Staff**

---

**From:** Teresa Tatum  
**Sent:** Monday, January 13, 2014 11:25 PM  
**To:** Bighorn-Desert View Water Agency  
**Subject:** Merger Meeting

I received your letter regarding the merger meeting on January 28th. Unfortunately, I will not be able to attend.

I FULLY support the merger/takeover of the County Special Districts by your company.

Please let me know of any new developments and how I can make my wishes known.

Thank You,

Teresa Tatum

Landers, CA 92285

**Customer Service Staff**

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**From:** KENNETH FLANAGAN  
**Sent:** Monday, January 13, 2014 5:15 PM  
**To:** bdvwa@mindspring.com  
**Subject:** Unsolicited Efforts to Merge Water Districts/Services

**TO:** Bighorn-Desert View Water Authority

**FROM:** Kenneth Flanagan; Landers CA

**SUBJECT:** Unsolicited Efforts to Merge Water Districts/Services

I am in receipt of your "Winter 2014 Newsletter". As with previous communications I have received from the Bighorn-Desert View Water Authority [BDVWA], this Newsletter was clearly designed to appeal to residents and businesses currently served by the County's Special Districts water services, and to advance the BDVWA's merger goals with respect to those County's Special Districts water services and facilities.

To the best of my knowledge and belief, the goal of the BDVWA gaining control of the County's Special Districts water customers and facilities originated with BDVWA, and is not the result of demands by a majority of the County's water clients for such a merger with BDVWA. The BDVWA's Winter 2014 Newsletter seems aimed at advancing the BDVWA's goals in that respect. I believe that any meetings previously held and to be held by the BDVWA have that same goal as well.

I am no fan of the County's water services. However, I am also not in favor of the unsolicited efforts of the BDVWA to gain control of the County's Special Districts water clients and facilities. I note that as is all too often the case, what has been presented in the BDVWA's Winter 2014 Newsletter is designed to portray the BDVWA in its most favorable light, and the County's Special Districts water services in far less favorable terms.

In particular, the blue block on the second page of the BDVWA's Newsletter speculates on substantial likely increases in the County's water rates, while remaining totally silent as to any speculation about future BDVWA water and/or facilities price increases. I view this as a simple example of BDVWA propaganda designed to present BDVWA as a better choice for Special Districts' water clients, assuming that those clients have a meaningful voice in any merger decision.

Regretfully, the County's Special Districts water and facilities charges are decided by the County's Board of Supervisors after going through the sham of seeking public comment. Clearly, those decisions have already been made by the County prior to the opening of its meeting in San Bernardino to receive public comments. The Supervisors vote at that very same meeting on new previously published rate increases. That clearly means that no meaningful investigation and/or evaluation

is made based upon any public input on the subject of water and/or facilities rate increases generated at such meeting. To date, nothing has been submitted by BDVWA that indicates its procedures would differ from the "system" of increasing rates used by the County's Supervisors. The published rate increase schedules are always adopted.

I should also note here that my communications to the County's Supervisors, including Supervisors past and present who allegedly represent residents of Landers CA, have never generated any response whatsoever. Rather, communications sent to me by the Supervisors and County agencies always address issues that those sending such communications want to advance. In short, it's a one-way system, wherein the County seeks to take actions while residents' issues are ignored unless they happen to align with issues one or more Supervisors and/or County Departments seek to advance. Again, nothing has been submitted to date by BDVWA that addresses how BDVWA operates. Rather, negatives are discussed with respect to the County's Special Districts water services and rates, while silence on the very same issues is all that is offered with respect to BDVWA.

In my view, there is a strong possibility that Landers and other areas here will have an economic future tied to areas such as Joshua Tree and 29 Palms, rather than to Yucca Valley CA. I oppose seeing water facilities in Landers being merged into any Yucca Valley-based entity. Rather, I believe that if there is to be a merger of water services for Landers CA residents with another existing entity, that the Joshua Tree Basin Water District would be a far better option to be considered than the BDVWA.

If, as some believe, our economic future here in Landers is tied to economic growth in the Joshua Tree/29 Palms areas, we would likely be far better served by merging any facilities that currently serve Landers CA with entities that also serve the Joshua Tree/29 Palms area residents.

In my view, it has been and continues to be inappropriate for the BDVWA to attempt to force the merger of the County's Special Districts water services and facilities into the BDVWA based upon goals generated not by a majority of Landers CA residents, but rather to address the BDVWA's unstated goals. The BDVWA's communications to date have failed to cite any benefit(s) I am aware of for the BDVWA in such a merger. Once again, the BDVWA's silence and seeming lack of transparency with respect to why it is pushing for such a merger and how such a merger would benefit BDVWA is of great significance to Landers CA residents.

Perhaps what is going on here is simple BDVWA "empire building". Perhaps there are other motivations at work within BDVWA. However, the manner in which the BDVWA has generated the goal of a merger, and attempted to motivate Landers CA residents to support that goal raises multiple questions, some of which I have cited above. I do not at all care for the way the BDVWA has attempted to advance its "merger goal". If the Supervisors plan to address the BDVWA's merger proposal

the same way that those same Supervisors have regularly addressed water and facilities charges in the past, which has been by excluding residents from meaningful input, then the current corrupt system of governance will continue.

Notwithstanding the manner in which the Supervisors have historically addressed issues of importance to Landers CA residents, I am compelled to state by this message my opposition to the goals being advanced by the BDVWA with respect to taking control of the water services and facilities currently operated here for allegedly for the benefit of Landers CA residents. Perhaps it is the fact that the devil we know is viewed as better than the unknown BDVWA devil, but the manner in which the BDVWA has generated and sought to advance the merger of the Special Districts water services and facilities into the BDVWA has not found favor with this Landers CA resident. In short, my dislike for the manner in which the County's Supervisors and those who run the water services here is not so overwhelming that I am prepared to roll over to the BDVWA's merger plans because of the slanted propaganda being sent out by the BDVWA.

## Customer Service Staff

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**From:** KENNETH FLANAGAN  
**Sent:** Thursday, January 23, 2014 9:17 PM  
**To:** bdvwa@mindspring.com  
**Subject:** Responses to Issues that BDVWA Staff Raised in Message of January 17, 2014 - Attention Marina West, G.M.

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Dear BDVWA General Manager West:

You are correct - I do not at present have any interest in the BDVWA assuming control over the County's water facilities and Customers. My previous message stated several reasons for my current position. I now offer additional input on the subjects discussed, while making no representation(s) that I speak for any other person(s) in so doing. That, in fact, seems to be one fundamental problem with the whole manner in which the future of the County's water facilities and customers here have been addressed to date.

I hereby request that this message also be submitted to the BDVWA's Board of Directors. Hopefully, the BDVWA will follow more objective procedures on its part, as compared to the manner in which the County's Supervisors address such issues [i.e.: by holding and closing a "public hearing" and then voting at the very same meeting, without any reasonable or objective evaluation of what has been presented by members of the public on the subject(s), the purpose of which the public hearing was allegedly to be conducted.]

### **1. Unsolicited Efforts to Transfer the County's Water Facilities and Customers to BDVWA:**

Any representation(s) that anyone who may have contacted the BDVWA seeking a water services merger by personal visit(s), petition(s) and or by any other means in June 2013 and thereafter should not be credited by BDVWA or any other entity as being authorized to represent myself or any other residents within the County's water service area. These individuals have not attempted to contact me, have not to my knowledge conducted any public meetings on the subject, have not to my knowledge been elected to the positions they allege to hold as "representatives of a majority of the County's water accounts or those who receive County water, but are rather self-appointed, period.

I am not at all surprised that some "water vigilantes" may have made contact with BDVWA after the 20% increases in rates were, as they always are no matter the amounts of the water and facilities increases, approved by the County's Supervisors, who, in my view, do not represent the County's residents as a whole, and they especially do not represent the residents of Landers, simply because the position which one of them holds allegedly includes representing Landers voters. In my view, the system of County Government is corrupt because no individual politician(s) can represent the wide areas assigned to each such politician. It's as poor a system of "real representation" as is the US House, which in our case is represented by a one-issue Representative.

I do not know how long you have represented the BDVWA in your current position. However, I must remind you that efforts to get the assent of the County's water customers to a plan not generated by those residents commenced with a meeting conducted at Bellfield Hall in Landers on the evening of March 12, 2012 - a full year plus before you state that Landers' residents came before the BDVWA Board seeking to have the BDVWA gain control of the County's water facilities and customers.

The stated meeting purpose was, and I quote from the "Notice of Community Meeting" I received: "[T]o Explore the Option of Expanding the Bighorn-Desert View Water Agency Sphere of Influence". I note that nothing in that Meeting Notice suggested advancing any interests other than the interests of those who unilaterally called the Meeting, or even suggested that it was called to actually benefit the County's Water Customers.

At about the very same time, the BDVWA commenced sending mailings, which I and I assume other Landers Residents received, promoting the BDVWA. It was at that point that the idea was planted in the minds of some Landers Residents, likely including those who have since contacted the BDVWA by the means cited above, of seeking to become BDVWA Customers. Again, the seeds were planted, in my view, well before June 2013, and have since been watered and fertilized by the BDVWA.

I should also note that anyone, even an individual person, can establish a web site on the Internet using numerous services that assist in the development of web sites, and hosting same. I should also note that the signatures of 70-80 persons on "petitions" is a very small percentage of the persons served by the County's Water system here. When the County reports on numbers, it reports on the number of "accounts", not the number of individuals those "accounts" represent. When the County permits input on water issues, such as water rate increases to be voted on by the Supervisors, input is limited to one per account, not input on a "per capita" basis in which every person who consumes water provided by the County's water facilities here could respond, as I understand the Supervisors' "system". Using a figure as to the number of signatures on "petitions", which your message cited, allows for an inflation, as it is likely that members of the same household signed the "petition" individually, rather than on a "per account" basis. It is therefore likely that the number of signatures you cited represent an even smaller number of County's water accounts.

Obviously, in the "empire building" mode that the BDVWA seems to have been in since March 2012, inflation of the alleged "interest" of Residents in becoming BDVWA customers as compared to remaining for the present County water customers benefits BDVWA's goals.

In addition, as discussed in my previous message, there are other potential water systems that I believe should be evaluated before any decision by the County is made. The Joshua Basin Water District was one such potential option that, to my knowledge, has not been evaluated in the current merger rush by a small segment of the County's water customers, aided by the politicians who run the BDVWA.

Had the whole concept of merging the County's water facilities and customers into another existing water entity began on a level playing field, rather than the manner in which it has been both generated and advanced, I might have a far different opinion today of the merits of merging the County's system/customers into the BDVWA. Rather than conducting a meeting in March, 2012 with its stated purpose (as cited above), that meeting should have been conducted, in my view, for the purposes of "Exploring Available Options to Merge the County's Water Facilities and Customers into an another Existing Water Service Entity, with The Goal of Improving Water Services for those Customers, and Gaining Economies of Scale to the Benefit of all such Entity's Customers (existing and to be acquired) and such Agency." [That suggested revised "purpose" is conceptual in nature.]

**2. Negligence and Assumptions:** In my view, those allegedly "spear-heading" a merger of the County's water services/customers with the BDVWA have been both negligent and guilty of assuming that their "knee-jerk reaction" to the July 2013 rate increases by soliciting the BDVWA as a "white knight" was likely to be the reaction of at least a majority of residents here to said increases.

Since even the BDVWA seems to want to ignore the purpose of the March 2012 meeting cited above, it is my opinion that the BDVWA politicians, perhaps even with the assistance of the Supervisors, was working behind the scenes to generate the reaction documented by your message.

While I have not explored the possibility yet, it is quite possible that the politicians running the County (elected and appointed) would prefer to see the County's water system and Customers assigned elsewhere. What better way to motivate rate payers toward such a goal than by voting to increase water rates by 20% as of July, 2013, and in addition, to forecast 30-40% increases on top of that, a forecast that I have no present recollection of having received from the County. If the 20% increase as of July 2013 was insufficient to move things to the desired result of ending the County's role in running a water service here, likely a forecast of dramatic additional increases could not hurt toward

attaining that goal, if that is the Supervisors' goal, while making that change seem to have been generated at the "grass roots level" by residents, rather than by the Supervisors or by some "white knight", which seems to be the current role of the BDVWA in the ongoing process.

What ever the BDVWA's politicians and/or the County's politicians have been and/or continue to be in ongoing plot regarding the County's disposal of its water services here, had the BDVWA not continued its aggressive mailing campaign to acquaint residents whom the BDVWA does not serve with the structure, rates, history of rate increases, and various public functions, I might not have the negative view of the BDVWA that I have today. Other residents may well have been taken in by the propaganda campaign designed to make the BDVWA look like "white knights" in the water service arena, while making the County's water service look simply horrible, a money-eating entity that potentially could be made to disappear by the Supervisors and the BDVWA.

Those are some more of my thoughts about the issues raised by your message below. I have serious doubts that the Supervisors will permit an outcome which does not benefit those politicians and their political goals, if there is any way to make it happen without serious political fallout. I assume that the BDVWA will continue with its "empire building" efforts. I certainly don't recall any public entity in California responding to the outcries of persons such entity did not represent, and spending the funds of those it does represent (in the case of the BDVWA, its existing customers) to come to the aid of those it did not then represent.

Thanks for your time in responding to my previous message. My hope is that the whole process can be restarted on a level playing field with an objective analysis of all reasonable options of potential merger with another entity or no merger at all, and be evaluated based upon what outcome would best serve the County's water clients here, as opposed to attaining the political goals of the County's Supervisors and/or what I perceive to be the BDVWA's political and "empire building" goals in so actively and aggressively pursuing making the County's water facilities and customers the BDVWA's.

Kenneth Flanagan  
Landers CA 92285

Mr. Flanagan,

Thank you for your input into this matter. It appears that you are not in favor of a merger and that is ok.

I do want you to understand the facts. Customers of W-1 have been asking for a merger since June 2013 (after the notice of a 20% increase which was approved). It was also in June 2013 that citizens from W-1 (fighting the rate increase) were informed by the County of their intention to raise the rates an additional 30-40%. Therefore, that is not speculation. It is information that was provided directly to the citizens by the County.

On December 19, 2013 a group of citizens spear-heading the effort to detach from County came to my Board of Directors with 70 signed petitions in favor of the merger. Approximately 10 additional petitions have been submitted since then. These petitions are on my desk and I can scan them to you if you so desire. Therefore, your assessment that this is unsolicited from BDVWA and not the will of the people is not entirely true. Does BDVWA want to merge with W-1, yes I think we hear the cries of the people.

I can understand that this may appear unsolicited but the citizen's group met with staff from the Local Agency Formation Commission in December 2013 and it was recommended that since the citizen's are not likely to afford the \$50,000 (gross) estimate for the merger, that

1/24/2014

BDVWA should be the lead and not the citizens. This is what my board will decide on the 28<sup>th</sup>, whether or not they want to initiate the process.

By next Friday, I will have completed my report to the board which will outline my budget for operating W-1 and I will be asking the Board if they wish to pay for the cost of initiating the merger. This budget is formatted to lower your current rates to \$27.50 per month and \$3 per unit of water. This is a significant immediate decrease for W-1. However, rates can't stay stagnant forever as costs continue to rise. I'm thinking a fair rate of increase would be 3-5% per year. That being said, BDVWA hasn't raised its rates since 2008.

Please be assured that each land owner or registered voter will have an opportunity to "vote no". If enough "no" votes are received then the merger will fail at no cost to W-1 customers.

Lastly, this "core" citizens group has a website: [www.landervaterrescue.com](http://www.landervaterrescue.com) I encourage you to take a look.

I hope that this answers some of your outstanding questions. Please feel free to contact us with any additional questions or concerns.

Again THANK YOU for taking the time to communicate your position to us and I will forward that to the Board on your behalf as well.

Sincerely,  
Marina West  
General Manager  
Bighorn-Desert View Water Agency



## AGENDA ITEM # 11

BIGHORN-DESERT VIEW WTR AGENCY  
CHECK REGISTER  
OCTOBER 31, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
13359	10/03/13	AKLUFU AND WYSOCKI LEGAL FEES SEPT 2013	1,691.25
13360	10/03/13	AT&T MOBILITY COMMUNICATION EXP	107.35
13361	10/03/13	CLINICAL LABORATORY OF BACT TEST BACT TEST, GEN PHY, LEAD/COPPER LEAD/COPPER	150.00
13362	10/03/13	JUDY CORL-LORONO CSDA CONFERENCE -FOOD-FUEL - MILEAGE	182.03
13363	10/03/13	COUNTY OF SAN BERNARDINO ROAD EXCAVATION PERMIT DELAGDA AVENUE ROAD EXCAVATION PERMIT NAPA ROAD	702.00
13364	10/03/13	CYBERSPIKE WEBSITE UPDATES & POSTING	428.75
13365	10/03/13	ELLESS ELECTRIC CHART RECORDER INSTALLED WELL 10	800.00
13366	10/03/13	INLAND WATER WORKS RC-8X15 1 CUSTOMER PART B451 7;PE-CTS-1 100 FIELD MATERIALS, VBC64W SMALL TOOLS SMALL TOOL FIELD MATERIALS VALVE MAINT B451 3 FIELD MATERIALS	2,473.10
13367	10/03/13	J & G GARAGE FORD F-150, OIL CHANGE	44.82
13368	10/03/13	MICHAEL MCBRIDE CSDA CONFERENCE -FOOD-MILEAGE	556.68
13369	10/03/13	MOJAVEWIFI.COM LLC INTERNET OCT 2013	95.00
13370	10/03/13	PETTY CASH BOD MTG SNCKS & EVENT SUPPLIES AMES-RECHE RIBBON CUTTING CUSTOM LIEN - NOTARY SERVICE FIRE EXTINGUISHER MOUNT FOR BACKHOE EMPLOYEE SEMINAR - FUEL SB246-SACRAMENTO TRIP- FOOD OFFICE SUPPLIES EDUCATION - PARKING & CPR/1ST AID MWEST,DDIAZ	

BIGHORN-DESERT VIEW WTR AGENCY  
CHECK REGISTER  
OCTOBER 31, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
		LANDERS PO PROJECT - INS	
		SB246 SAC TRIP - PARKING	
		AWARD APP MAILED	722.12
13371	10/03/13	UNDERGROUND SERVICE ALERT	
		DIG ALERTS, 20 TICKETS	30.00
13372	10/03/13	VERIZON CALIFORNIA	
		AUTO CONTROLS & PHONES	562.38
13373	10/03/13	MARINA WEST	
		LAPTOP	1,008.34
13393	10/22/13	ACWA REGION 9 BUSINESS	
		ACWA FALL CONFERENCE-REG FEES	695.00
13394	10/22/13	ACWA/JPIA	
		ACWA/JPIA HEALTH BENEFITS	853.10
13395	10/22/13	CLINICAL LABORATORY OF	
		EPA	
		LEAD/COPPER	
		BACT TEST	335.00
13396	10/22/13	COUNTY OF SAN BERNARDINO	
		ROAD EXCAVATION PERMIT	
		LINN ROAD	66.00
13397	10/22/13	DEPT OF PUBLIC HEALTH	
		WATER SYSTEM FEE 070112-063012	8,700.44
13398	10/22/13	DISCOUNT TIRE CENTERS	
		2010 RANGER '9091' TIRES	401.95
13399	10/22/13	ELLESS ELECTRIC	
		REPLACE COIL - WELL 9	880.00
13400	10/22/13	GOODSPEED DISTRIBUTING INC	
		UNLEADED FUEL	1,550.44
13401	10/22/13	THE HOME DEPOT #6971	
		SMALL TOOLS	
		PARTS FOR PRV #8	187.74
13402	10/22/13	IMAGE SOURCE, INC	
		XEROX PRINT CHG SEPT 2013	82.76
13403	10/22/13	INLAND WATER WORKS	
		NH142151 - 9	
		FIELD MATERIALS	669.11
13404	10/22/13	INTER VALLEY POOL SUPPLY, INC	
		CHLORINE	614.36
13405	10/22/13	J & G GARAGE	
		2012 DODGE OIL CHANGE	40.18
13406	10/22/13	KRIEGER & STEWART, INC	
		B3 & B4 FILE COMPLETION NOTICE	1,608.39
13407	10/22/13	MAYER HOFFMAN MCCANN P.C.	
		1ST AUDIT 2012/2013	16,925.00
13408	10/22/13	NORTHERN SAFETY COMPANY INC	
		APN SIGN	97.13
13409	10/22/13	OFFICE DEPOT	
		OFFICE SUPPLIES	
		OFFICE SUPPLIES	
		OFFICE AND CALENDAR SUPPLIES	
		CALENDAR SUPPLIES	275.64
13410	10/22/13	OFFICIAL PAYMENTS HOLDINGS INC	
		CHARGEBACK 0305907	80.00
13411	10/22/13	SDRMA	

BIGHORN-DESERT VIEW WTR AGENCY  
CHECK REGISTER  
OCTOBER 31, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
13412	10/22/13	SDRMA MEDICAL BENEFITS ADD VALVE MAINTENANCE TRAILER SP DIST LEADERSHIP FOUNDATION RECOGNITION IN SP DISTRICT GOVERNANCE RECOGNITION IN SP DISTRICT GOVERNANCE	7,831.64      130.00
13413	10/22/13	VALLEY INDEPENDENT PRINTING CREDIT FOR 2013 CALENDAR NAME BADGE; DDIAZ PAPER BAGS	   179.13
13414	10/22/13	XEROX CORPORATION LEASE PAYMENT 10/13-11/12 16 OF 60	  216.97
13415	10/22/13	BDVWA APPLY TO CUSTOMER ACCT POST TO CUSTOMER ACCOUNT	  231.80
13416	10/22/13	JAMES A MC CULLOCH BALANCE RFND ACCT# 0309604	 85.73
13417	10/22/13	JOHN P MORRIS BALANCE RFND ACCT# 0413606	 54.08
13418	10/22/13	MARY C. EIDE BALANCE RFND ACCT# 0105552	 100.05
13419	10/22/13	ORLANDO BUSTIOS BALANCE RFND ACCT# 0900076	 98.23
13420	10/22/13	WILLIAM G LARSON BALANCE RFND ACCT# 0504410	 70.00
80000025	10/07/13	CINTAS CORPORATION #150 UNIFORMS SVR SEPT 2013	 100.00
80000026	10/04/13	SO CAL EDISON POWER EXP AUG 2013	 2,482.64
80000027	10/07/13	PAY ONLINE-FIRST NATIONAL BANK 2013 PASO ROBLES OP/EQUIP EXPO REGISTRATION FEE - DREWAL CSDA ANNUAL CONFERENCE-LODGING CSDA ANNUAL CONFERENCE-LODGING AND TRANSPORTATION PASO ROBLES OP/EQUIP EXPO LODGING - DREWAL CSDA ANNUAL CONFERENCE-LODGING	          1,831.59
80000028	10/22/13	PITNEY PURCHASE POWER POSTAGE FOR OCT 2013	 500.00
80000029	10/22/13	PAY ONLINE BURRTEC WASTE&RECYC TRASH FEES OCT 2013	 81.99
80000030	10/21/13	PAY ONLINE-FIRST NATIONAL BANK TRANS WEST AIR DRYER - L8000 ORCHID FESTIVAL OFFICE SUPPLIES ACWA FALL CONFERENCE - LODGING DRAWING PRIZES SMOG - F150 AND F250 COURT FEES CUSTOMER RELATIONS CUSTOMER RELATIONS	             1,606.74

BIGHORN-DESERT VIEW WTR AGENCY  
CHECK REGISTER  
OCTOBER 31, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
80000031	10/21/13	PAY-ONLINE---PROTECTION ONE SHOP 10/26/13-11/25/13	45.86
80000032	10/21/13	SO CAL EDISON POWER EXP: PART OF AUG 2013 & SEPT 2013	8,038.15
TOTAL			67,300.66

Prepared By LB  
Date 12/27/13  
Reviewed By MM

BIGHORN-DESERT VIEW WTR AGENCY  
CHECK REGISTER  
NOVEMBER 30, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
13430	11/12/13	ACWA REGION 9 BUSINESS 2014 AGENCY DUES	4,895.00
13431	11/12/13	ACWA/JPIA ACWA/JPIA HEALTH BENEFITS	794.58
13432	11/12/13	AT&T MOBILITY COMMUNICATION EXP	107.95
13433	11/12/13	CA SPECIAL DISTRICTS ASSN 2014 MEMBERSHIP DUES	2,619.00
13434	11/12/13	CLINICAL LABORATORY OF BACT TEST PLATE CT, BACT TEST, GEN PHY	203.00
13435	11/12/13	DATASTREAM BUSINESS SOLUTIONS PDF ARCHIVING SOFTWARE	3,760.00
13436	11/12/13	IMAGE SOURCE, INC Xerox Print Chg Oct 2013	108.90
13437	11/12/13	INLAND WATER WORKS FIELD MATERIALS	59.48
13438	11/12/13	J & G GARAGE OIL CHANGE OIL CHANGE '10 RANGER 9090	311.09
13439	11/12/13	KRIEGER & STEWART, INC EVAL WELLS 2,3 & 4 JULY-SEPT 2013	3,606.49
13440	11/12/13	MOJAVEWIFI.COM LLC Internet Nov 2013	95.00
13441	11/12/13	UNDERGROUND SERVICE ALERT Dig Alerts, 22 Tickets	33.00
13452	11/25/13	SCOTT HAYEK BALANCE RFND ACCT# 0804362	11.36
13453	11/25/13	ALAN JAMES MORGAN BALANCE RFND ACCT# 0303120	105.42
13454	11/25/13	BLASER JOHN BALANCE RFND ACCT# 1102575	31.67
13455	11/25/13	CASSANDRA & JONES, COFFMAN BALANCE RFND ACCT# 0311006	46.09
13456	11/25/13	DINA STAINBROOK BALANCE RFND ACCT# 0302911	14.82
13457	11/25/13	ELISA PRICE BALANCE RFND ACCT# 0504100	74.60
13458	11/25/13	PREMIER SOTHEBYS/FREDDIEMAC BALANCE RFND ACCT# 0703737	88.21
13459	11/25/13	RALPH MILLER BALANCE RFND ACCT# 1002592	100.00
13460	11/26/13	RICHARD (TRUST) BECKWITH BALANCE RFND ACCT# 1003177	10.61
13461	11/25/13	AVALON URGENT CARE INC. PHYSICAL-INTERN-JSWANSON	65.00
13462	11/25/13	CLINICAL LABORATORY OF BACT TEST BACT TEST	110.00

BIGHORN-DESERT VIEW WTR AGENCY  
CHECK REGISTER  
NOVEMBER 30, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
13463	11/25/13	COUNTY OF SAN BERNADINO DUMP FEES	13.23
13464	11/25/13	EH WACHS SMALL TOOLS	374.35
13465	11/25/13	GOODSPEED DISTRIBUTING INC UNLEADED FUEL	2,121.73
13466	11/25/13	GOVT FINANCE OFFICERS ASSOC GFOA MEMBERSHIP RENEWAL 01/01/14-12/31/14	160.00
13467	11/25/13	THE HOME DEPOT #6971 SHOP OFFICE SUPPLIES/SM TOOLS SM TOOLS/SAFETY EQUIP	358.81
13468	11/25/13	INLAND WATER WORKS NH142151 - 1	43.15
13469	11/25/13	OFFICE DEPOT OFFICE SUPPLIES	90.64
13470	11/25/13	OFFICIAL PAYMENTS HOLDINGS INC CHARGEBACK 073897	164.00
13471	11/25/13	SDRMA SDRMA MEDICAL BENEFITS DEC2013	7,297.25
13472	11/25/13	SO CAL EDISON SHORT CIRCUIT DUTY INFO	2,400.00
13473	11/25/13	U.S. DEPT OF THE INTERIOR/BLM RIGHT OF WAY CACA5232 01/01/2014-12/31/2014	3,340.34
13474	11/25/13	USA BLUEBOOK CLORINATION	525.96
13475	11/25/13	VAGABOND WELDING SUPPLY WELDING SUPPLIES	93.37
13476	11/25/13	XEROX CORPORATION LEASE PAYMNT 11/13/13-12/12/13 17 OF 60	216.97
13477	11/25/13	YUCCA VALLEY FIRE EXTINGUISHER FIRE EXTINGUISHER MAINT	248.94
80000033	11/12/13	PAY ONLINE-PITNEY BOWES GLOBAL QRTLY 8/10/13-11/10/13	174.99
80000034	11/12/13	PITNEY PURCHASE POWER POSTAGE INK CARTRIDGE	632.17
80000035	11/12/13	PAY ONLINE BURRTEC WASTE&RECYC TRASH FEE NOV 2013	81.99
80000036	11/12/13	CINTAS CORPORATION #150 Uniforms SVR Oct 2013	125.00
80000037	11/12/13	VERIZON CALIFORNIA AUTO CONTROLS AND PHONES	562.59
80000038	11/25/13	PAY-ONLINE---PROTECTION ONE SHOP 11/26/13-12/25/13	45.86
80000039	11/25/13	SO CAL EDISON POWER EXP OCT 2013	5,945.08
80000040	11/25/13	PAY ONLINE-FIRST NATIONAL BANK FIELD MATERIAL WATER & WELL PUMP CONF REG FEES - DREWAL CALENDAR REENFORCEMENTS	

BIGHORN-DESERT VIEW WTR AGENCY  
CHECK REGISTER  
NOVEMBER 30, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
-----			-----
		OFFICE SUPPLIES	267.94
		TOTAL	----- 42,535.63 =====

Prepared By 983  
Date 11/17/14  
Reviewed By mmad



BIGHORN-DESERT VIEW WTR AGENCY  
CHECK REGISTER  
DECEMBER 31, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
13234	12/18/13	CHRISTOPHER NAMYST VOID - CHK RETURNED	-10.36
13491	12/05/13	AKLUF1 AND WY SOCKI LEGAL FEES NOV 2013	247.50
13492	12/05/13	CLINICAL LABORATORY OF BACT TEST, PLATE CT, GEN PHYS	153.00
13493	12/05/13	FLAMINGO HEIGHTS COMMUNITY NEWSLETTER AD 2014	60.00
13494	12/05/13	INLAND WATER WORKS FIELD MATERIALS	107.57
13495	12/05/13	MAID TO ORDER SVC JEMEZ & MTG RM 10/12/13 SVC JEMEZ 10/26/13 SVC JEMEZ & MTG RM 11/09/13 SVC JEMEZ 11/23/13 SVC JEMEZ & MTG RM 09/14/13 SVC JEMEZ 09/28/13	716.20
13496	12/05/13	MOJAVEWIFI.COM LLC INTERNET DEC 2013	95.00
13497	12/05/13	PHONE SOLUTIONS MOVE FAX MACHINE	95.00
13498	12/05/13	REWAL, DAVID WORKBOOTS, REWAL	145.79
13499	12/05/13	UNDERGROUND SERVICE ALERT DIG ALERTS, 7 TICKETS	10.50
13500	12/05/13	WIENHOFF & ASSOCIATES, INC. 2013 CONSORTIUM FEE	130.00
13508	12/18/13	CLINICAL LABORATORY OF BACT TEST, GEN PHYS	90.00
13509	12/18/13	JUDY CORL-LORONO ACWA CONFERENCE -PARKING, TAXI AND TIRE REPAIR	103.00
13510	12/18/13	DATASTREAM BUSINESS SOLUTIONS SOFTWARE MAINT 010114-033114	750.00
13511	12/18/13	ELLESS ELECTRIC 13 WATT LEDS -OFFICE BUILDING & PUMP HOUSE	1,500.00
13512	12/18/13	GRAINGER HOUR METER: WELL 6 & A-BOOSTER	179.84
13513	12/18/13	THE HOME DEPOT #6971 FIELD MATERIALS	46.79
13514	12/18/13	IMAGE SOURCE, INC XEROX PRINT CHG NOV 2013	95.72
13515	12/18/13	INLAND WATER WORKS FIELD MATERIALS, 10 SCCN-1 100 FT PE-IPS-1 FIELD MATERIALS	611.06
13516	12/18/13	OFFICE DEPOT CALENDAR 2013-OFFICE SUPPLIES	128.46
13517	12/18/13	ALEXANDER POPA	

## BIGHORN-DESERT VIEW WTR AGENCY

## CHECK REGISTER

DECEMBER 31, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
13518	12/18/13	CLAIM SETTLEMENT	350.00
		SDRMA	
		SDRMA MEDICAL BENEFITS JAN2013	
		SDRMA JAN-MAR 2014 W/C	9,534.50
80000041	12/05/13	VERIZON CALIFORNIA	
		AUTO CONTROLS & PHONES	564.21
80000042	12/19/13	PITNEY PURCHASE POWER	
		POSTAGE FOR NOV 2013	500.00
80000043	12/19/13	PAY ONLINE BURRTEC WASTE&RECYC	
		TRASH FEE DEC 2013	81.99
80000044	12/19/13	PAY-ONLINE---PROTECTION ONE	
		OFFICE 12/26/13-03-25/14	
		SHOP 12/26/13-01/25/14	195.94
80000045	12/19/13	CINTAS CORPORATION #150	
		UNIFORMS NOV 2013	100.00
80000046	12/19/13	AT&T MOBILITY	
		COMMUNICATION EXP	100.95
		TOTAL	16,682.66

Prepared By

JB

Date

1/23/14

Reviewed By

MST

## AGENDA ITEM # 12

PERIOD ENDING 10/30/13

## GENERAL FUND

## ASSETS

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## CASH &amp; CASH EQUIVALENTS

01 13120	CASH UNION BANK OF CA	24,454.82
01 13130	CASH CASH DRAWERS BASE FUND	750.00
01 13400	CASH PETTY CASH FUND	800.00

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TOTAL CASH & CASH EQUIVALENTS		26,004.82
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## INVESTMENTS

01 13303	LAIF UNENCUMBERED CASH FUND	426,066.57
01 13306	LAIF-BASIC FACILITIES CHGS	21,794.00
01 13307	LAIF-CUSTOMER DEPOSITS	55,000.00
01 13309	LAIF EMERGENCY CONTINGENCIES	100,000.00
01 13310	LAIF REPLACE & REFURBISH FUND	50,000.00
01 13312	LAIF BOND DEBT SERVICE	45,000.00

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TOTAL INVESTMENTS		697,860.57
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## ACCOUNTS RECEIVABLE, WATER

01 13710	A/R WATER	130,089.54
01 13904	DOLLAR GENERAL	( 2,470.96)
01 13950	2009-2010 LIEN RECEIVABLE	20,145.44
01 13951	2010-2011 LIEN RECEIVABLE	15,223.69
01 13952	2011-2012 LIEN RECEIVABLE	22,717.00
01 13953	2012-2013 LIEN RECEIVABLE	39,364.07
01 13960	DUE FROM OTHER GOVERNMENTS	234,309.63

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TOTAL ACCTS RECEIVABLE, WATER		459,378.41
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## ACCOUNTS RECEIVABLE, OTHER

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TOTAL ACCTS RECEIVABLE, OTHER		0.00
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## INVENTORIES

01 14301	INVENTORY-WATER SYSTEM PARTS	66,241.35
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TOTAL INVENTORY		66,241.35
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## PREPAID EXPENSES

01 14402	PREPAYMENTS PL & PD LIAB INS	18,833.05
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TOTAL PREPAID EXPENSES		18,833.05
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## FIXED ASSETS

01 11130	FA ORGANIZATION	336,271.54
01 11130 01	ACCUMULATED DEP ORGANIZATION	( 87,641.07)
01 11135	FA LAND	76,611.39
01 11140	FA BUILDINGS	237,604.13
01 11140 01	ACCUMULATED DEP BUILDINGS	( 211,610.69)
01 11150	FA YARDS	61,487.73
01 11150 01	ACCUMULATED DEP YARDS	( 53,060.67)

PERIOD ENDING 10/30/13

## GENERAL FUND

01 11160	FA FUELS TANKS	18,943.10
01 11160 01	ACCUMULATED DEP FUEL TANK (	12,472.49)
01 11170	FA WATER SYSTEM	7,865,319.38
01 11170 01	ACCUMULATED DEP WATER SYSTEM (	4,871,825.74)
01 11180	FA SHOP EQUIPMENT	40,186.44
01 11180 01	ACCUMULATED DEP SHOP EQUIP (	39,597.24)
01 11181	FA MOBILE EQUIPMENT	507,932.72
01 11181 01	ACCUMULATED DEP MOBILE EQUIP (	400,217.96)
01 11190	FA OFFICE EQUIPMENT	118,241.06
01 11190 01	ACCUMULATED DEP OFFICE EQUIP (	117,338.89)
01 14501	JV WELL	177,095.85
		-----
TOTAL FIXED ASSETS		3,645,928.59

## WORK IN PROGRESS (FOR OTHERS)

TOTAL WORK IN PROGRESS (OTHERS)	0.00
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## WORK IN PROGRESS (AGENCY)

01 12049	B3 & B4 TANK REHAB	356,564.01
01 12052	EVAL OF WELLS 2, 3, & 4 (7A)	18,348.75
01 12053	ARC FLASH HAZARD STDY RFP (5A)	8,347.39
01 12054	PUMP PLANTS-MANUAL SWITCHES 6A	15,662.95
		-----
TOTAL WORK IN PROGRESS (AGENCY)	398,923.10	

## DEBT ISSUANCE COST

TOTAL DEBT ISSUANCE COST	0.00
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TOTAL ASSETS	5,313,169.89
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## LIABILITIES

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## ACCOUNTS PAYABLE

TOTAL ACCOUNTS PAYABLE	0.00
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## ACCRUED PAYROLL

01 22910	ACCRUED EMPLOYEE COMP BALANCES	40,569.00
		-----
TOTAL ACCRUED PAYROLL	40,569.00	

## CUSTOMER DEPOSITS

01 22540	UNCLAIMED FUNDS	245.12
01 22550	CUSTOMER DEPOSITS PENDING	500.00
01 22600	CUSTOMER DEPOSITS	54,738.19
		-----
TOTAL CUSTOMER DEPOSITS	55,483.31	

PERIOD ENDING 10/30/13

## GENERAL FUND

## WORK IN PROGRESS DEPOSIT

TOTAL WORK IN PROGRESS DEPOSIT	0.00
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## LIAB PYBL FRM RESTRICTD ASSETS

TOTAL LIAB PYBL FRM REST ASSET	0.00
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## LONG TERM DEBT

01 21101	REVENUE BONDS PAYABLE - DV	232,977.05
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01 22300	REVENUE BONDS PAYABLE - BH	551,000.00
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TOTAL LONG TERM DEBT	783,977.05
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TOTAL LIABILITIES	880,029.36
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## EQUITY

01 30109	CONTRIBUTED CAPITAL/HUD	291,035.88
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01 30111	FMHA GRANTS	758,297.76
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01 31000	FUND BALANCE	2,957,821.72
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01 31001	FUND BALANCE FEMA & OES	427,895.00
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01 31111	CURR YEAR NET REVENUE/EXPENSE (	1,909.83)
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TOTAL EQUITY	4,433,140.53
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TOTAL LIABILITIES & EQUITY	5,313,169.89
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Prepared By gjs  
Date 12/26/13  
Reviewed By mm

STATEMENT OF REVENUE AND EXPENSE  
PERIOD ENDING 10/31/13

## GENERAL FUND

	BUDGET	REV OR EXP THIS MONTH	REV OR EXP YEAR TO DATE	AVAILABLE	YTD % OF BUDGET
REVENUE					
-----					
OPERATING REVENUE					
01 41000	SERVICE LINE INSTALLATION FEES	1,255.00	0.00	0.00	1,255.00 0.00%
01 41001	BASIC FACILITIES CHARGE	4,098.00	0.00	0.00	4,098.00 0.00%
01 41100	INCOME METERED WATER	398,205.00	37,968.54	153,850.02	244,354.98 38.64%
01 41300	BASIC SERVICE CHARGE	576,235.00	49,148.88	173,295.56	402,939.44 30.07%
01 41400	INCOME METERED BULK WATER	47,312.00	3,787.79	20,587.36	26,724.64 43.51%
01 41700	INCOME OTHER (OPERATING)	37,200.00	2,289.16	13,519.30	23,680.70 36.34%
TOTAL OPERATING REVENUE		1,064,305.00	93,194.37	361,252.24	703,052.76 33.94%
NON-OPERATING REVENUE					
01 49100	GA02 GEN LEVY IMP DIST A BH	51,600.00	0.00	0.12	51,599.88 0.00%
01 49101	DA01 DEBT SRVC IMP 1 (BH BOND)	175,900.00	0.00	- .43	175,900.43 0.00%
01 49102	GA01 GENERAL TAX LEVY (BDV)	50,100.00	0.00	0.12	50,099.88 0.00%
01 49103	INCOME REVENUE BONDS DV FMHA	48,825.00	8,320.79	16,638.29	32,186.71 34.08%
01 49200	INTEREST INCOME	3,000.00	451.10	980.94	2,019.06 32.70%
01 49600	INCOME OTHER (NON OPERATING)	0.00	-30.46	1,422.99	0.00 0.00%
TOTAL NON-OPERATING REVENUE		329,425.00	8,741.43	19,042.03	310,382.97 5.78%
TOTAL REVENUE		1,393,730.00	101,935.80	380,294.27	1,013,435.73 27.29%

## EXPENSE

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## OPERATIONS EXPENSE

01 54102	OPERATIONS COMPENSATION	154,565.00	12,456.57	51,242.47	103,322.53 33.15%
01 54103	UNIFORMS	2,650.00	100.00	325.00	2,325.00 12.26%
01 54105	AUTO CONTROLS	2,640.00	640.20	640.20	1,999.80 24.25%
01 54106	VEHICLE/TRACTOR/EQUIP EXPENSE	6,000.00	1,243.78	3,684.35	2,315.65 61.41%
01 54107	VEHICLE EXPENSE - FUEL	24,600.00	1,640.44	9,130.16	15,469.84 37.11%
01 54109	FIELD MATERIALS & SUPPLIES	25,000.00	1,926.92	7,840.59	17,159.41 31.36%
01 54111	WATER TESTING	4,525.00	160.00	725.00	3,800.00 16.02%
01 54112	CONTRACTUAL SERV- ENGINEERING	49,678.00	0.00	-12.50	49,690.50 - .03%
01 54112 05	ARC FLASH HAZARD STUDY W05A	489.00	2,980.75	-19.25	508.25 -3.94%
01 54112 06	PUMPING PLANTS-SWITCHES W06A	1,225.00	10,687.75	-12.25	1,237.25 -1.00%
01 54112 07	EVAL OF WELLS 2, 3, 4 W07A	3,608.00	7,801.90	1.90	3,606.10 0.05%
01 54114	WATER SYSTEM REPAIRS	25,000.00	2,450.72	9,453.11	15,546.89 37.81%
01 54115	BUILDING MAINTENANCE/REPAIR	19,750.00	627.85	1,308.38	18,441.62 6.62%
01 54119	COMMUNICATIONS EXPENSE	1,500.00	107.35	434.79	1,065.21 28.99%
01 54121	DISINFECTION EXPENSE	5,000.00	614.36	1,843.08	3,156.92 36.86%
01 54125	POWER WELLS & PUMPS	63,000.00	8,658.40	14,613.14	48,386.86 23.20%
01 54130	OTHER OPERATIONS EXPENSES	15,000.00	8,700.44	8,872.44	6,127.56 59.15%
01 54150	PAYROLL LABOR TO PROJECTS	0.00	-32.63	-32.63	0.00 0.00%
01 54160	VEH & EQUIP EXPENSE TO PROJECT	0.00	-12.12	-12.12	0.00 0.00%

## GENERAL FUND

	BUDGET	REV OR EXP THIS MONTH	REV OR EXP YEAR TO DATE	AVAILABLE	YTD % OF BUDGET
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01 54170 EXP TO WIP PROJECTS	0.00	-21,509.22	-21,509.22	0.00	0.00%
TOTAL OPERATIONS EXPENSE	404,230.00	39,243.46	88,516.64	315,713.36	21.90%
BULK SYSTEM EXPENSE					
01 55001 PUMPING PLANT EXPENSE	6,500.00	958.65	1,682.88	4,817.12	25.89%
01 55002 BULK OPERATIONS & MAINTENANCE	5,000.00	1,635.02	6,940.97	-1,940.97	138.82%
TOTAL BULK SYSTEM EXPENSE	11,500.00	2,593.67	8,623.85	2,876.15	74.99%
ADMINISTRATIVE EXPENSE					
01 56001 DIRECTOR FEES	37,000.00	9,826.99	9,826.99	27,173.01	26.56%
01 56001 01 DISTRIBUTE TO DIRECTOR ACCTS	0.00	-9,826.99	-9,826.99	0.00	0.00%
01 56002 01 DIRECTOR MCBRIDE	0.00	1,654.68	2,748.83	0.00	0.00%
01 56002 02 DIRECTOR CORL-LORONO	0.00	2,894.96	5,035.06	0.00	0.00%
01 56002 03 DIRECTOR LARSON	0.00	0.00	300.00	0.00	0.00%
01 56002 04 DIRECTOR BURKHART	0.00	275.00	705.59	0.00	0.00%
01 56002 05 DIRECTOR STALEY	0.00	210.00	932.51	0.00	0.00%
01 56002 06 DIRECTOR COULOMBE	0.00	105.00	105.00	0.00	0.00%
01 56003 ADMINISTRATIVE COMPENSATION	275,000.00	20,115.12	78,087.96	196,912.04	28.40%
01 56006 CONTRACTUAL SERV-AUDITOR	30,000.00	16,925.00	16,925.00	13,075.00	56.42%
01 56007 CONTRACTUAL SERV-LEGAL	15,000.00	1,691.25	4,166.25	10,833.75	27.78%
01 56008 PERS CONTRIBUTION	47,050.00	3,611.29	15,771.04	31,278.96	33.52%
01 56009 PAYROLL TAXES	10,150.00	1,218.71	3,344.90	6,805.10	32.95%
01 56011 TELEPHONE/FAX/INTERNET/WEB	6,700.00	866.13	1,879.77	4,820.23	28.06%
01 56012 MAILING EXPENSES	4,360.00	-2.42	1,980.46	2,379.54	45.42%
01 56014 CONTRACTUAL SERV-OTHER	18,800.00	465.67	4,466.43	14,333.57	23.76%
01 56016 PROPERTY/LIABILITY EXPENSE	26,000.00	2,164.63	8,658.52	17,341.48	33.30%
01 56017 WORKERS COMP INSURANCE	6,500.00	466.67	3,188.27	3,311.73	49.05%
01 56018 DUES & SUBSCRIPTIONS	10,050.00	30.00	682.51	9,367.49	6.79%
01 56020 POWER OFFICES & YARDS	5,600.00	910.34	1,439.00	4,161.00	25.70%
01 56022 BAD DEBT EXPENSE	2,000.00	0.00	43.79	1,956.21	2.19%
01 56025 PROPANE	1,800.00	0.00	0.00	1,800.00	0.00%
01 56030 OFFICE SUPPLIES	6,700.00	615.95	1,957.90	4,742.10	29.22%
01 56100 EMPLOYEE BENEFITS INSURANCE	95,400.00	7,356.71	36,109.84	59,290.16	37.85%
01 56101 FLEXIBLE SPENDING ACCOUNT	0.00	19.86	-39.79	0.00	0.00%
01 56104 SUPPLEMENTAL LIFE	0.00	7.99	-15.92	0.00	0.00%
01 56105 DISABILITY INS	0.00	12.02	-23.91	0.00	0.00%
01 56110 EMPLOYEE EDUCATION	3,000.00	577.44	834.44	2,165.56	27.81%
01 56150 PAYROLL FRINGE EXP TO PROJECTS	0.00	-11.75	-11.75	0.00	0.00%
01 56160 OVERHEAD TO PROJECTS	0.00	-35.54	-35.54	0.00	0.00%
TOTAL ADMINISTRATIVE EXPENSE	601,110.00	62,144.71	189,236.16	411,873.84	31.48%
TOTAL OPERATING EXPENSE	1,016,840.00	103,981.84	286,376.65	730,463.35	28.16%
NON-OPERATING EXPENSE					
01 56200 OFFICE EQUIPMENT EXPENSE	8,500.00	1,008.34	1,008.34	7,491.66	11.86%



STATEMENT OF REVENUE AND EXPENSE  
PERIOD ENDING 10/31/13

## GENERAL FUND

	BUDGET	REV OR EXP THIS MONTH	REV OR EXP YEAR TO DATE	AVAILABLE	YTD % OF BUDGET
01 56300 CUSTOMER RELATIONS	9,050.00	641.93	1,438.21	7,611.79	15.89%
01 56300 01 LANDERS POST OFFICE GARDEN	0.00	45.00	1,228.98	0.00	0.00%
01 56400 OTHER ADMINISTRATIVE EXPENSES	1,500.00	98.05	1,054.91	445.09	70.33%
01 57000 INTEREST EXPENSE - BH BONDS	0.00	-18,951.75	11,478.99	0.00	0.00%
01 57100 DEPRECIATION EXPENSE	0.00	38,733.98	75,717.36	0.00	0.00%
01 58100 ELECTION COSTS	5,000.00	0.00	0.00	5,000.00	0.00%
01 59100 INTEREST EXPENSE - DV BONDS	0.00	0.00	2,914.84	0.00	0.00%
01 59300 EXPENSE MISC	0.00	88.84	985.82	0.00	0.00%
TOTAL NON-OPERATING EXPENSE	24,050.00	21,664.39	95,827.45	-71,777.45	398.45%
TOTAL EXPENSE	1,040,890.00	125,646.23	382,204.10	658,685.90	36.72%
NET REV/EXP GENERAL FUND	352,840.00	-23,710.43	-1,909.83	354,749.83	-.54%

Prepared By JB  
Date 12/27/13  
Reviewed By Must

**SOURCES & USES OF FUNDS STATEMENT**  
**GENERAL ACCOUNT (UNION BANK)**  
**OCTOBER 2013**

**SOURCES OF FUNDS:**

A/R - WATER	94,596.42	
MISCELLANEOUS REVENUE	632.09	
CUSTOMER DEPOSITS	1,300.00	
TOTAL		<u><u>96,528.51</u></u>

**USE OF FUNDS:**

A/R WATER & OTHER	977.43	
CAPITAL PURCHASES:		
EPA GRANT	54.18	
B3 & B4 TANKS	1,608.39	
INVENTORY PURCHASES	1,525.55	
PREPAIDS	614.39	
PAYROLL & BENEFITS	37,290.94	
OPERATIONS EXPENSES	26,927.36	
ADMINISTRATIVE EXPENSE	35,869.06	
TOTAL		<u><u>104,867.30</u></u>

Prepared By JS  
Date 12/30/13  
Reviewed By WAT

**UNION BANK OF CALIFORNIA**  
**DISBURSEMENT OCTOBER 2013**

Datastream Check Register	<u>67,300.66</u>	
		<u>67,300.66</u>

EFT for Vendor Services

Bank Fees	<u>275.70</u>	
Total EFT for Vendor Services		<u>275.70</u>

Wages for Paydate 10/10/13

State & Fed Taxes plus PERS Paid	6,996.06	
Payroll checks	11,092.30	
Director Per Diem ck	<u>1,484.64</u>	
		<u>19,573.00</u>

Wages for Paydate 10/24/13

State & Fed Taxes plus PERS Paid	6,510.55	
Payroll checks 12908-12914 & 12920+12921	10,917.17	
Director Per Diem 12915-12919	<u>290.22</u>	
		<u>17,717.94</u>

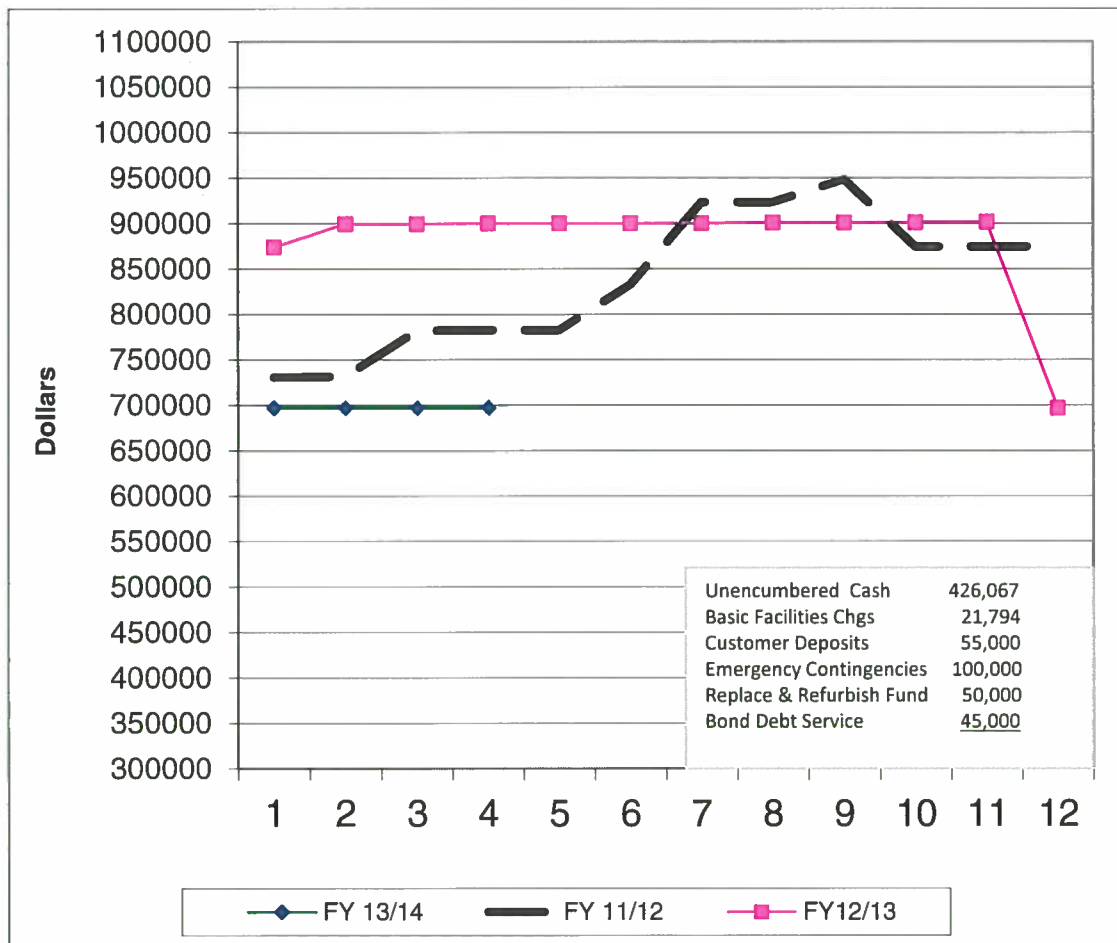
Total Disbursements	<u><u>104,867.30</u></u>
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Prepared By 9/3  
Date 12/27/13  
Reviewed By mt

## Local Agency Investment Fund Balance Timeline

**Balance as of**

	FY 11/12	FY 12/13	FY 13/14
July	730,685	873,934	697,409
August	731,593	899,726	697,409
September	781,593	899,726	697,409
October	782,302	900,521	697,861
November	782,302	900,521	
December	832,302	900,521	
January	923,069	900,521	
February	923,069	901,252	
March	948,069	901,252	
April	873,934	901,252	
May	873,934	901,880	
June	873,934	696,880	



GENERAL FUND

ASSETS

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CASH & CASH EQUIVALENTS

01 13120	CASH UNION BANK OF CA	77,143.15
01 13130	CASH CASH DRAWERS BASE FUND	750.00
01 13400	CASH PETTY CASH FUND	800.00
		-----
TOTAL CASH & CASH EQUIVALENTS		78,693.15

INVESTMENTS

01 13303	LAIF UNENCUMBERED CASH FUND	426,066.57
01 13306	LAIF-BASIC FACILITIES CHGS	21,794.00
01 13307	LAIF-CUSTOMER DEPOSITS	55,000.00
01 13309	LAIF EMERGENCY CONTINGENCIES	100,000.00
01 13310	LAIF REPLACE & REFURBISH FUND	50,000.00
01 13312	LAIF BOND DEBT SERVICE	45,000.00
		-----
TOTAL INVESTMENTS		697,860.57

ACCOUNTS RECEIVABLE, WATER

01 13710	A/R WATER	117,707.36
01 13904	DOLLAR GENERAL	( 2,470.96)
01 13950	2009-2010 LIEN RECEIVABLE	19,634.59
01 13951	2010-2011 LIEN RECEIVABLE	14,705.61
01 13952	2011-2012 LIEN RECEIVABLE	20,726.81
01 13953	2012-2013 LIEN RECEIVABLE	38,241.17
01 13960	DUE FROM OTHER GOVERNMENTS	234,309.63
		-----
TOTAL ACCTS RECEIVABLE, WATER		442,854.21

ACCOUNTS RECEIVABLE, OTHER

		-----
TOTAL ACCTS RECEIVABLE, OTHER		0.00

INVENTORIES

01 14301	INVENTORY-WATER SYSTEM PARTS	65,055.08
		-----
TOTAL INVENTORY		65,055.08

PREPAID EXPENSES

01 14402	PREPAYMENTS PL & PD LIAB INS	16,128.91
		-----
TOTAL PREPAID EXPENSES		16,128.91

FIXED ASSETS

01 11130	FA ORGANIZATION	336,271.54
01 11130 01	ACCUMULATED DEP ORGANIZATION	( 88,761.98)
01 11135	FA LAND	76,611.39
01 11140	FA BUILDINGS	237,604.13
01 11140 01	ACCUMULATED DEP BUILDINGS	( 211,797.64)
01 11150	FA YARDS	61,487.73
01 11150 01	ACCUMULATED DEP YARDS	( 53,081.41)

PERIOD ENDING 11/30/13

## GENERAL FUND

01 11160	FA FUELS TANKS	18,943.10
01 11160 01	ACCUMULATED DEP FUEL TANK (	12,540.28)
01 11170	FA WATER SYSTEM	7,865,319.38
01 11170 01	ACCUMULATED DEP WATER SYSTEM (	4,887,600.78)
01 11180	FA SHOP EQUIPMENT	40,186.44
01 11180 01	ACCUMULATED DEP SHOP EQUIP (	39,668.06)
01 11181	FA MOBILE EQUIPMENT	507,932.72
01 11181 01	ACCUMULATED DEP MOBILE EQUIP (	402,261.09)
01 11190	FA OFFICE EQUIPMENT	118,241.06
01 11190 01	ACCUMULATED DEP OFFICE EQUIP (	117,361.23)
01 14501	JV WELL	177,095.85
		-----
TOTAL FIXED ASSETS		3,626,620.87

## WORK IN PROGRESS (FOR OTHERS)

		-----
TOTAL WORK IN PROGRESS (OTHERS)		0.00

## WORK IN PROGRESS (AGENCY)

01 12049	B3 & B4 TANK REHAB	356,564.01
01 12052	EVAL OF WELLS 2, 3, & 4 (7A)	18,348.75
01 12053	ARC FLASH HAZARD STDY RFP (5A)	10,747.39
01 12054	PUMP PLANTS-MANUAL SWITCHES 6A	15,662.95
		-----
TOTAL WORK IN PROGRESS (AGENCY)		401,323.10

## DEBT ISSUANCE COST

		-----
TOTAL DEBT ISSUANCE COST		0.00

TOTAL ASSETS	5,328,535.89
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## LIABILITIES

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## ACCOUNTS PAYABLE

		-----
TOTAL ACCOUNTS PAYABLE		0.00

## ACCRUED PAYROLL

01 22900	ACCRUED PAYROLL LIABILITIES	19,074.42
01 22910	ACCRUED EMPLOYEE COMP BALANCES	40,569.00
		-----
TOTAL ACCRUED PAYROLL		59,643.42

## CUSTOMER DEPOSITS

01 22540	UNCLAIMED FUNDS	245.12
01 22550	CUSTOMER DEPOSITS PENDING	500.00
01 22600	CUSTOMER DEPOSITS	55,149.99
		-----
TOTAL CUSTOMER DEPOSITS		55,895.11

## GENERAL FUND

## WORK IN PROGRESS DEPOSIT

TOTAL WORK IN PROGRESS DEPOSIT	0.00
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## LIAB PYBL FRM RESTRICTD ASSETS

TOTAL LIAB PYBL FRM REST ASSET	0.00
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## LONG TERM DEBT

01 21101	REVENUE BONDS PAYABLE - DV	232,977.05
01 22300	REVENUE BONDS PAYABLE - BH	551,000.00
TOTAL LONG TERM DEBT		783,977.05

TOTAL LIABILITIES	899,515.58
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## EQUITY

01 30109	CONTRIBUTED CAPITAL/HUD	291,035.88
01 30111	FMHA GRANTS	758,297.76
01 31000	FUND BALANCE	2,957,821.72
01 31001	FUND BALANCE FEMA & OES	427,895.00
01 31111	CURR YEAR NET REVENUE/EXPENSE (	6,030.05)

TOTAL EQUITY	4,429,020.31
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TOTAL LIABILITIES & EQUITY	5,328,535.89
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Prepared By

Date

Reviewed By

JB

1/17/14

mmst

STATEMENT OF REVENUE AND EXPENSE  
PERIOD ENDING 11/30/13

## GENERAL FUND

		BUDGET	REV OR EXP THIS MONTH	REV OR EXP YEAR TO DATE	AVAILABLE	YTD % OF BUDGET
		-----	-----	-----	-----	-----
REVENUE						
-----						
OPERATING REVENUE						
01 41000	SERVICE LINE INSTALLATION FEES	1,255.00	0.00	0.00	1,255.00	0.00%
01 41001	BASIC FACILITIES CHARGE	4,098.00	0.00	0.00	4,098.00	0.00%
01 41100	INCOME METERED WATER	398,205.00	26,664.52	180,514.54	217,690.46	45.33%
01 41300	BASIC SERVICE CHARGE	576,235.00	50,052.64	223,348.20	352,886.80	38.76%
01 41400	INCOME METERED BULK WATER	47,312.00	2,995.99	23,583.35	23,728.65	49.85%
01 41700	INCOME OTHER (OPERATING)	37,200.00	2,835.14	16,354.44	20,845.56	43.96%
		-----	-----	-----	-----	-----
	TOTAL OPERATING REVENUE	1,064,305.00	82,548.29	443,800.53	620,504.47	41.70%
NON-OPERATING REVENUE						
01 49100	GA02 GEN LEVY IMP DIST A BH	51,600.00	4,927.25	4,927.37	46,672.63	9.55%
01 49101	DA01 DEBT SRVC IMP 1 (BH BOND)	175,900.00	22,901.75	22,901.32	152,998.68	13.02%
01 49102	GA01 GENERAL TAX LEVY (BDV)	50,100.00	4,861.50	4,861.62	45,238.38	9.70%
01 49103	INCOME REVENUE BONDS DV FMHA	48,825.00	17.85	16,656.14	32,168.86	34.11%
01 49200	INTEREST INCOME	3,000.00	0.00	980.94	2,019.06	32.70%
01 49600	INCOME OTHER (NON OPERATING)	0.00	549.45	1,972.44	0.00	0.00%
		-----	-----	-----	-----	-----
	TOTAL NON-OPERATING REVENUE	329,425.00	33,257.80	52,299.83	277,125.17	15.88%
		-----	-----	-----	-----	-----
	TOTAL REVENUE	1,393,730.00	115,806.09	496,100.36	897,629.64	35.60%
EXPENSE						
-----						
OPERATIONS EXPENSE						
01 54102	OPERATIONS COMPENSATION	154,565.00	21,594.83	72,837.30	81,727.70	47.12%
01 54103	UNIFORMS	2,650.00	125.00	450.00	2,200.00	16.98%
01 54105	AUTO CONTROLS	2,640.00	212.97	853.17	1,786.83	32.32%
01 54106	VEHICLE/TRACTOR/EQUIP EXPENSE	6,000.00	20.82	3,705.17	2,294.83	61.75%
01 54107	VEHICLE EXPENSE - FUEL	24,600.00	2,121.73	11,251.89	13,348.11	45.74%
01 54109	FIELD MATERIALS & SUPPLIES	25,000.00	1,810.46	9,651.05	15,348.95	38.60%
01 54111	WATER TESTING	4,525.00	250.00	975.00	3,550.00	21.55%
01 54112	CONTRACTUAL SERV- ENGINEERING	49,678.00	0.00	-12.50	49,690.50	-.03%
01 54112 05	ARC FLASH HAZARD STUDY W05A	489.00	0.00	-19.25	508.25	-3.94%
01 54112 06	PUMPING PLANTS-SWITCHES W06A	6,325.00	0.00	-12.25	6,337.25	-.19%
01 54112 07	EVAL OF WELLS 2, 3, 4 W07A	3,608.00	3,606.49	3,608.39	-.39	100.01%
01 54114	WATER SYSTEM REPAIRS	25,000.00	265.64	9,718.75	15,281.25	38.88%
01 54115	BUILDING MAINTENANCE/REPAIR	19,750.00	390.02	1,698.40	18,051.60	8.60%
01 54119	COMMUNICATIONS EXPENSE	1,500.00	107.95	542.74	957.26	36.18%
01 54121	DISINFECTION EXPENSE	5,000.00	525.96	2,369.04	2,630.96	47.38%
01 54125	POWER WELLS & PUMPS	63,000.00	5,202.55	19,815.69	43,184.31	31.45%
01 54130	OTHER OPERATIONS EXPENSES	15,000.00	3,340.34	12,212.78	2,787.22	81.42%
01 54150	PAYROLL LABOR TO PROJECTS	0.00	0.00	-32.63	0.00	0.00%
01 54160	VEH & EQUIP EXPENSE TO PROJECT	0.00	0.00	-12.12	0.00	0.00%



STATEMENT OF REVENUE AND EXPENSE  
PERIOD ENDING 11/30/13

## GENERAL FUND

	BUDGET	REV OR EXP THIS MONTH	REV OR EXP YEAR TO DATE	AVAILABLE	YTD % OF BUDGET
01 54170 EXP TO WIP PROJECTS	0.00	0.00	-21,509.22	0.00	0.00%
TOTAL OPERATIONS EXPENSE	409,330.00	39,574.76	128,091.40	281,238.60	31.29%
BULK SYSTEM EXPENSE					
01 55001 PUMPING PLANT EXPENSE	6,500.00	473.06	2,155.94	4,344.06	33.17%
01 55002 BULK OPERATIONS & MAINTENANCE	5,000.00	319.27	7,260.24	-2,260.24	145.20%
TOTAL BULK SYSTEM EXPENSE	11,500.00	792.33	9,416.18	2,083.82	81.88%
ADMINISTRATIVE EXPENSE					
01 56001 DIRECTOR FEES	37,000.00	0.00	9,826.99	27,173.01	26.56%
01 56001 01 DISTRIBUTE TO DIRECTOR ACCTS	0.00	0.00	-9,826.99	0.00	0.00%
01 56002 DIRECTOR MEETING EXPENSES	0.00	4,895.00	4,895.00	0.00	0.00%
01 56002 01 DIRECTOR MCBRIDE	0.00	105.00	2,853.83	0.00	0.00%
01 56002 02 DIRECTOR CORL-LORONO	0.00	525.00	5,560.06	0.00	0.00%
01 56002 03 DIRECTOR LARSON	0.00	0.00	300.00	0.00	0.00%
01 56002 04 DIRECTOR BURKHART	0.00	210.00	915.59	0.00	0.00%
01 56002 05 DIRECTOR STALEY	0.00	630.00	1,562.51	0.00	0.00%
01 56002 06 DIRECTOR COULOMBE	0.00	105.00	210.00	0.00	0.00%
01 56003 ADMINISTRATIVE COMPENSATION	275,000.00	30,100.25	108,188.21	166,811.79	39.34%
01 56006 CONTRACTUAL SERV-AUDITOR	30,000.00	0.00	16,925.00	13,075.00	56.42%
01 56007 CONTRACTUAL SERV-LEGAL	15,000.00	0.00	4,166.25	10,833.75	27.78%
01 56008 PERS CONTRIBUTION	47,050.00	3,567.52	19,338.56	27,711.44	41.10%
01 56009 PAYROLL TAXES	10,150.00	521.34	3,866.24	6,283.76	38.09%
01 56011 TELEPHONE/FAX/INTERNET/WEB	6,700.00	438.04	2,317.81	4,382.19	34.59%
01 56012 MAILING EXPENSES	4,360.00	631.71	2,612.17	1,747.83	59.91%
01 56014 CONTRACTUAL SERV-OTHER	18,800.00	4,231.18	8,697.61	10,102.39	46.26%
01 56016 PROPERTY/LIABILITY EXPENSE	26,000.00	2,237.47	10,895.99	15,104.01	41.91%
01 56017 WORKERS COMP INSURANCE	6,500.00	466.67	3,654.94	2,845.06	56.23%
01 56018 DUES & SUBSCRIPTIONS	10,050.00	2,826.99	3,509.50	6,540.50	34.92%
01 56020 POWER OFFICES & YARDS	5,600.00	276.05	1,715.05	3,884.95	30.63%
01 56022 BAD DEBT EXPENSE	2,000.00	0.00	43.79	1,956.21	2.19%
01 56025 PROPANE	1,800.00	0.00	0.00	1,800.00	0.00%
01 56030 OFFICE SUPPLIES	6,700.00	211.79	2,169.69	4,530.31	32.38%
01 56100 EMPLOYEE BENEFITS INSURANCE	95,400.00	7,330.79	43,440.63	51,959.37	45.54%
01 56101 FLEXIBLE SPENDING ACCOUNT	0.00	19.86	-19.93	0.00	0.00%
01 56104 SUPPLEMENTAL LIFE	0.00	7.99	-7.93	0.00	0.00%
01 56105 DISABILITY INS	0.00	12.02	-11.89	0.00	0.00%
01 56106 CANCER INS	0.00	178.96	178.96	0.00	0.00%
01 56110 EMPLOYEE EDUCATION	3,000.00	200.00	1,034.44	1,965.56	34.48%
01 56150 PAYROLL FRINGE EXP TO PROJECTS	0.00	0.00	-11.75	0.00	0.00%
01 56160 OVERHEAD TO PROJECTS	0.00	0.00	-35.54	0.00	0.00%
TOTAL ADMINISTRATIVE EXPENSE	601,110.00	59,728.63	248,964.79	352,145.21	41.42%
TOTAL OPERATING EXPENSE	1,021,940.00	100,095.72	386,472.37	635,467.63	37.82%

STATEMENT OF REVENUE AND EXPENSE  
PERIOD ENDING 11/30/13

## GENERAL FUND

	BUDGET	REV OR EXP THIS MONTH	REV OR EXP YEAR TO DATE	AVAILABLE	YTD % OF BUDGET
NON-OPERATING EXPENSE					
01 56200 OFFICE EQUIPMENT EXPENSE	8,500.00	0.00	1,008.34	7,491.66	11.86%
01 56300 CUSTOMER RELATIONS	9,050.00	94.56	1,532.77	7,517.23	16.94%
01 56300 01 LANDERS POST OFFICE GARDEN	0.00	0.00	1,228.98	0.00	0.00%
01 56400 OTHER ADMINISTRATIVE EXPENSES	1,500.00	225.00	1,279.91	220.09	85.33%
01 57000 INTEREST EXPENSE - BH BONDS	0.00	0.00	11,478.99	0.00	0.00%
01 57100 DEPRECIATION EXPENSE	0.00	19,307.72	95,025.08	0.00	0.00%
01 58100 ELECTION COSTS	5,000.00	0.00	0.00	5,000.00	0.00%
01 59100 INTEREST EXPENSE - DV BONDS	0.00	0.00	2,914.84	0.00	0.00%
01 59300 EXPENSE MISC	0.00	203.31	1,189.13	0.00	0.00%
TOTAL NON-OPERATING EXPENSE	24,050.00	19,830.59	115,658.04	-91,608.04	480.91%
TOTAL EXPENSE	1,045,990.00	119,926.31	502,130.41	543,859.59	48.01%
NET REV/EXP GENERAL FUND	347,740.00	-4,120.22	-6,030.05	353,770.05	-1.73%

Prepared By JSB  
Date 11/17/14  
Reviewed By mmast

# SOURCES & USES OF FUNDS STATEMENT

## GENERAL ACCOUNT (UNION BANK)

November-13

### SOURCES OF FUNDS:

A/R - WATER	92,984.21	
MISCELLANEOUS REVENUE	5389.28	
INCOME FROM TAXES	32,690.50	
CUSTOMER DEPOSITS	2,531.80	
DEMO GARDEN		
REIMBURSEMENT FROM LIEN		
TOTAL		<u><u>133,595.79</u></u>

### USE OF FUNDS:

A/R WATER & OTHER	656.78	
CAPITAL PURCHASES:		
ARC FLASH	2,400.00	
INVENTORY PURCHASES	43.15	
BONDS: PRINCIPLE & INTEREST		
PAYROLL & BENEFITS	37,952.96	
PREPAYMENTS		
OPERATIONS EXPENSES	17,566.84	
ADMINISTRATIVE EXPENSE	22,132.07	
TOTAL		<u><u>80,751.80</u></u>

Prepared By JS  
Date 1/21/14  
Reviewed By mm

**UNION BANK OF CALIFORNIA**  
**DISBURSEMENTS NOVEMBER 2013**

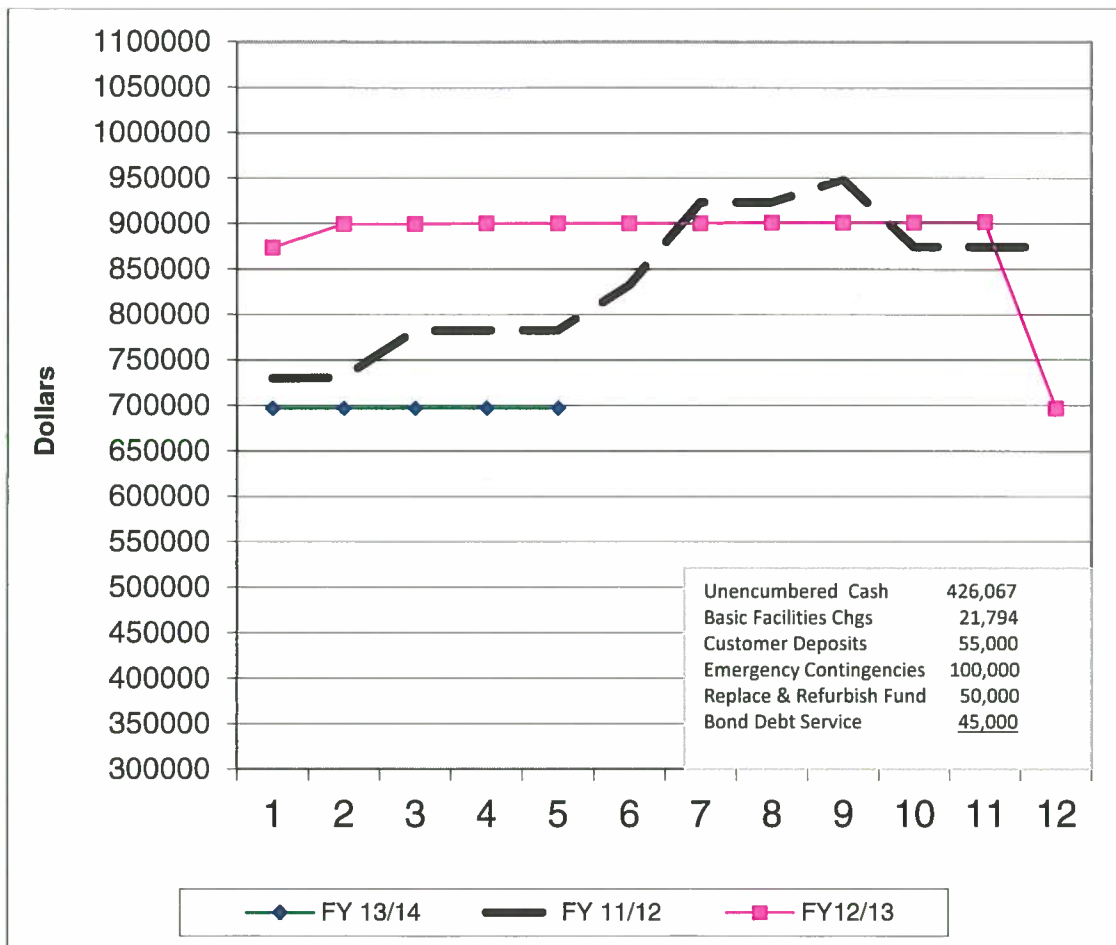
Datastream Check Register	<u>42,535.63</u>		<u>42,535.63</u>
EFT for Vendor Services			
Bank Fees	<u>263.21</u>		
Total EFT for Vendor Services			<u>263.21</u>
Wages for Paydate 12/05/13			
State & Fed Taxes plus PERS Paid	7,121.78		
Payroll checks 13478-13485	12,574.67		
Director Per Diem 13486-13490	<u>872.71</u>		
			<u>20,569.16</u>
Wages for Paydate 12/19/13			
State & Fed Taxes plus PERS Paid	6,447.12		
Payroll checks 13501-13507	10,936.68		
Director Per Diem	<u>-</u>		
			<u>17,383.80</u>
			<u>80,751.80</u>
Total Disbursements			

Prepared By JB  
Date 1/21/14  
Reviewed By mm

## Local Agency Investment Fund Balance Timeline

**Balance as of**

	FY 11/12	FY 12/13	FY 13/14
July	730,685	873,934	697,409
August	731,593	899,726	697,409
September	781,593	899,726	697,409
October	782,302	900,521	697,861
November	782,302	900,521	697,861
December	832,302	900,521	
January	923,069	900,521	
February	923,069	901,252	
March	948,069	901,252	
April	873,934	901,252	
May	873,934	901,880	
June	873,934	696,880	



## GENERAL FUND

## ASSETS

-----

## CASH &amp; CASH EQUIVALENTS

01 13120	CASH UNION BANK OF CA	204,624.32
01 13130	CASH CASH DRAWERS BASE FUND	750.00
01 13400	CASH PETTY CASH FUND	800.00
		-----
TOTAL CASH & CASH EQUIVALENTS		206,174.32

## INVESTMENTS

01 13303	LAIF UNENCUMBERED CASH FUND	426,066.57
01 13306	LAIF-BASIC FACILITIES CHGS	21,794.00
01 13307	LAIF-CUSTOMER DEPOSITS	55,000.00
01 13309	LAIF EMERGENCY CONTINGENCIES	100,000.00
01 13310	LAIF REPLACE & REFURBISH FUND	50,000.00
01 13312	LAIF BOND DEBT SERVICE	45,000.00
		-----
TOTAL INVESTMENTS		697,860.57

## ACCOUNTS RECEIVABLE, WATER

01 13710	A/R WATER	121,559.12
01 13904	DOLLAR GENERAL	( 2,470.96)
01 13950	2009-2010 LIEN RECEIVABLE	19,634.59
01 13951	2010-2011 LIEN RECEIVABLE	14,705.61
01 13952	2011-2012 LIEN RECEIVABLE	20,477.62
01 13953	2012-2013 LIEN RECEIVABLE	33,039.70
01 13960	DUE FROM OTHER GOVERNMENTS	234,309.63
		-----
TOTAL ACCTS RECEIVABLE, WATER		441,255.31

## ACCOUNTS RECEIVABLE, OTHER

		-----
TOTAL ACCTS RECEIVABLE, OTHER		0.00

## INVENTORIES

01 14301	INVENTORY-WATER SYSTEM PARTS	64,861.23
		-----
TOTAL INVENTORY		64,861.23

## PREPAID EXPENSES

01 14401	PREPAYMENTS WORKERS COMP INSUR	1,400.00
01 14402	PREPAYMENTS PL & PD LIAB INS	13,424.78
		-----
TOTAL PREPAID EXPENSES		14,824.78

## FIXED ASSETS

01 11130	FA ORGANIZATION	336,271.54
01 11130 01	ACCUMULATED DEP ORGANIZATION	( 89,882.89)
01 11135	FA LAND	76,611.39
01 11140	FA BUILDINGS	237,604.13
01 11140 01	ACCUMULATED DEP BUILDINGS	( 211,984.59)
01 11150	FA YARDS	61,487.73

## GENERAL FUND

01 11150 01	ACCUMULATED DEP YARDS	( 53,102.15)
01 11160	FA FUELS TANKS	18,943.10
01 11160 01	ACCUMULATED DEP FUEL TANK	( 12,608.07)
01 11170	FA WATER SYSTEM	7,865,319.38
01 11170 01	ACCUMULATED DEP WATER SYSTEM	( 4,903,375.82)
01 11180	FA SHOP EQUIPMENT	40,186.44
01 11180 01	ACCUMULATED DEP SHOP EQUIP	( 39,738.88)
01 11181	FA MOBILE EQUIPMENT	507,932.72
01 11181 01	ACCUMULATED DEP MOBILE EQUIP	( 404,168.02)
01 11190	FA OFFICE EQUIPMENT	118,241.06
01 11190 01	ACCUMULATED DEP OFFICE EQUIP	( 117,383.57)
01 14501	JV WELL	177,095.85
		-----
TOTAL FIXED ASSETS		3,607,449.35

## WORK IN PROGRESS (FOR OTHERS)

		-----
TOTAL WORK IN PROGRESS (OTHERS)		0.00

## WORK IN PROGRESS (AGENCY)

01 12049	B3 & B4 TANK REHAB	356,564.01
01 12052	EVAL OF WELLS 2, 3, & 4 (7A)	18,348.75
01 12053	ARC FLASH HAZARD STDY RFP (5A)	10,747.39
01 12054	PUMP PLANTS-MANUAL SWITCHES 6A	15,662.95
		-----
TOTAL WORK IN PROGRESS (AGENCY)		401,323.10

## DEBT ISSUANCE COST

		-----
TOTAL DEBT ISSUANCE COST		0.00

TOTAL ASSETS		5,433,748.66
		=====

## LIABILITIES

## ACCOUNTS PAYABLE

		-----
TOTAL ACCOUNTS PAYABLE		0.00

## ACCRUED PAYROLL

01 22900	ACCRUED PAYROLL LIABILITIES	16,979.16
01 22910	ACCRUED EMPLOYEE COMP BALANCES	40,569.00
		-----
TOTAL ACCRUED PAYROLL		57,548.16

## CUSTOMER DEPOSITS

01 22540	UNCLAIMED FUNDS	255.48
01 22550	CUSTOMER DEPOSITS PENDING	2,000.00
01 22600	CUSTOMER DEPOSITS	54,649.99

## GENERAL FUND

TOTAL CUSTOMER DEPOSITS	56,905.47
WORK IN PROGRESS DEPOSIT	
TOTAL WORK IN PROGRESS DEPOSIT	0.00
LIAB PYBL FRM RESTRICTD ASSETS	
TOTAL LIAB PYBL FRM REST ASSET	0.00
LONG TERM DEBT	
01 21101 REVENUE BONDS PAYABLE - DV	232,977.05
01 22300 REVENUE BONDS PAYABLE - BH	551,000.00
TOTAL LONG TERM DEBT	783,977.05
TOTAL LIABILITIES	898,430.68
EQUITY	
01 30109 CONTRIBUTED CAPITAL/HUD	291,035.88
01 30111 FMHA GRANTS	758,297.76
01 31000 FUND BALANCE	2,957,821.72
01 31001 FUND BALANCE FEMA & OES	427,895.00
01 31111 CURR YEAR NET REVENUE/EXPENSE	100,267.62
TOTAL EQUITY	4,535,317.98
TOTAL LIABILITIES & EQUITY	5,433,748.66



STATEMENT OF REVENUE AND EXPENSE  
PERIOD ENDING 12/31/13

## GENERAL FUND

		BUDGET	REV OR EXP THIS MONTH	REV OR EXP YEAR TO DATE	AVAILABLE	YTD % OF BUDGET
REVENUE						
-----						
OPERATING REVENUE						
01 41000	SERVICE LINE INSTALLATION FEES	1,255.00	0.00	0.00	1,255.00	0.00%
01 41001	BASIC FACILITIES CHARGE	4,098.00	0.00	0.00	4,098.00	0.00%
01 41100	INCOME METERED WATER	398,205.00	25,942.44	206,456.98	191,748.02	51.85%
01 41300	BASIC SERVICE CHARGE	576,235.00	49,033.45	272,381.65	303,853.35	47.27%
01 41400	INCOME METERED BULK WATER	47,312.00	3,589.30	27,172.65	20,139.35	57.43%
01 41700	INCOME OTHER (OPERATING)	37,200.00	3,727.05	20,081.49	17,118.51	53.98%
TOTAL OPERATING REVENUE		1,064,305.00	82,292.24	526,092.77	538,212.23	49.43%
NON-OPERATING REVENUE						
01 49100	GA02 GEN LEVY IMP DIST A BH	51,600.00	18,173.24	23,100.61	28,499.39	44.77%
01 49101	DA01 DEBT SRVC IMP 1 (BH BOND)	175,900.00	52,309.95	75,211.27	100,688.73	42.76%
01 49102	GA01 GENERAL TAX LEVY (BDV)	50,100.00	17,926.51	22,788.13	27,311.87	45.49%
01 49103	INCOME REVENUE BONDS DV FMHA	48,825.00	8,282.04	24,938.18	23,886.82	51.08%
01 49200	INTEREST INCOME	3,000.00	0.00	980.94	2,019.06	32.70%
01 49600	INCOME OTHER (NON OPERATING)	0.00	140.73	2,113.17	0.00	0.00%
TOTAL NON-OPERATING REVENUE		329,425.00	96,832.47	149,132.30	180,292.70	45.27%
TOTAL REVENUE		1,393,730.00	179,124.71	675,225.07	718,504.93	48.45%

## EXPENSE

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## OPERATIONS EXPENSE

01 54102	OPERATIONS COMPENSATION	154,565.00	12,460.63	85,297.93	69,267.07	55.19%
01 54103	UNIFORMS	2,650.00	245.79	695.79	1,954.21	26.26%
01 54105	AUTO CONTROLS	2,640.00	212.96	1,066.13	1,573.87	40.38%
01 54106	VEHICLE/TRACTOR/EQUIP EXPENSE	6,000.00	-1,241.37	2,463.80	3,536.20	41.06%
01 54107	VEHICLE EXPENSE - FUEL	24,600.00	0.00	11,251.89	13,348.11	45.74%
01 54109	FIELD MATERIALS & SUPPLIES	25,000.00	812.21	10,463.26	14,536.74	41.85%
01 54111	WATER TESTING	4,525.00	190.00	1,165.00	3,360.00	25.75%
01 54112	CONTRACTUAL SERV- ENGINEERING	49,678.00	0.00	-12.50	49,690.50	-.03%
01 54112 05	ARC FLASH HAZARD STUDY W05A	489.00	0.00	-19.25	508.25	-3.94%
01 54112 06	PUMPING PLANTS-SWITCHES W06A	6,325.00	0.00	-12.25	6,337.25	-.19%
01 54112 07	EVAL OF WELLS 2, 3, 4 W07A	3,608.00	0.00	3,608.39	-.39	100.01%
01 54114	WATER SYSTEM REPAIRS	25,000.00	676.90	10,395.65	14,604.35	41.58%
01 54115	BUILDING MAINTENANCE/REPAIR	19,750.00	2,144.13	3,842.53	15,907.47	19.46%
01 54119	COMMUNICATIONS EXPENSE	1,500.00	100.95	643.69	856.31	42.91%
01 54121	DISINFECTION EXPENSE	5,000.00	0.00	2,369.04	2,630.96	47.38%
01 54125	POWER WELLS & PUMPS	63,000.00	0.00	19,815.69	43,184.31	31.45%
01 54130	OTHER OPERATIONS EXPENSES	15,000.00	350.00	12,562.78	2,437.22	83.75%
01 54150	PAYROLL LABOR TO PROJECTS	0.00	0.00	-32.63	0.00	0.00%
01 54160	VEH & EQUIP EXPENSE TO PROJECT	0.00	0.00	-12.12	0.00	0.00%

STATEMENT OF REVENUE AND EXPENSE  
PERIOD ENDING 12/31/13

## GENERAL FUND

	BUDGET	REV OR EXP THIS MONTH	REV OR EXP YEAR TO DATE	AVAILABLE	YTD % OF BUDGET
01 54170 EXP TO WIP PROJECTS	0.00	0.00	-21,509.22	0.00	0.00%
TOTAL OPERATIONS EXPENSE	409,330.00	15,952.20	144,043.60	265,286.40	35.19%
BULK SYSTEM EXPENSE					
01 55001 PUMPING PLANT EXPENSE	6,500.00	6.59	2,162.53	4,337.47	33.27%
01 55002 BULK OPERATIONS & MAINTENANCE	5,000.00	30.00	7,290.24	-2,290.24	145.80%
TOTAL BULK SYSTEM EXPENSE	11,500.00	36.59	9,452.77	2,047.23	82.20%
ADMINISTRATIVE EXPENSE					
01 56001 DIRECTOR FEES	37,000.00	0.00	9,826.99	27,173.01	26.56%
01 56001 01 DISTRIBUTE TO DIRECTOR ACCTS	0.00	0.00	-9,826.99	0.00	0.00%
01 56002 DIRECTOR MEETING EXPENSES	0.00	103.00	4,998.00	0.00	0.00%
01 56002 01 DIRECTOR MCBRIDE	0.00	0.00	2,853.83	0.00	0.00%
01 56002 02 DIRECTOR CORL-LORONO	0.00	105.00	5,665.06	0.00	0.00%
01 56002 03 DIRECTOR LARSON	0.00	0.00	300.00	0.00	0.00%
01 56002 04 DIRECTOR BURKHART	0.00	105.00	1,020.59	0.00	0.00%
01 56002 05 DIRECTOR STALEY	0.00	210.00	1,772.51	0.00	0.00%
01 56002 06 DIRECTOR COULOMBE	0.00	0.00	210.00	0.00	0.00%
01 56003 ADMINISTRATIVE COMPENSATION	275,000.00	20,064.96	128,253.17	146,746.83	46.64%
01 56006 CONTRACTUAL SERV-AUDITOR	30,000.00	0.00	16,925.00	13,075.00	56.42%
01 56007 CONTRACTUAL SERV-LEGAL	15,000.00	247.50	4,413.75	10,586.25	29.43%
01 56008 PERS CONTRIBUTION	47,050.00	3,631.29	22,969.85	24,080.15	48.82%
01 56009 PAYROLL TAXES	10,150.00	552.66	4,418.90	5,731.10	43.54%
01 56011 TELEPHONE/FAX/INTERNET/WEB	6,700.00	439.66	2,757.47	3,942.53	41.16%
01 56012 MAILING EXPENSES	4,360.00	486.86	3,099.03	1,260.97	71.08%
01 56014 CONTRACTUAL SERV-OTHER	18,800.00	1,003.78	9,701.39	9,098.61	51.60%
01 56016 PROPERTY/LIABILITY EXPENSE	26,000.00	2,237.47	13,133.46	12,866.54	50.51%
01 56017 WORKERS COMP INSURANCE	6,500.00	466.66	4,121.60	2,378.40	63.41%
01 56018 DUES & SUBSCRIPTIONS	10,050.00	200.50	3,710.00	6,340.00	36.92%
01 56020 POWER OFFICES & YARDS	5,600.00	0.00	1,715.05	3,884.95	30.63%
01 56022 BAD DEBT EXPENSE	2,000.00	0.00	43.79	1,956.21	2.19%
01 56025 PROPANE	1,800.00	0.00	0.00	1,800.00	0.00%
01 56030 OFFICE SUPPLIES	6,700.00	191.79	2,361.48	4,338.52	35.25%
01 56100 EMPLOYEE BENEFITS INSURANCE	95,400.00	7,340.86	50,781.49	44,618.51	53.23%
01 56101 FLEXIBLE SPENDING ACCOUNT	0.00	19.86	- .07	0.00	0.00%
01 56104 SUPPLEMENTAL LIFE	0.00	7.99	0.06	0.00	0.00%
01 56105 DISABILITY INS	0.00	12.02	0.13	0.00	0.00%
01 56106 CANCER INS	0.00	89.48	268.44	0.00	0.00%
01 56110 EMPLOYEE EDUCATION	3,000.00	0.00	1,034.44	1,965.56	34.48%
01 56150 PAYROLL FRINGE EXP TO PROJECTS	0.00	0.00	-11.75	0.00	0.00%
01 56160 OVERHEAD TO PROJECTS	0.00	0.00	-35.54	0.00	0.00%
TOTAL ADMINISTRATIVE EXPENSE	601,110.00	37,516.34	286,481.13	314,628.87	47.66%
TOTAL OPERATING EXPENSE	1,021,940.00	53,505.13	439,977.50	581,962.50	43.05%

STATEMENT OF REVENUE AND EXPENSE  
PERIOD ENDING 12/31/13

## GENERAL FUND

	BUDGET	REV OR EXP THIS MONTH	REV OR EXP YEAR TO DATE	AVAILABLE	YTD % OF BUDGET
NON-OPERATING EXPENSE					
01 56200 OFFICE EQUIPMENT EXPENSE	8,500.00	95.00	1,103.34	7,396.66	12.98%
01 56300 CUSTOMER RELATIONS	9,050.00	32.39	1,565.16	7,484.84	17.29%
01 56300 01 LANDERS POST OFFICE GARDEN	0.00	0.00	1,228.98	0.00	0.00%
01 56400 OTHER ADMINISTRATIVE EXPENSES	1,500.00	0.00	1,279.91	220.09	85.33%
01 57000 INTEREST EXPENSE - BH BONDS	0.00	0.00	11,478.99	0.00	0.00%
01 57100 DEPRECIATION EXPENSE	0.00	19,171.52	114,196.60	0.00	0.00%
01 58100 ELECTION COSTS	5,000.00	0.00	0.00	5,000.00	0.00%
01 59100 INTEREST EXPENSE - DV BONDS	0.00	0.00	2,914.84	0.00	0.00%
01 59300 EXPENSE MISC	0.00	23.00	1,212.13	0.00	0.00%
TOTAL NON-OPERATING EXPENSE	24,050.00	19,321.91	134,979.95	-110,929.95	561.25%
TOTAL EXPENSE	1,045,990.00	72,827.04	574,957.45	471,032.55	54.97%
NET REV/EXP GENERAL FUND	347,740.00	106,297.67	100,267.62	247,472.38	28.83%

Prepared By JSBDate 1/23/14Reviewed By MMT

**SOURCES & USES OF FUNDS STATEMENT**  
**GENERAL ACCOUNT (UNION BANK)**  
**DECEMBER 2013**

**SOURCES OF FUNDS:**

A/R - WATER	85,101.42
CUSTOMER DEPOSITS	1,400.00
MISCELLANEOUS REVENUE	930.85
PROPERTY LIEN COLLECTED	6193.00
INCOME FROM PROPERTY TAX	36,099.75
BH BOND	52,309.95
REFUND OVERPAYMENT	1,241.00

TOTAL	<u><u>183,275.97</u></u>
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**USE OF FUNDS:**

A/R WATER	12.64
INVENTORY PURCHASES	543.02
PAYMENTS FOR SALARIES & WAGES	35,309.18
OPERATIONS EXPENSES	4,032.66
PREPAYMENT	1,400.00
ADMINISTRATIVE EXPENSE	10,948.12

TOTAL	<u><u>52,245.62</u></u>
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Prepared By JB  
Date 1/23/14  
Reviewed By mt

UNION BANK OF CALIFORNIA  
DISBURSEMENTS DECEMBER 2013

Datastream Check Register	<u>16,682.66</u>	<u>16,682.66</u>
EFT for Vendor Services		
Bank Fees	253.78	
Total EFT for Vendor Services		<u>253.78</u>
Wages for Paydate 01/02/14		
State & Fed Taxes plus PERS Paid	6,757.04	
Payroll checks 13510-13525	10,828.91	
Director Per Diem 13526-13528	<u>639.40</u>	
		<u>18,225.35</u>
Wages for Paydate 01/16/14		
State & Fed Taxes plus PERS Paid	6,334.01	
Payroll checks 13540-13555	10,749.82	
Director Per Diem	<u>-</u>	
		<u>17,083.83</u>

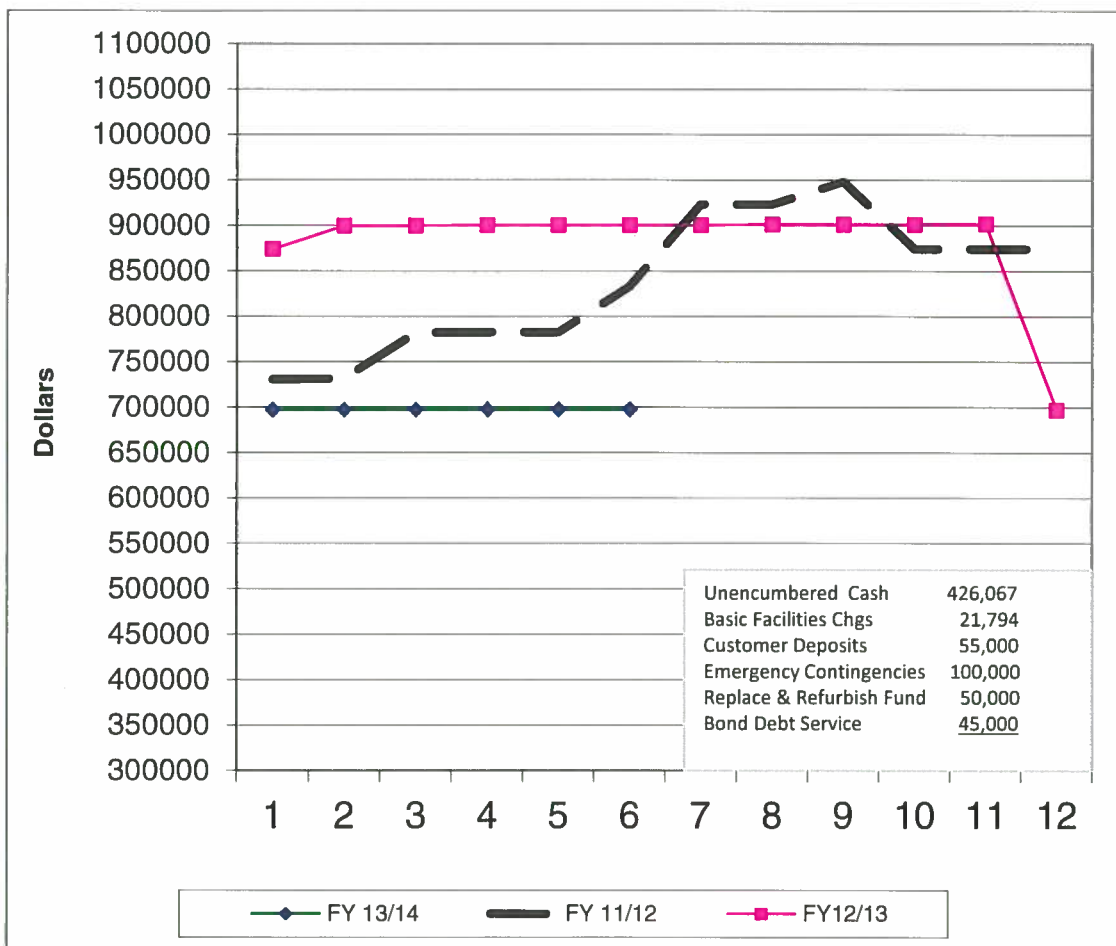
52,245.62

Prepared By JB  
Date 1/23/14  
Reviewed By MAF

## Local Agency Investment Fund Balance Timeline

**Balance as of**

	FY 11/12	FY 12/13	FY 13/14
July	730,685	873,934	697,409
August	731,593	899,726	697,409
September	781,593	899,726	697,409
October	782,302	900,521	697,861
November	782,302	900,521	697,861
December	832,302	900,521	697,861
January	923,069	900,521	
February	923,069	901,252	
March	948,069	901,252	
April	873,934	901,252	
May	873,934	901,880	
June	873,934	696,880	





Date: January 1, 2014  
 To: Marina West  
 From: Destiny Diaz  
 Subject: Service Order Report for November and December 2013

## SERVICE ORDER REPORT FOR FISCAL YEAR 2013-2014

	J	A	S	O	N	D	J	F	M	A	M	J	YTD
After Hours Call Out	0	1	4	3	3	2							13
AirVac Maintenance	0	0	1	2	1	1							5
Booster Repair/Maintenance (New Category)	0	1	0	0	0	2							1
Bulk Stations: Maintenance	0	3	0	0	0	0							3
Close Account	24	20	16	26	28	16							130
Customer Requested Asst	8	5	3	6	3	10							35
Reported Leaks	2	4	8	6	3	4							27
Destroy Service Line	1	0	1	1	0	0							3
Exchange Meter	0	3	4	0	4	3							14
Facility Inspections*	4	4	5	2	4	4							23
Fire Flow Test	1	0	0	0	0	0							1
Flush Deadend/Blowoffs	1	0	0	4	0	0							5
Hangtag	8	15	10	9	5	3							50
Hydrant Maint.	0	0	0	0	1	0							1
Install New Service	0	0	0	0	0	0							0
Lock-Off's	12	7	15	18	24	10							86
Miscellaneous	8	5	14	14	6	7							54
Office Repairs	0	0	0	0	1	3							4
Open New Service	21	20	16	26	28	16							127
Pressure Complaint	0	2	0	2	1	0							5
Pull Meter	1	1	1	0	0	1							4
Read Meter	0	0	0	2	0	2							4
Repair Mainline	0	0	0	0	0	0							0
Repair Service Line	6	7	9	6	2	2							32
Replace Service Line	0	4	2	4	2	3							15
Reread Meter	21	18	11	5	9	5							69
Safety Meeting	1	2	1	2	2	2							10
Tamper	1	1	0	1	1	0							4
Tank/Reservoir Maintenance/Repairs	0	0	0	0	0	0							0
Unlock Service	13	9	14	12	18	9							75
Valve Maintenance	43	35	26	20	32	20							176
Verify Meter Locked	5	2	4	9	7	6							33
Water Quality Issues **	1	0	2	0	0	0							3
Well Repairs/Maint. And Water Level	2	5	3	4	4	2							20
<b>TOTAL</b>	<b>184</b>	<b>174</b>	<b>170</b>	<b>184</b>	<b>189</b>	<b>131</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1032</b>

\*Includes Inspections for Fire Extinguishers, Vehicles and Facilities

\*\* Includes Water Quality (taste, odor, color)



**DATE:** 12/2/2013  
**TO:** Board of Directors  
**FROM:** Kit Boyd  
**RE:** November Production

	<u>Cubic Feet</u> <u>Pumped</u>	<u>Total Gallons</u> <u>Pumped</u>	<u>Average</u> <u>GPM</u>	<u>Total</u> <u>Running Time</u>	<u>acre feet</u>
Well 2	Well is "inactive"				
Well 3	255,490	1,911,065	376	84.6	5.87
Well 4	Well is "inactive"				
Well 6	55,090	412,073	443	15.5	1.26
Well 7	225,080	1,683,598	355	79.1	5.17
Well 8	169,900	1,270,852	894	23.7	3.90
Well 9	420,400	3,144,592	671	78.1	9.65
Well 10	19,461	145,568	44	54.7	0.45
<b>Total</b>	<b>1,145,421</b>	<b>8,567,749</b>	<b>425</b>	<b>335.7</b>	<b>26.30</b>
<b>A Boosters</b>	59,550	445,434	142	52.1	
<b>C Boosters</b>	178,700	1,336,676	258	86.2	
<b>Total</b>	<b>238,250</b>	<b>1,782,110</b>			





**DATE:** 1/2/2014  
**TO:** Board of Directors  
**FROM:** Kit Boyd  
**RE:** December Production

	<u>Cubic Feet</u> <u>Pumped</u>	<u>Total Gallons</u> <u>Pumped</u>	<u>Average</u> <u>GPM</u>	<u>Total</u> <u>Running Time</u>	<u>acre feet</u>
Well 2	Well in "inactive"				
Well 3	318,320	2,381,034	383	103.6	7.31
Well 4	Well in "inactive"				
Well 6	299,190	2,237,941	416	89.6	6.87
Well 7	73,690	551,201	370	24.8	1.69
Well 8	79,100	591,668	905	10.9	1.82
Well 9	234,300	1,752,564	675	43.3	5.38
Well 10	17,690	132,321	45	49.1	0.41
<b>Total</b>	<b>1,022,290</b>	<b>7,646,729</b>	<b>397</b>	<b>321.3</b>	<b>23.47</b>
<b>A Boosters</b>	61,340	458,823	143	53.5	
<b>C Boosters</b>	141,100	1,055,428	264	66.7	
<b>Total</b>	<b>202,440</b>	<b>1,514,251</b>			

## Bighorn-Desert View Water Agency

### Board of Directors

Michael McBride, President  
Judy Corl-Lorono, Vice President  
Terry Burkhart, Secretary  
J. Dennis Staley, Director  
J. Larry Coulombe, Director

Marina D West, PG, General Manager



A Public Agency

### Agency Office

622 S. Jemez Trail  
Yucca Valley, CA 92284-1440

760/364-2315 Phone  
760/364-3412 Fax

[www.bdvwa.org](http://www.bdvwa.org)

## BOARD OF DIRECTORS' SPECIAL MEETING MINUTES

BOARD MEETING OFFICE  
1720 N. Cherokee Trail, Landers, CA 92285  
Tuesday, November 19, 2013 – 6:00 p.m.

### CALL TO ORDER

Meeting convened by Board President Michael McBride at 6:00 p.m.

### PLEDGE OF ALLEGIANCE

Led by Ms. Adams

### ROLL CALL

Directors Present: Michael McBride  
Judy Corl-Lorono  
Terry Burkhart  
J. Dennis Staley  
J. Larry Coulombe

Staff Present: Marina West  
Michelle Corbin

Vice President Corl-Lorono made a motion to approve the Agenda with moving item 10 into the number 6 spot. Director Burkhart seconded the motion.

### APPROVAL OF AGENDA

*Motion to approve the agenda.*

MSC<sup>1</sup> (Corl-Lorono/Burkhart) unanimously approved.

### PRESENTATION OF THE AGENCY FINANCIAL AUDIT FOR FISCAL YEAR 2012-2013

Ken Al-Iman of Mayer Hoffman McCann P.C. presented his report of the financial audit for fiscal year 2012-2013. Mr. Al-Iman explained he will only be giving his opinion on the Basic Financial Statements of the Annual Financial Report. At year end the Basic Financial Statements showed 744K in cash and investments and Agency revenues exceeded Agency expenses by 294K. Mr. Al-Iman commented that both of these items were indicators of financial strength.

The operating revenues remained unchanged from the prior fiscal year. The Agency held its expenses in line with budget levels from the prior year.

The audit is focused on amounts reflected in the financial statements and the accounting records that support these amounts. Audit tests prescribed by the auditing standards were performed. These tests are designed to identify significant misstatements in agency accounting records. Mr. Al-Iman stated he had no difficulties in performing the audit and there were no disagreements with management with respects to financial reporting matters. Therefore the audit is "unqualified".

Public comments:

Anonymous asked about the difference between two of the awards the Agency has received.

Anonymous commended General Manager West and the staff on how she has turned this district around.

#### **MOTION NO. 13-078**

*(After brief Board discussion), Director Burkhart made a motion to receive and file the Agency Financial Audit for fiscal year 2012-2013 conducted by Mayer Hoffman McCann P.C.. Vice President Corl-Lorono seconded the motion.*

MSC<sup>1</sup> (Burkhart/Corl-Lorono) unanimously approved.

#### **CSA 70/W-1 REORGANIZATION UPDATE**

General Manager West gave the staff report. West reminded the Board this item has been a long standing goal identified in the 2012 and 2013 board strategic planning workshops. Due to a recent rate increase imposed on the ratepayers of CSA 70-Zone W-1 (Goat Mountain/Landers), the popularity of a possible merge into Bighorn-Desert View Water Agency (BDVWA) has increased. Several CSA 70-Zone W-1 (Goat Mountain/Landers) customers have approached staff with a request to approach the BDVWA Board of Directors with their concerns.

Vice President Corl-Lorono addressed the audience and welcomed their comments.

Resident of Landers and customer of CSA 70-Zone W-1 (Goat Mountain/Landers), Mike Lipsitz spoke. Mr. Lipsitz stated he and others had recently accumulated 170 signatures against the CSA 70-Zone W-1 (Goat Mountain/Landers) rate increase. This did not meet the minimum number for a successful protest and the rate increase ultimately passed. More recently he and other residents have collected 60-65 signed (informal) petitions in favor of consolidation of CSA 70-Zone W-1 (Goat Mountain/Landers) into the Bighorn-Desert View Water Agency.

Points of concern Mr. Lipsitz shared with the Board included the need for their community to have a water provider that understands the demographics of its customers. He explained how his neighbors sincerely struggle to survive and how the overall cost of water can have a negative impact on their quality of life (referring to the recent increase of their rates). BDVWA has shown that it can turn around a struggling water agency and he sees no reason why he and his neighbors, customers of CSA 70-Zone W-1 (Goat Mountain/Landers), should not benefit from the same management BDVWA demonstrates.

Mr. Lipsitz had recently spoken with an entity that had undergone reorganization to separate from County Special Districts. What surprised this entity the most was "how much more efficiently they were able to run the operation compared to the County Special Districts".

John Reese a customer of CSA 70-Zone W-1 (Goat Mountain/Landers) stated his water bill went up 100% since the rate increase earlier that year. He also requested clarification on how the merger would affect his property tax bill. In speaking with fellow area residences, he feels there is misinformation on the topic of property tax fees for the various portions of Landers.

GM West explained the differences between the various tax assessments and there uniqueness to each region of Landers. West also reminded the audience that decisions regarding CSA 70-Zone W-1 (Goat Mountain/Landers) would include community input.

Anonymous, who identified herself as a customer of CSA 70-Zone W-1 (Goat Mountain/Landers) stated the distance between her residence in Landers and the CSA 70-Zone W-1 (Goat Mountain/Landers) business office in Victorville attributes to the hardship of paying her bill on time.

Anonymous questioned the transparency of CSA 70-Zone W-1 (Goat Mountain/Landers). He described his frustration while attempting to get answers regarding both the CSA 70-Zone W-1 (Goat Mountain/Landers) budget and their rate increase justifications.

Ken Ballou, a twelve-year resident of Landers expressed his concern with the CSA 70-Zone W-1 (Goat Mountain/Landers) rate increase. Mr. Ballou stated he feels completely helpless and would appreciate a merger with Bighorn-Desert View Water Agency.

Vice President Corl-Lorono , a member of the W-1 Reorganization Ad Hoc Committee stated she and Director Staley will continue to work towards accumulating information on this possible merger. She also thanked the speakers for their participation.

Director Staley, also a member of the W-1 Reorganization Ad Hoc Committee expressed his appreciation for those who attended this meeting.

#### **MOTION NO. 13-079**

*(After brief Board discussion), Vice President Corl-Lorono made a motion directing staff to investigate and accumulate information to bring back to the board regarding a possible merger with CSA 70-Zone W-1 (Goat Mountain/Landers). The motion was seconded by Director Burkhart.*

MSC<sup>1</sup> (Corl-Lorono/Burkhart) unanimously approved.

Adjourned for a Break at 7:00 p.m. - Reconvened from Break at 7:17 p.m.

#### **AWARD PROFESSIONAL SERVICES CONTRACT TO POWERSTUDIES.COM TO COMPLETE ARC FLASH STUDIES AT ALL AGENCY FACILITIES AT A COST NOT-TO-EXCEED \$15,100**

General Manager West gave the staff report. The Arc Flash Study was part of last fiscal year's project list. Our engineering firm, Krieger & Stewart, does not have staff qualified to complete such a study and in lieu wrote the plans and specifications to solicit bids from engineering firms who were qualified. Powerstudies.com submitted the most responsive and lowest bid of the two proposals received and Krieger & Stewart has recommended award to Powerstudies.com.

GM West explained that six additional "duty letters" are required from Southern California Edison because equipment and thus arc flash potential is unique for each individual site. She is requesting the Board approve the contract to Powerstudies.com and authorize her to obtain the six additional "duty letters" from Southern California Edison.

Public comment:

Anonymous asked about the Arc Flash Study.

#### **MOTION NO. 13-080**

*(After brief Board discussion), Vice President Corl-Lorono made a motion to authorize General Manager to execute Professional Services Contract with PowerStudies.com to perform an Arc Flash Hazard Study in accordance with the Request for Proposals dated 9/27/2013 in the amount not to exceed \$15,100; and authorize General Manager to obtain six (6) circuit duty*

letters from Southern California Edison at a cost of \$2,400 to complete the Arc Flash Study project. Director Coulombe seconded the motion.

MSC<sup>1</sup> (Corl-Lorono/Coulombe) motion carried.

**AUTHORIZE CHANGE ORDER NO. 1 (WORK ORDER 6B) TO WORK ORDER 6A: MANUAL TRANSFER SWITCH PROJECT AT A COST NOT-TO-EXCEED \$6,800 FOR BOTH ENGINEERING AND CONSTRUCTION MANAGEMENT SERVICES**

General Manager West gave the staff report. The Agency Engineer was tasked with preparing plans and specifications for the installation of manual transfer switches at a number of sites so the agency would have operational flexibility in an emergency. At this time only one facility within the pressurized area of BDVWA can be operated with using a portable generator. During previous field work the engineers determined there would be additional costs. The engineers provided an explanation of changes that essentially focus on the plug-type (Cam-loc) that would have to be specified for operational flexibility.

No public comment.

**MOTION NO. 13-081**

*(After brief Board discussion), Director Burkhardt made a motion to authorize General Manager to execute Change Order No. 1 at Work Order No. 6A (WO6B) issued to Krieger and Stewart, Inc. for preparation of contract documents for equipping selected pumping plants/facilities with manual transfer switches necessary to utilize a portable generator at a total cost of \$5,100 (Phase I – Engineering) and \$13,000 (Phase II – Construction Management). Vice President Corl-Lorono seconded the motion.*

MSC<sup>1</sup> (Burkhardt/Corl-Lorono) unanimously approved.

**RESOLUTION NO. 13R-15 A CODE OF CONDUCT FOR MEMBERS OF THE AGENCY BOARD OF DIRECTORS**

General Manager West reported the board no longer acts by policy. The Code of Conduct was originally passed as a policy and staff is in the process of changing all policies to actions by resolution. Most of the language of the Code of Conduct is identical to the previous document. Some of the wording of this document has been updated to reflect the language found in the new Senate Bill 246.

No public comment.

**MOTION NO. 13-082**

*(After brief Board discussion), After Board discussion, Director Staley made a motion to adopt Resolution No. 13R-15 A Code of Conduct for the Members of the Agency Board of Directors. The motion was seconded by Director Coulombe.*

MSC<sup>1</sup> (Staley/Coulombe) unanimously approved.

**RESOLUTION NO. 13R-16 ESTABLISHING A POLICY FOR REIMBURSEMENT OF ACTUAL AND NECESSARY EXPENSES FOR BOARD MEMBERS**

General Manager West reported the Policy for Reimbursement of Actual and Necessary Expenses for Board Members should be in the form of a resolution. West noted changes to the Directors' Compensation List.

No public comment.

### **MOTION NO. 13-083**

*(After brief Board discussion), Director Staley made a motion to adopt Resolution No. 13R-16 Establishing a Policy for Reimbursement of Actual and Necessary Expenses for Board Members. Director Coulombe seconded the motion.*

MSC<sup>1</sup> (Staley/Coulombe) unanimously approved.

### **DISBURSEMENTS SEPTEMBER 2013**

### **MOTION NO. 13-084**

*Director Burkhart made a motion to approve the Disbursements (Check Register - Payment of Bills) for September 2013. Vice President Corl-Lorono seconded the motion.*

MSC<sup>1</sup> (Burkhart/Corl-Lorono) unanimously approved.

### **CONSENT ITEMS**

- a. Financial Statements September 2013
  - 1. Balance Sheet
  - 2. Statement of Revenue and Expense
  - 3. General Account (Union Bank)
  - 4. Disbursements
  - 5. Local Agency Investment Fund Balance Timeline
- b. Consumption & Billing Comparison Report, September and October 2013
- c. Service Order Report, September and October 2013
- d. Production Report, September and October 2013
- e. Regular Board Meeting Minutes, September 24, 2013
- f. Adopt Resolution 13R-17, A Resolution of the Board of Directors of BDVWA Establishing Its Banking Policy with Union Bank.
- g. Resolution No. 13R-18, A Resolution of the Board of Directors of the BDVWA Authorizing Investment of Monies into the Local Agency Investment Fund.
- h. Adopt Resolution 13R-19, A Policy of the Board of Directors of BDVWA Outlining the Procedure for Accessing Public Documents.

No Public comment.

### **MOTION NO. 14-085**

*Vice President Corl-Lorono made a motion to approve consent items a - h. The motion was seconded by Director Burkhart.*

MSC<sup>1</sup> (Corl-Lorono/Burkhart) unanimously approved.

### **PUBLIC COMMENT PERIOD**

Ms. Adams thanked the Agency for their thoughts and cards she received while she was recuperating from her injuries.

Anonymous stated he is going to continue to gather petitions in favor of the merger.

Anonymous asked if the public will be welcome at the January Board of Director meeting.

## VERBAL REPORTS

General Manager West reported the Landers Association is hosting a cleanup day for the residents of Landers free of charge. Residents are welcome to bring used tires, electronics and other large household items.

Director Burkhart reported on the Alliance for Water Awareness and Conservation (AWAC) meeting she had recently attended.

Vice President Corl-Lorono reported on meetings she had recently attended as a W-1 Reorganization Ad Hoc Committee member.

Director Staley reported that he had attended a meeting hosted by Mojave Water Agency for newly elected board members. Director Staley also reported on the Homestead Valley Community Council meeting where they discussed solar projects.

President McBride thanked the W-1 Reorganization Ad Hoc Committee members for their recent meeting attendance.

## FUTURE AGENDA ITEMS

CSA 70 W-1

**ADJOURNMENT** - President McBride adjourned the meeting at 8:14 p.m.

Approved by:

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*Terry Burkhart, Secretary of the Board*

MSC<sup>1</sup> – Motion made, seconded, and carried.

**BIGHORN-DESERT VIEW WATER AGENCY  
AGENDA ITEM SUBMITTAL**

**Meeting Date:** January 28, 2014

**To:** Board of Directors

**Budgeted:** Yes

**Budgeted Amount:** \$6,300

**Cost:** \$7,900.00

**From:** Marina D. West

**General Counsel Approval:** N/A

**CEQA Compliance:** N/A

**Subject:** Approve Purchase Order with Nelson Heating and Air for Installation of New Heating/Air Conditioning Unit and associated duct work at the Jemez Office in the amount of \$7,900

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**SUMMARY**

The Fiscal Year 2013/14 budget included a line item to replace the existing heating and air conditioning unit. Replacement was deemed necessary as the existing unit is not only inefficient but has seen increasing maintenance. In addition, new ducting and vent will be installed in the foyer as this area was "cut-off" following the installation of the security windows.

In accordance with the Agency's Purchasing Policy, two written quotes were obtained. Nelson Heating and Air, Twentynine Palms was the low bidder at \$7,900. The second bid was \$11,400 from Advantage Air Conditioning, Morongo Valley. The two bids quote a similar heating/AC unit, duct work and required county permits.

Staff has worked with Nelson Heating and Air Conditioning in the past and their work has always been prompt and satisfactory. Staff recommends the Board award this purchase order to the lowest bidder, Nelson Heating and Air in the amount of \$7,900.

**RECOMMENDATION**

That the Board considers taking the follow action(s):

1. Authorize staff to execute a purchase order with Nelson Heating and Air in accordance with their proposal dated December 16, 2013 in an amount not to exceed \$7,900.

**BACKGROUND/ANALYSIS**

No further analysis provided

**PRIOR RELEVANT BOARD ACTION(S)**

**5/28/2013 Motion No. 13-039** Adopt Resolution No. 13R-06, A Resolution Fixing and Adopting the Agency Budget or Fiscal Year 2013/2014 for the Bighorn-Desert View Water Agency.



## AGENDA ITEM # 16



13846 Conference Center Drive ♦ Apple Valley, California 92307  
Phone (760) 946-7000 ♦ Fax (760) 240-2642 ♦ [www.mojavewater.org](http://www.mojavewater.org)

January 23, 2014

FOR IMMEDIATE RELEASE

Contact: Yvonne Hester, Community Liaison Officer

Phone: 760-964-8982 or [yhester@mojavewater.org](mailto:yhester@mojavewater.org)

## Conservation and Water Storage Projects Will Sustain Mojave Desert Region During Drought Conditions

Apple Valley, CA— As the drought continues throughout the state, the Mojave Water Agency will continue to encourage its residents to keep conserving water because it's working. Following Governor Brown's drought declaration, many communities instituted mandatory water conservation measures across the state. The Mojave Water Agency's (MWA) aggressive water conservation program, along with key storage projects; however, place the region in an enviable position of sustainability even if restrictions in state water deliveries continue for several years.

How does this water agency located in the Mojave Desert, some 80 miles northeast of the Los Angeles Basin, with an average, annual rainfall of five inches maintain a local water supply in spite of ongoing drought conditions?

Kirby Brill, MWA General Manager, credits the region's resiliency to conservation and community-based planning. "Living in the desert with its limited water resources drives conservation and planning to a higher level. We have no choice but to conserve aggressively and store up excess imported State Water Project supplies when they are available."

Among the region's major achievements is a conservation culture that's been growing steadily over the last decade. Working with municipalities and water companies through the Alliance for Water Awareness and Conservation (AWAC), the residents now recognize that desert-friendly landscaping is not just cost-effective, but water-wise with great curb appeal.

Relying on the collaboration of the community-at-large, the Cash for Grass program has become one of the key components to the region's water management portfolio. In 2008, the Cash for Grass program was launched with a goal of helping local communities achieve a 20 percent water use reduction among residential users. Funded with local money and grants from the Department of Water Resources, the

program has surpassed its goals resulting in the removal of more than 6.1 million square feet of turf. Ten years ago, per capita water use was 250 gallons a day versus only 160 gallons per person today. Since 2000, the Cash for Grass program, combined with other water conservation efforts, has resulted in a 30 percent reduction in water consumption, already exceeding the 20 percent goal by the year 2020 that is required by state law.

Beyond conservation, understanding the desert's unique geology is critical in developing long-term sustainable water management solutions. The desert's primary source of water is the natural groundwater supply that is fed by water runoff from the local mountains. This underground reservoir provides supply and offers critical storage capacity that allows the region to reduce its reliance on imported water supplies during times of drought or when State Water Project allocations are restricted for other reasons. MWA regards the investment in recharge and storage projects as an effective water management principle.

One successful project is the Regional, Recharge and Recovery Project, known as R<sup>3</sup>. It strategically replenishes local aquifers along the Mojave River and banks surplus State Water Project water for eventual use in drier years. Recently completed, the project uses a series of groundwater wells, pipelines, and booster pump stations to deliver drinking water to local participating cities. Recharge and storage programs like R<sup>3</sup> have resulted in the banking of an additional 130,000 acre-feet of imported State Water Project water beyond what is needed to keep the groundwater basin balanced. One acre-foot can supply two families of four people for an entire year.

While the current drought is in the forefront of state issues, it didn't take the desert region by surprise. The region has been planning for it. Currently, MWA is in the process of updating its Integrated Regional Water Management Plan. The Cash for Grass program and the R<sup>3</sup> project were both identified 10 years ago under the previous plan to protect the basin against anticipated droughts and to ensure a sustainably managed groundwater basin.

This winning combination of conservation and groundwater recharge and storage is clearly working in the Mojave Desert. In addition to these local efforts, MWA also encourages the State to continue efforts on the Bay Delta Conservation Plan so that the State Water Project can be a reliable part of the future water management portfolio. Thanks to a region that's committed to water conservation and strategic investments in water recharge and storage projects, MWA and its community partners are working together to ensure water for today and tomorrow.

###

Serving the public for over 50 years, MWA was created by High Desert voters in July of 1960. The Agency serves approximately 4,900 square miles of the High Desert in San Bernardino County, including the communities of Adelanto, Apple Valley, Barstow, Helendale, Hesperia, Joshua Tree, Landers, Lenwood, Lucerne Valley, Newberry Springs, Victorville, Yermo, and Yucca Valley. MWA is the only water wholesaler in the region and has the ability to import water from the California Aqueduct to ensure a sustainable supply to meet present and future water demands.