



BIGHORN-DESERT VIEW WATER AGENCY

BOARD OF DIRECTORS' REGULAR MEETING AGENDA

BOARD MEETING OFFICE
1720 N. CHEROKEE TR.
LANDERS, CALIFORNIA

MAY 27, 2008
TUESDAY
6:00 P.M.

- CALL TO ORDER
- PLEDGE OF ALLEGIANCE
- ROLL CALL
- APPROVAL OF THE AGENDA

Public Participation-Public is invited to comment on any item on the agenda during discussion of that item. You may wish to submit your comments in writing to assure that you are able to express yourself adequately. In giving your public comment please state your name and have your information prepared. Due to time constraints a three minute time limit may be imposed. 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, please contact the Board Secretary during Agency business hours by calling 760-364-2315.

1. **PUBLIC PARTICIPATION**-Any person may address the Board on any matter within the District's jurisdiction on items not appearing on this agenda.
2. **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 an item be held for discussion or further action.
 - a) Consumption & Billing Comparison Report April 2008
 - b) Financial Statements April 2008
 - c) Production Report April 2008
 - d) Service Order Report April 2008
 - e) Dissolve Ad Hoc Committee on General Manager Transition created January 22, 2008 to provide liaison between Board and senior staff until new General Manager hired.
 - f) Ratify payment of \$74,107.60 to So Cal Pump and Well for rehabilitation of Johnson Valley Well # 10

3. MATTERS REMOVED FROM CONSENT ITEMS

4. DISCUSSION AND ACTION ITEMS- The following items will be discussed by the Board of Directors and Staff, and the Board will consider taking action, if so inclined.

a) DISBURSEMENTS APRIL 2008-Board to consider approving of the check register and non-check disbursements.

Requested by: Staff

b) RESOLUTION NO. 08R-XX-A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BIGHORN-DESERT WATER AGENCY PROVIDING FOR THE LEVY AND COLLECTION OF TAXES WITHIN IMPROVEMENT DISTRICT NO 1 FOR FISCAL YEAR 2008/2009-Board to consider adopting Resolution 08R-XX providing for the levy and collection of the taxes within the Improvement District No. 1 for Fiscal Year 2008/2009 at 0.21 per \$100 assessed valuation.

Requested by: Staff

c) PURCHASE OF VIRTUAL METER READING SYSTEM OR IN-GROUND METER REPLACEMENT PROGRAM- Board to consider authorizing purchase of Virtual Meter Reading System components OR purchase of new in-ground meters in the amount not to exceed \$75,000.00.

Requested by: Staff

c) AUTHORIZE ISSUANCE OF CHANGE ORDER #1 TO CANDIDA NEAL, AICP-Board to consider authorizing Change Order #1 in the amount of \$32,250.48 for CEQA/NEPA biological, cultural, paleontological and water quality environmental components.

Requested by: Staff

d) DELTA DENTAL PREMIUM INCREASE OF 7.41% BEGINNING JULY 1, 2008-Board to consider approval of premium increase as per Employee Handbook.

Requested by: Staff

e) ACKNOWLEDGE RECEIPT OF ATTORNEY TRAGER'S "REVIEW OF AGENCY PAYMENT OF PER DIEM TO AGENCY DIRECTORS" DATED APRIL 24, 2008- Recommend the Board discuss contents of the review from attorney Susan Trager and provide direction to staff regarding potential changes to Ordinance 05O-01

Requested by: Staff

5. DIRECTORS' REPORTS/COMMENTS

6. GENERAL MANAGER'S REPORT (ORAL)

7. PROJECT STATUS REPORT

8. COMMUNICATION AND INFORMATION ITEMS

9. ITEMS FOR NEXT AGENDA

10. ADJOURNMENT

DATE: MAY 2008
TO: MARINA WEST
FROM: KIM HELLER
RE: Consumption & Billing Comparison APRIL2008

Consumption

Residential- North- Bighorn

| | Meters | Usage (c.f.) |
|--------------|------------|--------------|
| Book 1 | 129 | 0 |
| Book 2 | 152 | 37 |
| Book 3 | 124 | 1,489 |
| Book 4 | 122 | 12 |
| Book 5 | 96 | 0 |
| Book 6 | 97 | 0 |
| Total | 720 | 1,538 |

Residential- South- Desert View

| | Meters | Usage (c.f.) |
|--------------|------------|------------------|
| Book 7 | 133 | 172,463 |
| Book 8 | 155 | 213,281 |
| Book 9 | 161 | 265,288 |
| Book 10 | 156 | 205,688 |
| Book 11 | 170 | 272,098 |
| Total | 775 | 1,128,818 |

Bulk -Kickapoo, Well 4, Cherokee

| | Meters | Usage (c.f.) |
|--------------|-----------|---------------|
| Book 30 | 38 | 29,440 |
| Book 31 | 5 | 862 |
| Book 32 | 4 | 9,400 |
| Total | 47 | 39,702 |

Construction Meters

| | Meters | Usage (c.f.) |
|--------------|----------|--------------|
| Book 40 | 0 | 0 |
| Total | 0 | 0 |

Bulk - Well 10

| | Meters | Usage (c.f.) |
|--------------|-----------|---------------|
| Book 33 | 48 | 24,682 |
| Total | 47 | 24,682 |

| | |
|--------------------------|------------------|
| Billed Consumption | 1,173,194 |
| Non Billed Usage | 35,615 |
| Total Consumption | 1,208,809 |

| | |
|----------------------------|--------------|
| Active Residential Meters | 1,495 |
| Active Bulk Meters | 94 |
| Total Active Meters | 1,589 |

Billing Comparison

| | This Year APR 2008 | Last Year APR 2007 | Difference More (Less) |
|--|--------------------------|--------------------------|------------------------------|
|--|--------------------------|--------------------------|------------------------------|

Statistics

| | | | |
|--------------------------------|-----------|-----------|-----------|
| Total Customer Accounts | 869 | 885 | (16) |
| Usage in Cubic Feet | 1,173,194 | 1,312,668 | (139,474) |
| Percentage Increase/(Decrease) | | | -11% |

Revenues

| | | | |
|---------------------------------|------------------|------------------|-------------------|
| Water Revenues | 35,343.16 | 40,284.12 | (4,940.96) |
| Basic Service Charge | 32,102.68 | 32,402.68 | (300.00) |
| Miscellaneous | 546.95 | 374.51 | 172.44 |
| Delinquent Charges | 980.11 | 1,065.33 | (85.22) |
| Total Operating Revenues | 68,972.90 | 74,126.64 | (5,153.74) |

Debt Service Revenues (pass through)

| | | | |
|------------------------------------|-----------------|-----------------|-----------------|
| FMHA ** | 7,141.04 | 7,686.77 | (545.73) |
| Total Debt Service Revenues | 7,141.04 | 7,686.77 | (545.73) |

Additional Information Regarding Pass Through Revenues

** FMHA annual debt service of \$41,150 divided over 6 months equals \$6,858

GENERAL FUND

ASSETS

| | | |
|----------|--------------------------------|-----------------|
| 01 11130 | FA ORGANIZATION | 336,271.36 |
| 01 11140 | FA LAND & BUILDINGS | 298,457.41 |
| 01 11150 | FA YARDS | 57,934.48 |
| 01 11160 | FA FUELS TANKS | 16,604.30 |
| 01 11170 | FA WATER SYSTEM | 7,215,245.86 |
| 01 11180 | FA SHOP EQUIPMENT | 99,168.08 |
| 01 11181 | FA MOBILE EQUIPMENT | 424,831.47 |
| 01 11190 | FA OFFICE EQUIPMENT | 139,079.33 |
| 01 11400 | ACCUMULATED DEPRECIATION | (4,716,335.82) |
| 01 12000 | WORK IN PROGRESS | 687.63 |
| 01 12001 | WORK IN PROGRESS | 179.01 |
| 01 12004 | WORK IN PROGRESS | 111.52 |
| 01 12005 | WORK IN PROGRESS | 17,249.21 |
| 01 12006 | WORK IN PROGRESS | 7,197.73 |
| 01 12008 | WORK IN PROGRESS | 16,020.54 |
| 01 12011 | WORK IN PROGRESS | 52,462.52 |
| 01 12013 | PRV 10 | 1,385.68 |
| 01 12014 | PRV 7 INTERTIE | 796.55 |
| 01 12016 | WELL 10 REHAB | 67.20 |
| 01 13120 | CASH UNION BANK OF CA | 49,591.47 |
| 01 13130 | CASH CASH DRAWERS BASE FUND | 750.00 |
| 01 13303 | CASH LAIF | 603,291.97 |
| 01 13400 | CASH PETTY CASH FUND | 800.00 |
| 01 13710 | A/R WATER | 14,724.36 |
| 01 13712 | A/R AVAILABILITY-STANDBY IDB | 237.22 |
| 01 13801 | A/R MISCELLANEOUS | 2,301.92 |
| 01 14301 | INVENTORY-WATER SYSTEM PARTS | 112,614.02 |
| 01 14302 | INVENTORY-DIESEL FUEL | 2,320.67 |
| 01 14303 | INVENTORY-UNLEADED FUEL | 1,880.11 |
| 01 14401 | PREPAYMENTS WORKERS COMP INSUR | 2,710.00 |
| 01 14402 | PREPAYMENTS PL & PD LIAB INS | 7,985.12 |
| 01 14403 | POSTAGE | 11,722.51 |
| 01 15400 | BOND ISSUE COSTS | 6,836.49 |

TOTAL ASSETS

4,785,179.92

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LIABILITIES

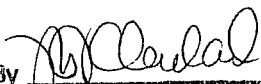
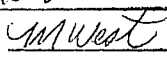
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|----------|--------------------------------|------------|
| 01 21101 | REVENUE BONDS PAYABLE - DV | 358,977.05 |
| 01 22300 | REVENUE BONDS PAYABLE - BH | 958,000.00 |
| 01 22400 | CAPITAL LEASE | 31,694.38 |
| 01 22550 | CUSTOMER DEPOSITS PENDING | 3,340.00 |
| 01 22600 | CUSTOMER DEPOSITS | 54,950.00 |
| 01 22700 | ACCOUNTS PAYABLE | 11,012.72 |
| 01 22950 | ACCRUED INT PAYABLE DV ID BNDS | 280.00 |
| 01 22951 | ACCRUED BONDS PAYABLE DV ID | 2,000.00 |

TOTAL LIABILITIES

1,420,254.15

GENERAL FUND

| | | | |
|----------------------------|---------------------------------|--------------|--|
| EQUITY | | | |
| ----- | | | |
| 01 30109 | CONTRIBUTED CAPITAL/HUD | 321,142.96 | |
| 01 30111 | FMHA GRANTS | 824,236.81 | |
| 01 31000 | FUND BALANCE | 1,946,484.61 | |
| 01 31001 | FUND BALANCE FEMA & OES | 445,243.98 | |
| 01 31111 | CURR YEAR NET REVENUE/EXPENSE (| 172,182.59) | |
| TOTAL EQUITY | | 3,364,925.77 | |
| TOTAL LIABILITIES & EQUITY | | 4,785,179.92 | |
| | | ===== | |

Prepared By 
Date 5/22/08
Reviewed By 

STATEMENT OF REVENUE AND EXPENSE
PERIOD ENDING 04/30/08

GENERAL FUND

| | BUDGET | REV OR EXP THIS MONTH | REV OR EXP YEAR TO DATE | AVAILABLE | YTD %OF BUDGET |
|---|--------------|--------------------------|----------------------------|------------|-------------------|
| REVENUE | | | | | |
| 01 41000 SERVICE LINE INSTALLATION FEES | 21,600.00 | 900.00 | 2,700.00 | 18,900.00 | 12.50% |
| 01 41001 BASIC FACILITIES CHARGE | 45,600.00 | 1,900.00 | 5,700.00 | 39,900.00 | 12.50% |
| 01 41100 INCOME METERED WATER | 480,079.00 | 0.00 | 368,231.84 | 111,847.16 | 76.70% |
| 01 41300 BASIC SERVICE CHARGE | 375,360.00 | 0.00 | 281,099.36 | 94,260.64 | 74.89% |
| 01 41600 INCOME REVENUE BONDS DV FMHA | 43,915.00 | 0.00 | 29,276.82 | 14,638.18 | 66.67% |
| 01 41700 INCOME OTHER (OPERATING) | 22,800.00 | 311.33 | 20,718.05 | 2,081.95 | 90.87% |
| 01 49100 INCOME GEN TAX ID A 1% BH GA02 | 49,107.00 | 7,898.10 | 37,470.09 | 11,636.91 | 76.30% |
| 01 49101 INCOME BOND DEBT BH FMHA DA01 | 76,000.00 | 14,956.64 | 80,636.24 | -4,636.24 | 106.10% |
| 01 49102 INCOME GENERAL TAX 1% DV GA01 | 49,107.00 | 8,071.09 | 37,161.44 | 11,945.56 | 75.67% |
| 01 49200 INTEREST INCOME | 24,000.00 | 6,890.42 | 24,102.84 | -102.84 | 100.43% |
| 01 49600 INCOME OTHER (NON OPERATING) | 1,000.00 | 0.00 | 1,140.94 | -140.94 | 114.09% |
| 01 49999 FEDERAL/STATE GRANTS FEMA/OES | 0.00 | 6,138.82 | 6,138.82 | -6,138.82 | 0.00% |
| TOTAL REVENUE | 1,188,568.00 | 47,066.40 | 894,376.44 | 294,191.56 | 75.25% |
| EXPENSE | | | | | |
| 01 54102 OPERATIONS COMPENSATION | 193,000.00 | 14,148.12 | 163,351.17 | 29,648.83 | 84.64% |
| 01 54103 UNIFORMS | 4,050.00 | 167.31 | 2,755.09 | 1,294.91 | 68.03% |
| 01 54105 AUTO CONTROLS | 4,500.00 | 708.50 | 3,171.02 | 1,328.98 | 70.47% |
| 01 54106 VEHICLE/TRACTOR/EQUIP EXPENSE | 8,000.00 | 1,549.39 | 4,353.60 | 3,646.40 | 54.42% |
| 01 54107 VEHICLE EXPENSE - FUEL | 26,000.00 | 2,588.53 | 19,431.03 | 6,568.97 | 74.73% |
| 01 54109 FIELD MATERIALS & SUPPLIES | 38,000.00 | 3,647.21 | 33,497.20 | 4,502.80 | 88.15% |
| 01 54111 WATER TESTING | 12,000.00 | 394.00 | 11,410.81 | 589.19 | 95.09% |
| 01 54112 CONTRACTUAL SERV- ENGINEERING | 5,000.00 | 0.00 | 0.00 | 5,000.00 | 0.00% |
| 01 54114 WATER SYSTEM REPAIRS | 12,000.00 | 816.12 | 1,831.79 | 10,168.21 | 15.26% |
| 01 54115 BUILDING MAINTENANCE/REPAIR | 5,000.00 | 328.24 | 4,048.21 | 951.79 | 80.96% |
| 01 54117 AMES BASIN MONITORING | 3,000.00 | 0.00 | 15.14 | 2,984.86 | 0.50% |
| 01 54119 COMMUNICATIONS EXPENSE | 2,500.00 | 272.96 | 2,512.69 | -12.69 | 100.51% |
| 01 54121 DISINFECTION EXPENSE | 7,500.00 | 13.38 | 5,633.23 | 1,866.77 | 75.11% |
| 01 54125 POWER WELLS & PUMPS | 60,000.00 | 4,322.30 | 43,958.99 | 16,041.01 | 73.26% |
| 01 54130 OTHER OPERATIONS EXPENSES | 3,000.00 | 28.71 | 1,800.62 | 1,199.38 | 60.02% |
| 01 56001 DIRECTOR FEES | 11,600.00 | 1,900.00 | 11,850.00 | 250.00 | 102.16% |
| 01 56002 DIRECTOR MEETING EXPENSES | 16,350.00 | 360.85 | 12,974.32 | 3,375.68 | 79.35% |
| 01 56003 ADMINISTRATIVE COMPENSATION | 203,000.00 | 13,929.62 | 150,985.12 | 52,014.88 | 74.38% |
| 01 56005 ADMINISTRATIVE MEETING EXPENSE | 1,000.00 | 1,102.36 | 3,534.60 | -2,534.60 | 353.46% |
| 01 56006 CONTRACTUAL SERV-AUDITOR | 9,500.00 | 0.00 | 9,346.00 | 154.00 | 98.38% |
| 01 56007 CONTRACTUAL SERV-LEGAL | 25,000.00 | 14,178.00 | 49,602.46 | -24,602.46 | 198.41% |
| 01 56008 PERS CONTRIBUTION | 34,000.00 | 5,502.90 | 29,067.98 | 4,932.02 | 85.49% |
| 01 56009 PAYROLL TAXES | 9,000.00 | 442.29 | 7,293.14 | 1,706.86 | 81.03% |
| 01 56011 TELEPHONE/FAX/INTERNET/WEB | 5,000.00 | 786.42 | 4,579.26 | 420.74 | 91.59% |
| 01 56012 MAILING EXPENSES | 7,500.00 | 593.20 | 5,246.20 | 2,253.80 | 69.95% |
| 01 56014 CONTRACTUAL SERV-OTHER | 52,500.00 | 1,275.45 | 72,684.27 | -20,184.27 | 138.45% |
| 01 56016 PROPERTY/LIABILITY EXPENSE | 45,000.00 | 3,742.54 | 37,425.40 | 7,574.60 | 83.17% |
| 01 56017 WORKERS COMP INSURANCE | 18,500.00 | 1,355.00 | 16,074.27 | 2,425.73 | 86.89% |

STATEMENT OF REVENUE AND EXPENSE
PERIOD ENDING 04/30/08

GENERAL FUND

| | | BUDGET | REV OR EXP THIS MONTH | REV OR EXP YEAR TO DATE | AVAILABLE | YTD %OF BUDGET |
|--------------------------|-------------------------------|--------------|--------------------------|----------------------------|-------------|-------------------|
| 01 56018 | DUES & SUBSCRIPTIONS | 15,500.00 | 162.06 | 15,479.09 | 20.91 | 99.87% |
| 01 56020 | POWER OFFICES & YARDS | 6,500.00 | 444.34 | 5,726.59 | 773.41 | 88.10% |
| 01 56022 | BAD DEBT EXPENSE | 6,000.00 | 47.04 | 144.23 | 5,855.77 | 2.40% |
| 01 56025 | PROPANE | 2,000.00 | 0.00 | 1,509.15 | 490.85 | 75.46% |
| 01 56030 | OFFICE SUPPLIES | 7,000.00 | 1,732.54 | 8,559.80 | -1,559.80 | 122.28% |
| 01 56100 | EMPLOYEE BENEFITS INSURANCE | 69,000.00 | 1,465.91 | 58,750.65 | 10,249.35 | 85.15% |
| 01 56110 | EMPLOYEE EDUCATION | 3,500.00 | 13.08 | 3,885.88 | -385.88 | 111.03% |
| 01 56200 | OFFICE EQUIPMENT EXPENSE | 6,000.00 | 835.90 | 3,219.29 | 2,780.71 | 53.65% |
| 01 56300 | CUSTOMER RELATIONS | 1,000.00 | 0.00 | 366.25 | 633.75 | 36.63% |
| 01 56400 | OTHER ADMINISTRATIVE EXPENSES | 4,000.00 | 555.24 | 3,233.43 | 766.57 | 80.84% |
| 01 57000 | INTEREST EXPENSE - BH BONDS | 47,900.00 | 0.00 | 19,729.16 | 28,170.84 | 41.19% |
| 01 57100 | DEPRECIATION EXPENSE | 0.00 | 18,185.49 | 183,468.22 | -183,468.22 | 0.00% |
| 01 57350 | MWA PIPELINE DEBT | 72,000.00 | 0.00 | 0.00 | 72,000.00 | 0.00% |
| 01 58100 | ELECTION COSTS | 20,500.00 | 12,049.00 | 32,538.96 | -12,038.96 | 158.73% |
| 01 59100 | INTEREST EXPENSE - DV BONDS | 20,300.00 | 0.00 | 13,973.84 | 6,326.16 | 68.84% |
| 01 59400 | GAIN (LOSS) ASSET DISPOSAL | 0.00 | 0.00 | 7,540.88 | -7,540.88 | 0.00% |
| TOTAL EXPENSE | | 1,102,700.00 | 109,644.00 | 1,066,559.03 | 36,140.97 | 96.72% |
| NET REV/EXP GENERAL FUND | | 85,868.00 | -62,577.60 | -172,182.59 | 258,050.59 | 200.52% |
| | | ===== | ===== | ===== | ===== | ===== |

Prepared By [Signature]
Date 5/22/08
Reviewed By [Signature]

GENERAL ACCOUNT (UNION BANK)

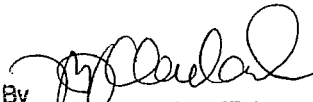
Apr-08

SOURCES OF FUNDS:

| | | |
|--------------------------------|-----------------|--------------------------|
| SERVICE LINE INSTALLATION FEES | 900.00 | |
| BASIC FACILITIES CHARGE | 1,900.00 | |
| A/R - WATER | 60,147.24 | |
| MISCELLANEOUS REVENUE | 186.45 | |
| 1% GENERAL TAX | 15,969.19 | |
| BIGHORN ADVALOREM TAX | 14,956.64 | |
| EPA GRANT REIM #6 & #7 | 6,138.82 | |
| TRANSFER FROM LAIF | 40,000.00 | |
| CUSTOMER DEPOSITS | <u>1,230.00</u> | |
| TOTAL | | <u><u>141,428.34</u></u> |

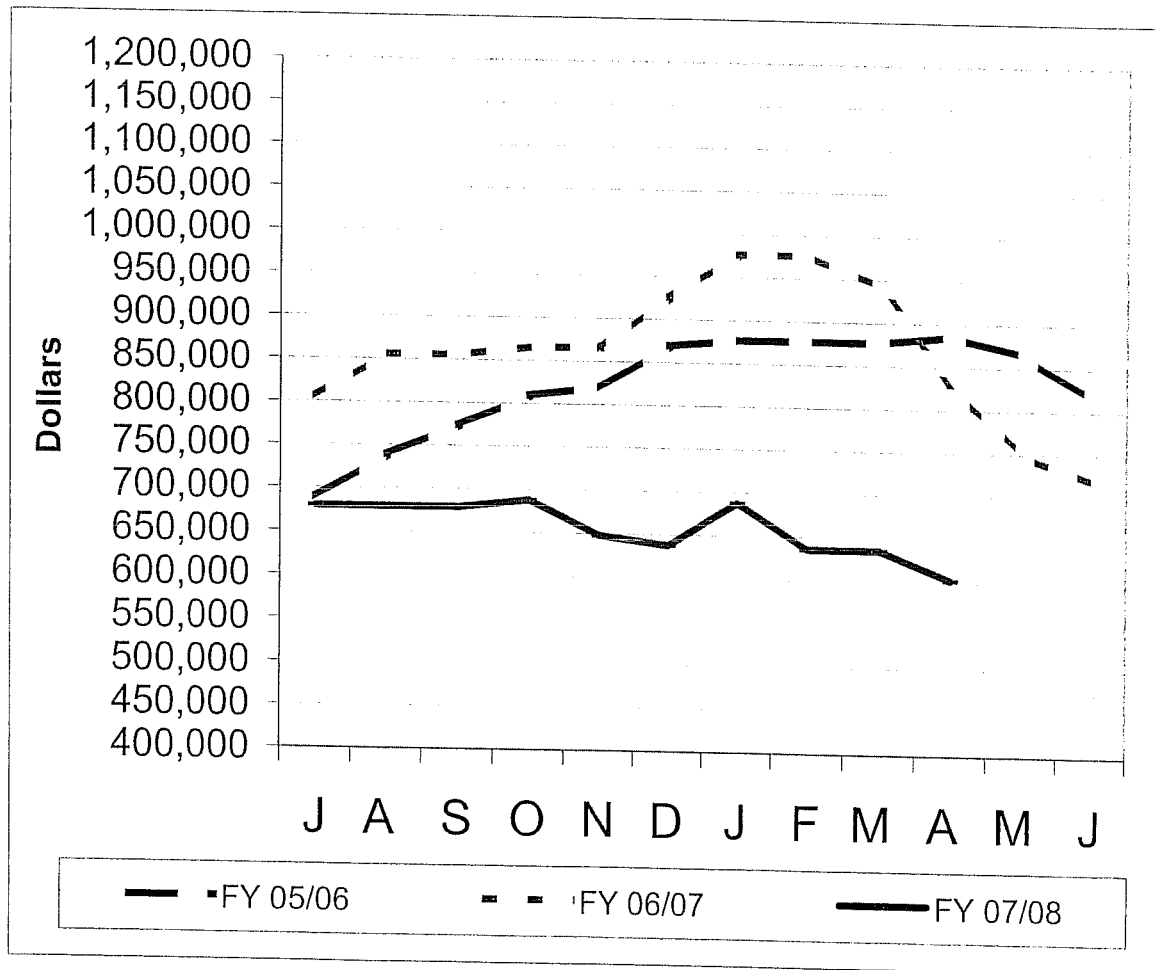
USE OF FUNDS:

| | | |
|-----------------------------------|---------------|--------------------------|
| DEBT SERVICE | 0.00 | |
| CAPITAL PURCHASES | 18,578.75 | |
| CAPITAL LEASE | 1,173.89 | |
| INVENTORY PURCHASES | 3,834.24 | |
| PREPAYMENTS - INSURANCE & POSTAGE | 0.00 | |
| PAYMENTS FOR SALARIES & WAGES | 24,919.58 | |
| ADMINISTRATIVE EXPENSE | 42,247.03 | |
| OPERATIONS EXPENSES | 9,338.27 | |
| TRANSFERS TO INCREASE LAIF | 0.00 | |
| MISCELLANEOUS & CUSTOMER REFUNDS | <u>472.95</u> | |
| TOTAL | | <u><u>100,564.71</u></u> |

Prepared By 
Date 5/22/08
Reviewed By M West

Local Agency Investment Fund Balance Timeline
Balance as of April 30, 2008

| | FY 05/06 | FY 06/07 | FY 07/08 |
|-----------|----------|----------|----------|
| July | 688,699 | 805,315 | 679,189 |
| August | 738,669 | 855,315 | 679,189 |
| September | 773,669 | 855,315 | 679,189 |
| October | 809,489 | 865,621 | 688,186 |
| November | 819,489 | 865,621 | 648,186 |
| December | 869,489 | 925,621 | 638,186 |
| January | 876,919 | 976,800 | 688,186 |
| February | 876,919 | 976,800 | 636,402 |
| March | 876,919 | 941,800 | 636,402 |
| April | 885,633 | 829,004 | 603,292 |
| May | 865,633 | 749,004 | |
| June | 815,633 | 719,004 | |



Prepared By *[Signature]*
Date 5/2/08
Reviewed By *[Signature]*



DATE: 5/12/2008
 TO: Board of Directors
 FROM: Ray Ruppel
 RE: April Production

| | <u>Cubic Feet Pumped</u> | <u>Total Gallons Pumped</u> | <u>Average GPM</u> | <u>Total KWH Used</u> | <u>Total Running Time</u> | <u>Average G/KWH</u> |
|------------|------------------------------|---------------------------------|------------------------|---------------------------|-------------------------------|--------------------------|
| Well 2 | 74,020 | 553,670 | 448 | 4472 | 20.6 | 124 |
| Well 3 | 173,690 | 1,299,201 | 395 | 8790 | 54.8 | 148 |
| | 0 | 0 | #DIV/0! | 0 | 0 | #DIV/0! |
| Well 6 | 870 | 6,508 | 542 | 14709 | 0.2 | 0 |
| Well 7 | 869,480 | 6,503,710 | 431 | 14702 | 251.7 | 442 |
| Well 8 | 485,700 | 3,633,036 | 1,109 | 201 | 54.6 | 18,075 |
| | 0 | 0 | #DIV/0! | 0 | 0 | #DIV/0! |
| Well 10 | 0 | 0 | #DIV/0! | 0 | 0 | #DIV/0! |
| Total | 1,603,760 | 11,996,125 | | | | |
| | | | | | | |
| A Boosters | 99,370 | 743,288 | 171 | 586 | 72.4 | 1,268 |
| C Boosters | 183,500 | 1,372,580 | 153 | 1908 | 149.4 | 719 |
| Total | 282,870 | 2,115,868 | | | | |



DATE: .MAY 2008
 TO: Marina West
 FROM: Kim Heller
 SUBJECT: Service Order Report Year to Date 07-08

| | J | A | S | O | N | D | J | F | M | A | M | J | YTD |
|------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|----|---|---|------|
| Mainline Leaks: | 1 | 0 | 0 | 2 | 0 | 0 | 3 | 2 | 0 | 0 | | | 8 |
| Service Line Repairs: | 1 | 1 | 1 | 2 | 1 | 2 | 5 | 1 | 0 | 0 | | | 14 |
| Service Line Replacements: | 7 | 9 | 4 | 1 | 4 | 4 | 2 | 2 | 1 | 4 | | | 38 |
| Service Line Installations: | 1 | 1 | 0 | 1 | 0 | 0 | 1 | 1 | 0 | 1 | | | 6 |
| Water Quality Complaints*: | 3 | 3 | 1 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | | | 9 |
| 48 Hour Tags for NSF Checks: | 0 | 2 | 4 | 3 | 2 | 2 | 5 | 4 | 5 | 0 | | | 27 |
| Lock Offs for Non-Payment: | 15 | 7 | 10 | 16 | 12 | 18 | 20 | 19 | 18 | 10 | | | 145 |
| Unlocks After Payment Made: | 10 | 7 | 9 | 12 | 9 | 5 | 16 | 19 | 10 | 8 | | | 105 |
| All Other Miscellaneous: | 140 | 122 | 96 | 126 | 116 | 151 | 104 | 147 | 85 | 73 | | | 1160 |
| Total | 178 | 152 | 125 | 163 | 144 | 184 | 156 | 195 | 119 | 96 | 0 | 0 | 1512 |

* High or low pressure complaints, totalling 19, fall within this category.

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

Meeting Date: May 27, 2008


To: Board of Directors

Budgeted: N/A

Budgeted Amount: N/A

Cost: N/A

Funding Source: N/A

From: Marina D. West 

Staff Contact:

General Counsel Approval: N/A

CEQA Compliance: N/A

Subject: Dissolve Ad Hoc Committee on General Manager Transition

SUMMARY

The Ad Hoc Committee created on January 22, 2008 can be dissolved now that a new General Manger has been hired.

RECOMMENDATION

That the Board take the following action:

1. Dissolve the Ad Hoc Committee created for the purpose of providing a liaison between the Board and senior staff until a new General Manager could be hired.

BACKGROUND/ANALYSIS

After the resignation of General Manager Don Bartz the Board saw a need to appoint an Ad Hoc Committee for the purpose of providing a liaison to senior staff during the transition period to a new General Manager. At the January 22, 2008 meeting the Board created the Ad Hoc Committee and appointed Pres. Johnson as the liaison to assist staff during the transition period.

A General Manager has been hired and therefore the Ad Hoc committee can be dissolved.

PRIOR RELEVANT BOARD ACTION(S)

01/22/2008: Motion passed creating an Ad Hoc committee for the purpose of appointing a liaison between the Board and senior staff during General Manger transition

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

Meeting Date: May 27, 2008

To: Board of Directors

Budgeted: No

Budgeted Amount: N/A

Cost: \$74,107.60

Funding Source: LAIF Reserves

From: Marina D. West *MDW*

Staff Contact: Ray Ruppel

General Counsel Approval: N/A

CEQA Compliance: N/A

Subject: Payment of final invoice to So Cal Pump & Well for rehabilitation and pump installation at Johnson Valley Well No. 10

SUMMARY

On March 29, 2008 Johnson Valley Well 10 pump failed. Due to the urgency in getting the well back into service staff utilized the services of So Cal Pump & Well Company because through a competitive bidding process several months prior they had been awarded similar pump and rehab work. The work approved to be done was to pull the failed pump and motor, video log the well, brush/bail and apply/agitate chemical treatment formula, pump/surge, re-videlog, reinstall new pump/motor (provided by BDVWA) and column pipe, and complete wiring and start-up services.

RECOMMENDATION

That the Board takes the following action:

1. Ratify payment of \$74,107.60 to So Cal Pump and Well Co. for services rendered in association with removing pump/motor, chemical well rehabilitation and re-installation of new pump/motor and appurtenances at Johnson Valley Well No 10.

BACKGROUND/ANALYSIS

During the week of March 24, 2008 a slight reduction in the flow rate at Johnson Valley Well No. 10 was noted by staff during routine daily monitoring. On March 29th the flow rate dropped off significantly. Although the pump was able to be restarted, the flow rate had decreased and the pump kept shutting off. At that time it was presumed that either the pump was failing or the well was plugged. So Cal Pump & Well Co. was mobilized to the site on March 31st to begin pulling the pump and motor. Interim General Manager, Ray Ruppel notified the Board of Director's liaison, Director Phil Johnson of the status of the well that same day.

All rehabilitation activities were completed and the new pump and motor was reinstalled in early May and following successful laboratory testing the well was put back into service on May 14th. Although BDVWA had a replacement pump and motor in stock, the entire string of

drop pipe and pump cable as well as the check valves had to be replaced due to corrosion and failure.

During the on-site activities all Well 10 customers were kept apprised of the work progress through direct telephone contact, flyers and website postings.

Staff received the invoice for all work performed at Well No. 10 on Wednesday May 14th, and was informed that if paid by Wed. May 21st a 2% cash discount would be applied resulting in a cost savings of \$1,512.40 to the Agency. Had staff waited until the May 27th Board of Directors meeting for payment approval the discount would not have been applied. Since the Agency was already obligated to pay the invoice staff felt it was prudent to pay by the 21st.

The cost breakdown for goods and services received in association with all activities performed at Well No. 10 are summarized below:

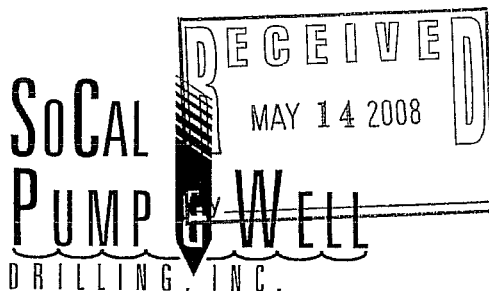
| Description | Cost |
|---|--------------------|
| Mobilize/demobilize equipment, labor to pull pump, video log | \$11 260.00 |
| Cost to furnish or install and apply the following items: 1. De-silting container/mixing equipment. 2. Wire brush and bail the well. 3. Chemically treat and neutralize well (water). 4. Test pump. | \$36,910.00 |
| Cost to furnish and/or install the following items: 1. Final video. 2. Install new column pipe. 3. Install new ¾" sounding tube. 4. Install new cooling tube. 5. Install new #6 flat cable. 6. Install pump and startup | \$27,450.00 |
| Total Cost | \$75,620.00 |
| Total Cost Less 2% "quick payment" discount of \$1,512.40 | \$74,107.60 |

Staff recommends that the Board ratify payment of \$74,107.60 to So Cal Pump and Well Co.

PRIOR RELEVANT BOARD ACTION(S)

4-22-08: Information only, Agency Board of Directors was informed the well pump had failed and under Policy NO.04P-03 Section 6 was invoked to deal with such an emergency

1510 Palmyrita Ave.
P.O. Box 5488 - 92517
Riverside CA 92507
951-341-5025
License: 510836 - C57 C61/D21 C10 A



Contract Invoice

Invoice#: 44092

Date: 05/09/2008

Billed To: Bighorn Desert View Water
Attn: Accounts Payable
622 S Jemez Trail
Yucca Valley CA 92285

Project: 208041
Bighorn Desert View Water
Well # 10

Due Date: 06/09/2008

Terms: Net 30 days

Order#

| Description | Amount |
|--|-----------|
| Ref: Well #10 | |
| Labor to Pull Pump | 6,590.00 |
| Video Log Well | 1,300.00 |
| Mobe/Demobe equipment | 3,370.00 |
| Furnish desilting container and mixing equipment | 7,900.00 |
| Furnish & install wire brush, wire brush well | 5,310.00 |
| Furnish & install chemicals and neutralize water | 15,200.00 |
| Furnish, install & remove test pump | |
| Test pump well | 8,500.00 |
| Final video | 1,300.00 |
| Install pump & start up | 8,450.00 |
| Replace column pipe & (2) 4" check valves | 13,770.00 |
| Replace 3/4 PVC | 600.00 |
| Replace #6 cable | 2,460.00 |
| Replace coding tube | 870.00 |

We now accept Visa and Mastercard

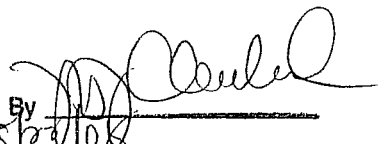
**A service charge of 18% per annum will be charged
on all overdue invoices.**

Thank you for your prompt payment.

| | |
|---------------------|------------------|
| Non-Taxable Amount: | 75,620.00 |
| Taxable Amount: | 0.00 |
| Sales Tax: | 0.00 |
| Amount Due | 75,620.00 |

UNION BANK OF CALIFORNIA
DISBURSEMENTS APRIL 2008

| | | |
|-------------------------------|-----------------------------|--------------------------|
| Datastream Check Register | <u>74,957.86</u> | <u>74,957.86</u> |
| EFT for Vendor Services | | |
| Payroll Processing Fee | 225.89 | |
| Bank Fees | 147.68 | |
| Credit Card Fees | 223.80 | |
| Internet Access Fee | <u>89.90</u> | |
| Total EFT for Vendor Services | | <u>687.27</u> |
| Wages for Paydate 04/03/08 | | |
| Wages EFT | 3,282.65 | |
| Employee Tax Withholdings | 1,871.84 | |
| Employer Tax Expenses | 241.91 | |
| Wages check #1707-1713 | <u>7,307.38</u> | |
| | | <u>12,703.78</u> |
| Wages for Paydate 004/17/08 | | |
| Wages EFT | 3,147.30 | |
| Employee Tax Withholdings | 1,718.37 | |
| Employer Tax Expenses | 200.38 | |
| Wages Check #1714-1720 | <u>7,149.75</u> | |
| | | <u>12,215.80</u> |
| Transfers to LAIF | <u> </u> | <u>-</u> |
| Total Disbursements | | <u><u>100,564.71</u></u> |

Prepared By 
Date 5/2/08
Reviewed By M. West

BIGHORN-DESERT VIEW WTR AGENCY
CHECK REGISTER
APRIL 30, 2008

| CHECK# | DATE | PAYEE & DESCRIPTION | AMOUNT |
|--------|----------|---------------------------------|-----------|
| 8400 | 04/04/08 | BARR LUMBER CO INC | |
| 8401 | 04/04/08 | INVENTORY | 119.40 |
| 8402 | 04/04/08 | BURRTEC WASTE & RECYLING SVCS | |
| | | TRASH FEES, APR | 70.37 |
| 8403 | 04/04/08 | CALIFORNIA PUBLIC EMPLOYEE'S | |
| | | PERS CONTRIBUTION PPE 3/28/08 | 2,790.77 |
| 8404 | 04/04/08 | CINTAS CORPORATION #150 | |
| | | UNIFORM SVC 3/26/08 | 55.77 |
| 8405 | 04/04/08 | CLINICAL LABORATORY OF | |
| | | BAC-T, PLATE COUNT | |
| | | BAC-T, PLATE COUNT | 96.00 |
| 8406 | 04/04/08 | CNH CAPITAL AMERICA LLC | |
| | | NEW HOLLAND BACKHOE LEASE PYMT | 1,173.89 |
| 8407 | 04/04/08 | DHS-DEPT OF PUBLIC HEALTH | |
| | | WATER SYS FEES 7/1/07-12/31/07 | 111.06 |
| 8408 | 04/04/08 | GOODSPEED DISTRIBUTING INC | |
| | | DRUMS, WRENCH, FILLRITE | 242.54 |
| 8409 | 04/04/08 | KIM HELLER | |
| | | SAN FRAN TRIP MISC REIM | |
| | | MILEAGE REIM 3/04-3/31 | 641.96 |
| 8410 | 04/04/08 | INLAND WATER WORKS | |
| | | PARTS, WELL 6 | 159.68 |
| 8411 | 04/04/08 | PHILLIP JOHNSON | |
| | | D.C. TRIP REIM 3/4-3/6 | |
| | | PIPELINE COMMISSION 3/12 | |
| | | REG MEETING 3/13 | 500.00 |
| 8412 | 04/04/08 | LAW OFFICES OF SUSAN M. TRAGER | |
| | | LEGAL FEES, OCT | 11,310.00 |
| 8413 | 04/04/08 | MALLANTS CORPORATION | |
| | | TEMP SVC W/E 3/30/08 | 318.08 |
| 8414 | 04/04/08 | SCOTT EQUIPMENT | |
| | | NEW HOLLAND BACKHOE PARTS | |
| | | NEW HOLLAND BACKHOE SUPPLIES | 527.67 |
| 8415 | 04/04/08 | SOCAL PUMP & WELL DRILLING, INC | |
| | | WELL 9 REHAB | 10,463.00 |
| 8416 | 04/04/08 | STEVE'S OFFICE SUPPLY | |
| | | SHIPPING/MAILING EXPENSE | 11.89 |
| 8417 | 04/04/08 | TRACTORMAN | |
| | | NEW HOLLAND BACKHOE PARTS | 497.50 |
| 8418 | 04/04/08 | UNDERGROUND SERVICE ALERT | |
| | | DIG ALERTS, 23 TICKETS | 34.50 |
| 8419 | 04/04/08 | USA BLUEBOOK | |
| | | INVENTORY, MISC ITEMS | 328.76 |
| 8420 | 04/04/08 | VALLEY INDEPENDENT PRINTING | |
| | | TYPE SET | 44.71 |
| 8421 | 04/11/08 | VERIZON CALIFORNIA | |
| | | OFFICE PHONES & AUTO CONTROLS | 701.91 |
| 8422 | 04/11/08 | ACE ALTERNATORS-GENERATORS- | |
| | | 05 F/F150 MEGATRON BATTERY | 109.85 |
| | | ACWA-HBA SERVICES CORP. (ASC) | |
| | | ACWA/HEALTH BENEFITS | 1,813.43 |

BIGHORN-DESERT VIEW WTR AGENCY
CHECK REGISTER
APRIL 30, 2008

| CHECK# | DATE | PAYEE & DESCRIPTION | AMOUNT |
|--------|----------|--------------------------------|----------|
| 8423 | 04/11/08 | AT&T MOBILITY | |
| 8424 | 04/11/08 | COMMUNICATIONS EXPENSE | 272.96 |
| 8425 | 04/11/08 | BARR LUMBER CO INC | |
| | | INVENTORY | 115.00 |
| 8426 | 04/11/08 | BUCKNAM & ASSOCIATES, INC. | |
| | | GRANT CONSULTING FEES | 2,298.55 |
| 8427 | 04/11/08 | TERRY BURKHART | |
| | | SPECIAL MEETING 4/08/08 | 100.00 |
| 8428 | 04/11/08 | CINTAS CORPORATION #150 | |
| | | UNIFORM SVC 4/02/08 | 55.77 |
| 8429 | 04/11/08 | CLINICAL LABORATORY OF | |
| | | IRON & MANGANESE | 40.00 |
| 8430 | 04/11/08 | JUDY CORL-LORONO | |
| | | SPECIAL MEETING & MILEAGE REIM | |
| | | 4/08 & 4/05 | 161.11 |
| 8431 | 04/11/08 | HI-DESERT STAR | |
| | | CLASSIFIED EMP AD, MARCH | |
| | | DON'T DRINK & DRIVE AD | 278.43 |
| 8432 | 04/11/08 | INLAND WATER WORKS | |
| | | INVENTORY | 32.33 |
| 8433 | 04/11/08 | RON JENSEN | |
| | | ACCOUNTING SERVICES | 360.00 |
| 8434 | 04/11/08 | PHILLIP JOHNSON | |
| | | AD HOC & SPECIAL MEETING 4/5 | |
| | | & 4/08 | 150.00 |
| 8435 | 04/11/08 | LAW OFFICES OF SUSAN M. TRAGER | |
| | | LEGAL FEES, NOV | 1,931.25 |
| 8436 | 04/11/08 | DUANE LISIEWSKI | |
| | | SPECIAL MEETING 4/08/08 | 100.00 |
| 8437 | 04/18/08 | MICHAEL MCBRIDE | |
| | | AD HOC & SPECIAL MEETING 4/5 | |
| | | & 4/08 | 150.00 |
| 8438 | 04/18/08 | BARR LUMBER CO INC | |
| | | DISINFECTION EXPENSE | |
| | | INVENTORY & SUPPLIES | |
| | | MAINT OPERATIONS EXPENSE | 176.63 |
| 8439 | 04/18/08 | BELTZ PORTABLE TOILETS | |
| | | PORTABLE TOILET | 67.20 |
| 8440 | 04/18/08 | TERRY BURKHART | |
| | | MWA WATER ISSUES & MILEAGE | 201.60 |
| 8441 | 04/18/08 | CALIFORNIA PUBLIC EMPLOYEE'S | |
| | | PERS CONTRIBUTION PPE 4/11/08 | 2,802.35 |
| 8442 | 04/18/08 | CINTAS CORPORATION #150 | |
| | | UNIFORM SVC 4/16/08 | 55.77 |
| 8443 | 04/18/08 | CLINICAL LABORATORY OF | |
| | | BAC-T, GEN PHYSICAL | 90.00 |
| 8444 | 04/18/08 | JUDY CORL-LORONO | |
| | | MWA WATER ISSUES BRIEFING | 100.00 |
| 8445 | 04/18/08 | DESERT ARC | |
| | | CLEANING SVC, MARCH | 187.50 |
| 8446 | 04/18/08 | DESERT SERVICE STATION MAINT | |
| | | FUEL STATION NOZZLE & REPAIRS | 816.12 |
| | | DISCOUNT TIRE CENTERS #154 | |
| | | 04 F/RANGER OIL & FILTER | 41.65 |

BIGHORN-DESERT VIEW WTR AGENCY
CHECK REGISTER
APRIL 30, 2008

| CHECK# | DATE | PAYEE & DESCRIPTION | AMOUNT |
|--------|----------|---|-----------|
| 8447 | 04/18/08 | DON HOWARD ENGINEERS, INC. | |
| 8448 | 04/18/08 | ANNEXATION SECTION 35 FEDEX | 5,250.00 |
| 8449 | 04/18/08 | MAILING EXPENSES | 22.93 |
| 8450 | 04/18/08 | GOODSPEED DISTRIBUTING INC UNLEADED FUEL | 3,098.62 |
| 8451 | 04/18/08 | THE HOME DEPOT #6971 INVENTORY & SUPPLIES | 478.14 |
| 8452 | 04/18/08 | INLAND WATER WORKS INVENTORY | 417.91 |
| 8453 | 04/18/08 | SOUND BILLING 07 F/F150 OIL & FILTER | 35.06 |
| 8454 | 04/18/08 | PHILLIP JOHNSON MWA WATER ISSUES BRIEFING | 100.00 |
| 8455 | 04/18/08 | LAW OFFICES OF SUSAN M. TRAGER LEGAL FEES, BBK/MAR | 936.75 |
| 8456 | 04/18/08 | PITNEY BOWES PURCHASE POWER ANNUAL FEES | 49.99 |
| 8457 | 04/18/08 | S.B. CO. REGISTRAR OF VOTERS CONSOLIDATED ELECTION COSTS NOV ELECTION | 12,049.00 |
| 8458 | 04/25/08 | STEVE'S OFFICE SUPPLY OFFICE SUPPLIES SHIPPING/MAILING EXPENSES | 24.69 |
| 8459 | 04/25/08 | ALEXEI PENA ESTRADA BALANCE RFND ACCT# 0300423 | 49.05 |
| 8460 | 04/25/08 | DENA SCHNELKER BALANCE RFND ACCT# 0502802 | 56.99 |
| 8461 | 04/25/08 | JEFFERY C EGAN BALANCE RFND ACCT# 1102304 | 54.14 |
| 8462 | 04/25/08 | JOSHUA HUGHES BALANCE RFND ACCT# 0900532 | 50.79 |
| 8463 | 04/25/08 | RUTILIO GONZALEZ BALANCE RFND ACCT# 0612811 | 16.00 |
| 8464 | 04/25/08 | SHANNON HARPER BALANCE RFND ACCT# 0206809 | 24.17 |
| 8466 | 04/25/08 | WILLIAM RICHMOND BALANCE RFND ACCT# 0900435 | 162.32 |
| 8467 | 04/25/08 | TERRY BURKHART REG MEETING 4/22/08 | 100.00 |
| 8468 | 04/25/08 | CLINICAL LABORATORY OF BAC-T, PLATE COUNT | 168.00 |
| 8469 | 04/25/08 | JUDY CORL-LORONO REG MEETING 4/22/08 | 100.00 |
| 8470 | 04/25/08 | FIRST BANKCARD MISC ITEMS HIP CHAIRS, SAN FRAN TRIP REIM | 1,532.90 |
| 8471 | 04/25/08 | IBF PRINTING & GRAPHICS WATER BILLS, WHITE WATRE BILLS, PINK | 1,669.07 |
| 8472 | 04/25/08 | INLAND WATER WORKS INVENTORY & SUPPLIES | 79.58 |
| | | PHILLIP JOHNSON REG MEETING 4/22/08 | 100.00 |

BIGHORN-DESERT VIEW WTR AGENCY
CHECK REGISTER
APRIL 30, 2008

| CHECK# | DATE | PAYEE & DESCRIPTION | AMOUNT |
|--------|----------|------------------------------|-----------|
| 8473 | 04/25/08 | LAFCO | |
| | | MUNICIPAL SVC REVIEW DEPOSIT | 500.00 |
| 8474 | 04/25/08 | DUANE LISIEWSKI | |
| | | REG MEETING 4/22/08 | 100.00 |
| 8475 | 04/25/08 | MICHAEL MCBRIDE | |
| | | REG MEETING 4/22/08 | 100.00 |
| 8476 | 04/25/08 | SOUTHERN CALIFORNIA EDISON | |
| | | POWER EXPENSE | 4,766.64 |
| 8477 | 04/25/08 | MICHAEL WATTS | |
| | | MANUAL RFND ACCT#0206751 | 59.49 |
| 8478 | 04/25/08 | YUCCA VALLEY FORD CENTER | |
| | | 04 F/RANGER MAINTENANCE | 98.67 |
| TOTAL | | | 74,957.86 |

Prepared By MJ. Coula
Date 5/22/08
Reviewed By MWest

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

Meeting Date: May 27, 2008

To: Board of Directors

Budgeted: yes, Revenue and Expense

Budgeted Amount: \$105,900

Cost: Debt payments are Dec. and June

From: Marina D. West 

General Counsel Approval: N/A

Staff Contact:

CEQA Compliance: N/A

Subject: Setting the Advalorem Tax Rate for 2007/2008 for the Property Tax Apportionment of the Bighorn FMHA Pipeline Debt

SUMMARY

Each fiscal year Bighorn Desert View Water Agency must calculate the special assessment to the tax rolls to generate the revenue for annual bond payments related to the BH FMHA Bond debt. This year staff is recommending the rate be set at \$0.21 per \$100 of assessed valuation. The advalorem revenue collected along with interest income on monthly revenues plus a Unitary Tax Revenue receipt will bring the total revenue in-line with the debt payment of \$105,900.

RECOMMENDATION

That the Board take the following action:

1. Adopt Resolution 08R-XX providing for the levy and collection of the taxes within the Improvement District No. 1 for Fiscal Year 2008/2009 at 0.21 per \$100 assessed valuation.

BACKGROUND/ANALYSIS

In 1979 the voters of Improvement District No. 1 authorized the Bighorn Desert View Water Agency to incur indebtedness by issuing general obligation bonds in the amount of \$2,5000,000.00 for the purpose of constructing a water works system within said Improvement District No. 1. The actual debt incurred was \$1,875,000 for a term of 40 years at an interest rate of 5%. Annual payments are approximately \$106,000. Payments are made according to the following schedule: December (interest only approx. \$23,950) and June (Interest approx. \$23,950 and principal approx. \$58,000). The bond payments will conclude in 2019.

The revenue needed to make payments on the bond is generated through the issuance of an annual advalorem tax and assessment to all properties within the "Bighorn" portion of the Agency (north side). Last year the County was directed to collect 0.20 per \$100 of assessed valuation. It is anticipated that property values in Bighorn may actually be reduced due to reassessments, that possibility, coupled with the lack of reserve monies in LAIF, has led to a determination that for fiscal year 2008/2009 an assessment of 0.21 per \$100 assessed value would generate sufficient funds to pay the principal and interest due on said general obligation bonds.

Therefore, staff recommends that the Board adopt a Resolution providing for the levy and collection of taxes within the Improvement District No. 1 for Fiscal Year 2008/2009 at 0.21 per \$100 assessed valuation.

PRIOR RELEVANT BOARD ACTION(S)

Resolution 07R-05 Setting the Advalorem Tax Rate for 2007/2008 at 21 cents per \$100 assessed value.

Advalorem Tax Rate FY 2008/2009

| | | | |
|------------------------------|------------|---|--------|
| Secured Taxable Properties | 45,157,083 | * | 99.79% |
| Unsecured Taxable Properties | 93,325 | * | 0.21% |
| Total Taxable Properties | 45,250,408 | * | |

* These figures are as of September 2007

| | | | |
|-------------|------|-----------------------------|---------------|
| Assessed at | 0.19 | per \$100 of assessed value | Revenue |
| Assessed at | 0.20 | per \$100 of assessed value | 85,976 |
| Assessed at | 0.21 | per \$100 of assessed value | 90,501 |
| | | | 95,026 |

| | |
|----------------|---------|
| Bond Principle | 58,000 |
| Bond Interest | 47,900 |
| Total Payment | 105,900 |

| | |
|--|---------------|
| Projected interest income on BH reserves 08/09 | 2,500 |
| Projected Unitary Tax Revenue 08/09 | 8,760 |
| Spend down some restricted reserves in LAIF | - |
| Advalorem Revenue Required | 94,640 |
| Total Revenue 2007/2008 | 105,900 |

CONCLUSION

Staff recommendation is to keep the Advalorem tax at 20 cents per \$100 assessed valuation. Recommend keeping \$50,000 to \$100,000 in debt service reserves when we pay down the principle. Property valuations will be even higher when the tax is actually assessed and collected.

RESOLUTION NO. 08R-XX

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE BIGHORN-DESERT VIEW WATER AGENCY
PROVIDING FOR THE LEVY AND COLLECTION OF
TAXES WITHIN IMPROVEMENT DISTRICT NO. 1
FOR FISCAL YEAR 2008/2009

WHEREAS, the Bighorn-Desert View Water Agency's law is set forth in the Water Code Appendix, Chapter 112 of the Statutes of the State of California; and

WHEREAS, the voters of Improvements District No. 1 of the Bighorn-Desert View Water Agency did, On August 9, 1979, authorize said Agency to incur indebtedness by issuing general obligation bonds in the amount of \$2,500,000.00 for the purpose of constructing a water works system within said Improvement District No. 1; and

WHEREAS, the Agency has issued to date, general obligation bonds in the amount of \$1,875,000.00 for the express purpose of constructing a water works system within said Improvement District No. 1; and

WHEREAS, the Agency is empowered, pursuant to the Water Code Appendix Chapter 112, Sections 112-26 and 112-27, to determine the amount necessary to be collected by taxation to service the cost of the bonded indebtedness as said debt becomes due and payable.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Bighorn-Desert View Water Agency does hereby fix the rate to be levied against all taxable property within the Improvement District No. 1 of the Bighorn-Desert View Water Agency, for fiscal year 2008/2009, at \$0.21 (twenty-one cents) per \$100.00 of assessed valuation in order that the Agency clearly have sufficient funds to pay the principal and interest due on said general obligation bonds; and

BE IT FURTHER RESOLVED that the Board of Directors of the Bighorn-Desert View Water Agency does hereby request that at the time and in the manner prescribe by law for the Board of Supervisors of San Bernardino County to levy taxes for County purposes, the Board of Supervisors of said County in addition to all other taxes levied, levy a tax upon all taxable property within Improvement District No. 1 of the Bighorn-Desert View Water Agency at the rate hereby fixed and determined with this Resolution; and

BE IT FURTHER RESOLVED THAT THE Board of Directors of the Bighorn does hereby direct the Secretary to the Board to deliver a true and correct copy of this Resolution No. 08R-XX to the San Bernardino County Board of Supervisors, County Auditor/Controller, County Tax Assessor, and County Collector.

I, the undersigned Secretary to the Board of the Bighorn-Desert View Water Agency, do certify that the foregoing is a full, true and correct copy of Resolution No. 08R-XX as adopted by said Board at a Regular Meeting held on May 27, 2008 and has not been rescinded or amended since that date.

Kim Heller, Board Secretary

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

Meeting Date: May 27, 2008

To: Board of Directors

Budgeted: Yes

Budgeted Amount:

Cost: \$ 75,000

Funding Source: LAIF Reserves/Loan

General Counsel Approval: N/A

CEQA Compliance: N/A

From: Marina D. West *mw*

Staff Contact: Ray Ruppel *RR*

Subject: Authorize Purchase of Virtual Card Meter Reading System OR Authorize Staff to Implement Residential Meter Replacement Program with an Initial Budget of \$75,000

SUMMARY

Staff has been researching options to increase available water at the Bulk Hauling Stations of the Agency. In addition, Staff has been researching a meter replacement program for all in-ground water meters which due to age, are under-registering by approximately 15-20%. Due to existing budget constraints staff believes only one project can be pursued at this time and staff recommends that the Meter Replacement Program commence in lieu of the "Virtual Card" Meter Reading System.

RECOMMENDATION

That the Board of Directors takes the following action:

1. Authorize issuance of P.O. for the purchase hardware and software from Johlin Measurement, Ltd. in the amount of \$54,977.35. (5% discount included)
2. Authorize issuance of P.O. for the purchase of mechanical hardware and installation services from Champion Electric in the amount of \$11,708.64.
3. Authorize issuance of P.O. for billing software programming services from DataStream in an amount not to exceed \$5,000.

OR

1. Authorize staff to begin implementation of In-ground Meter Replacement Program utilizing a program budget not to exceed \$75,000.

BACKGROUND/ANALYSIS

VIRTUAL METER READING SYSTEM:

Within the past several years BDVWA has experienced problems in regards to its current "Bulk Station" facilities. The most important being the ability to provide water. There are currently two persons in the Johnson Valley area on a waiting list due to the fact this facility is currently at its maximum capacity. Also in the past there has been the inability for those within or outside the Agency boundaries to become customers of BDVWA. This will allow

more customers direct access to the bulk water facilities. All customers of the Agency will be purchasing water using the same billing cycle and in the future, at the same rate structure.

There will be two ways customers will be able to access their bulk account, either by using the Agency issued card which will be passed by a "reader" or by directly inputting an Agency assigned "PIN" on the key pad. This will allow customers to share their account information with their commercial water hauler if that is how they transport their bulk water.

It was anticipated that the virtual system would allow more customers, thus increased monthly revenue however the number of new customers cannot be approximated at this time. The Board should consider that if no new customers are generated with the change out to the virtual meter reading system, some increase in revenue will be realized since the in-ground hauled meters are suspected of under-registering by an average of 23%. The revenue return from under-registering meters would be approximately \$4,200 annually if at least 15% return revenue were to be expected from an accurate meter.

Competitive bid requests went out to three vendors and the Agency received two written bids. The bids received are as follows:

1. Vernon manufacturing- \$53,000.00- No installation or support services (would not visit).
2. Johlin Measurement, Ltd.-\$51,977.35 plus \$3,000 for commissioning and training.
3. Sola-Security of Los Angeles- No bid received.

Each bulk hauling station will require installation of electricity to the metering unit. Staff solicited bids from two electrical contractors. At this time the second bid has not been received, therefore, staff is recommending a not to exceed price based on the bid received by the electrical contractor the Agency has utilized for 10 yrs.

1. Champion Electric (Agency on-call electrician) - \$11,708.64
2. Destek Inc. – Bid not received on time.

The Kickapoo Station will require a power meter from SoCal Edison at a cost of approximately \$2,000, although a quote has not been received as of this date.

Finally, programming would be required within the Agency's billing system to accommodate the data output by the Virtual Meter Reading System. These services are provided by the existing software provider, DataStream, and therefore meet the sole source provisions of the Purchasing Policy. The cost of necessary programming services is estimated at \$3,000 to \$5,000 billed at an hourly rate of \$90.

The cost of system components for the Virtual Meter Reading System are summarized, by site, in the table below:

| Description | Cost |
|---|-------------|
| Cherokee Station: | |
| C6000 & stand, 2" Meter & 2" Valve- Johlin Measurement | \$9,935.00 |
| All work related to complete electrical hookup- Champion Electric | \$1,775.00 |
| Kickapoo Station: | |
| C6000 & stand, 2" Meter(2) & 2" Valve(2)- Johlin Measurement | \$11,111.00 |

| | |
|--|------------------|
| All work related to complete electrical hookup- Champion Electric | \$4,098.64 |
| Electric Meter and power drop by SCE | \$2,000 |
| Well No. 4 Station: | |
| C6000 & stand, 2" Meter & 2" Valve- Johlin Measurement | \$9,935.00 |
| All work related to complete electrical hookup- Champion Electric | \$1,690.00 |
| Johnson Valley Station (Well No. 10): | |
| C6000 Main & C6000 Slave, 2" Meter(2) 2" Valves(3) Level control & 4" Valve, Fire switch | \$19,808.00 |
| All work related to complete electrical hookup- Champion Electric | \$4,145.00 |
| OVERALL COST SUMMARY | |
| Johlin Measurement Summary Total less 5% Discount | \$51,977.35 |
| Commissioning @ \$450.00/day plus expenses- Estimate | \$3,000.00 |
| Champion Electric Total | \$11,708.64 |
| SCE meter and power drop | \$2,000 |
| Data Stream Total – Max. Estimate | \$5,000 |
| Grand Total | 73,685.99 |

IN-GROUND METER REPLACEMENT PROGRAM:

Although the Virtual Meter Reading System would be a tremendous asset to the Agency and it's bulk water hauling customers, the Board is also aware that the in-ground meters are under-registering and monthly consumption revenue is being lost. The revenue loss can only be estimated from a comparison of water produced vs. water consumed. Since 2003, the annual water loss has been on average 23%. If the Agency were to replace in-ground meters it could be expected that at least 15% of the lost consumption revenue would be realized. For calendar year 2007, total consumption was 172,512 ccf. That represents an annual revenue loss of approximately \$77,500 at 15% under-registering. Therefore, staff is recommending that the Board consider the replacement of the in-ground meters as a higher priority over the purchase of the virtual meter reading system. As for the customers on the waiting list for hauled meters, staff will re-evaluate their situation to see if any provisions can be made to provide them a bulk hauling meter.

Staff anticipates that if the Board had intended to go forward with the Virtual Meter Reading System they would be approving a budget of approximately \$75,000 (shown above) to implement that project. Staff has prepared a similar budget summary of the benefit to the Agency if the In-ground Meter Replacement Program were to take precedence.

Summary of total costs associated with the In-ground Meter Replacement Program:

| Size of Meter | # of Meters In-Ground | Cost of Meter inc. tax | Total Cost |
|-----------------------|-----------------------|------------------------|------------|
| ¾-inch | 900 | \$41.00 | \$36,900 |
| 1-inch | 700 | \$96.00 | \$67,200 |
| Total Cost All Meters | | | \$104,100 |

In addition to the above cost for replacement of the meters, staff anticipates various parts (valves, bushings, and miscellaneous pipe and fittings to reconnect the customer side) might be needed, as some locations, to complete the installations. Staff estimates approximately 20% extra cost for these miscellaneous parts, or \$21,000.

Additional program costs will be realized if 1-inch meters are replaced with ¾-inch meters where there are no household fire sprinklers. One-inch meters are more than twice the cost of ¾-inch meters and the Agency does not charge a monthly premium for supply to a 1-inch meter. This condition would be waived for fire sprinklers because they are installed in new homes where adequate fire hydrant flow does not exist. Staff is concerned that if the unnecessary 1-inch meters are not replaced then, if the monthly basic service charge is increased for 1-inch meters, customers will be displeased that they are being forced to accept a product they do not want (or need).

At this time, staff is recommending that the Board set a budget not to exceed the \$75,000 to initiate the In-ground Meter Replacement Program. Although the Board had intended to proceed with the purchase of the Virtual Meter Reading System for the same budget amount staff asserts that revenue currently being lost would be realized, perhaps funding a significant portion of the project in the first year.

Staff proposes the initiation of an In-ground Meter Replacement Program using the following criteria to monitor the progress of the program:

- Assume 150 meters can be replaced per month, all meters within 11 months. Monthly cost of meters approximately \$10,500.
- Reducing the number of 1-inch meters where applicable.
- Utilize in-house labor resources.
- Replacing additional parts only where warranted. Approximate cost of parts \$2,100.
- Replace meters by account route so consumption changes can be easily and closely monitored.
- Regular communication with the Board on consumption and revenue changes.
- Allow for an "off-ramp" should staff and the Board need to temporarily halt the program due to capital costs or other priorities.
- Add all revenue received from recycling (scrap revenue) of old meters back into the program budget. Report to Board on scrap revenue received.
- Add additional program monitoring criteria as deemed necessary.

Staff recommends that the Board approve the initiation of the In-ground Meter Replacement Program utilizing a not-to-exceed budget of \$75,000 based on the above analysis provided.

PRIOR RELEVANT BOARD ACTION(S)

5/7/08 Board Workshop on Virtual Meter Reading System.

4/24/07 Board update on Water Master Plan which documents "unaccounted-for-water" and identifies need for meter replacement program

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

Meeting Date: May 27, 2008


To: Board of Directors

Budgeted: Yes

Budgeted Amount: 45% of Grant

Cost: \$32,250.48

Funding Source: EPA Grant Funds 55%
/BDVWA match 45%

From: Marina D. West 

Staff Contact:

General Counsel Approval: N/A

CEQA Compliance: N/A

Subject: EPA Grant Program: Change Order No. 1 to Water Infrastructure Restoration Program CEQA/NEPA Consultant Contract Issued to Candida Neal, AICP in the Amount of \$32,250.48

SUMMARY

The EPA Grant Program CEQA/NEPA Project Description is now finalized. Through that effort it became apparent that additional focus is needed in order to complete the CEQA/NEPA documentation. The specific focus areas not included in the original proposal are related to cultural/paleontological resources, biological resources and water quality impact analysis. In addition, the EPA Grant Work Plan was revised to include further investigation and development of water resources within the Johnson Valley groundwater basin. The proposed Change Order amount is \$32,250.48 and is outlined in the attached proposal. Adding this Change Order brings the total consultant contract amount to \$76,443.72. The firm of Candida Neal, AICP was selected utilizing a complete proposal process. It is important to note that even with the addition Change Order No. 1 the overall proposal cost is still less than the other competing proposals.

RECOMMENDATION

That the Board take the following action:

1. Authorize the issuance of Change Order No. 1 to Candida Neal, AICP in the amount of \$32,250.48 for completion of Water Infrastructure Restoration Program CEQA/NEPA documentation.

BACKGROUND/ANALYSIS

Since the execution of a professional services agreement with Candida Neal, AICP for preparation of the Water Infrastructure Program CEQA/NEPA documentation the draft project description was being written. However, BDVWA staff never approved the draft description. Since April 2008, staff has met with and refined the project description so that the CEQA/NEPA documentation process can continue. The draft project description, attached, focuses on the project elements outlined in the Water Master Plan between years 2007 and 2013). After receipt of the report commissioned by Mojave Water Agency, titled "Basin Conceptual Model and Assessment of Water Supply and Demand for the Ames Valley, Johnson Valley and Means Valley Groundwater Basins", investigation and development of the

groundwater resources in the Johnson Valley were added to both the EPA Grant Work Plan and the CEQA/NEPA Project Description.

Upon completion of the draft Project Description it became evident that the focus of the environmental document would need to change. Specific needs not identified in the original proposal received from Candida Neal, AICP include cultural/paleontological, biological and water quality impact analysis in addition to the Johnson Valley groundwater basin investigation and water supply project.

The proposed Change Order amount is \$32,250.48 bringing the total consultant contract amount to \$76,443.72. The firm of Candida Neal, AICP was selected utilizing a complete proposal process. It is important to note that even with the addition Change Order No. 1 the overall proposal cost is still substantially less than the other competing proposals received. The other two proposals received during the competitive process were \$178,221 and \$228,593.75. The project description and Change Order No. 1 proposal to Candida Neal, AICP have been reviewed and approved by BDVWA's grant manager as well.

Staff recommends that Change Order No. 1 to EPA Grant Program: Water Infrastructure Restoration Program CEQA/NEPA Consultant contract issued to Candida Neal, AICP in the Amount of \$32,250.48 be approved by the Board.

PRIOR RELEVANT BOARD ACTION(S)

9/30/07 Execute Professional Services Agreement with Candida Neal, AICP in the amount of \$44,193.24 for preparation of Water Infrastructure Program CEQA/NEPA documentation.
3/28/06 06R-04 Authorizing GM to enter Grant Agreement \$477,000

**CANDIDA NEAL, AICP
PLANNING // URBAN DESIGN
// ENVIRONMENTAL REVIEW**

May 16, 2008

Marina West, General Manager
BIGHORN-DESERT VIEW WATER AGENCY
622 S. Jemez Trail
Yucca Valley, CA 92284

**Subject: ENVIRONMENTAL STUDIES AND ASSOCIATED DOCUMENTATION
REQUIRED BY CEQA/NEPA FOR THE BIGHORN-DESERT VIEW WATER
AGENCY'S WATER INFRASTRUCTURE RESTORATION PROGRAM: SCOPE
OF WORK AND BUDGET – REVISED May 16, 2008**

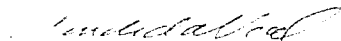
Dear Ms. West;

Through our work on the Project Description, it became evident that the focus of the environmental documents would need to change. We realize now that your agency needs a more comprehensive review of environmental issues related to the Bighorn-Desert View Water Agency, and specifically the Johnson Valley, water system improvements.

To address these concerns, the revised scope of work includes: modified technical reports, review of all CEQA issues (previously some of the issues were scoped out), and coordination with the Mojave Water Agency. With more information on the Project Description, we have been able to focus other technical studies. Instead of contracting with an outside consultant to prepare a Phase I Cultural Resources Survey as previously proposed, a literature review of Cultural Resources and Tribal Consultation will be prepared by our firm. In addition, a Water Quality Analysis will be prepared by Todd Engineers and a Biological Survey will be conducted by Circle Mountain Consultants.

Again, thank you for selecting our firm for this project. We look forward to working with you.

Sincerely,



Candida Neal, AICP

Attachments

**P. O. BOX 1978 // CLAREMONT, CALIFORNIA 91711-1978
TELEPHONE: (909) 626 9958 // FAX: (909) 626 9950
E MAIL ADDRESS: CNEAL AICP@EARTHLINK.NET**

**BIGHORN-DESERT VIEW WATER AGENCY
WATER INFRASTRUCTURE RESTORATION PROGRAM CEQA/NEPA DOCUMENTATION**

SECTION 1: METHODOLOGY / SCOPE OF WORK

Task 1 – Data Collection

Candida Neal, AICP will provide a list of forms, documents and information needed to prepare the Environmental Assessment and CEQA documentation. In addition, a Project Description will be prepared. Once approved by Agency Project Manager, the Project Description will be distributed to technical consultants and state and regional agencies. This task includes: One meeting to meet with staff to assemble the documents is included. One meeting with the Mojave Water Agency staff to discuss issues related to the spreading grounds is also included.

Modification: Data collection effort will be revised to include the Johnson Valley improvements.

Task 2 – California Historic Resources Survey (CHRIS) Records Search and Tribal Consultation

A survey of Cultural Resources through the San Bernardino County Museum will be prepared. This budget includes documentation for a California Historic Resources Survey (CHRIS) records search for up to five sites. Expedited 7-day review will be requested. In addition, CEQA-compliant Tribal Consultation will be prepared.

Modification: This task was modified to transfer responsibility for preparation of the Cultural Resource Survey and Tribal Consultation to Candida Neal, AICP and to include the Johnson Valley work effort.

Task 3 – Technical Reports and Existing Setting

Candida Neal, AICP will compile the technical information to develop the background information for the environmental documents. Information will address: agricultural resources, geological hazards, hazards, mineral resources, land use issues, biological resources, transportation and circulation, air quality and noise, hydrology, aesthetics, utilities, and flooding. The information will be collected from existing studies and will not include preparation of any separate technical studies. This task includes one meeting with Agency staff, one meeting with Mojave Water Agency staff, one meeting with San Bernardino County Staff, and one site visit.

Modification: In addition to including the Johnson Valley improvements, this task was modified to include a Water Quality Analysis prepared by Todd Engineers. Responsibilities for preparing the technical report on Biological Resources were modified and transferred to Circle Mountain Consultants. The scopes of work for the Water Quality Analysis and the technical report on Biological Resources are attached to this report.

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TELEPHONE: (909) 626 9958 // FAX: (909) 626 9950
E MAIL ADDRESS: C N E A L A I C P @ E A R T H L I N K . N E T**

Task 4 – Screencheck Draft NEPA Environmental Assessment

Using the Initial Environmental Study (IES) Forms provided by the Agency, Candida Neal, AICP will prepare a Screencheck Draft Environmental Assessment for review and approval by Agency staff. One electronic copy and three printed and bound copies will be provided. One meeting with Agency staff is included.

Modification: This task was modified to include the Johnson Valley improvements.

Task 5 – Screencheck Draft CEQA Documentation

Using the State model forms for CEQA documentation, Candida Neal, AICP will develop CEQA forms for the Bighorn-Desert Water Agency. Candida Neal, AICP will then prepare the Notice of Preparation, Initial Study, Negative Declaration and if necessary, the Mitigation Monitoring Program. Screencheck drafts of all documents shall be prepared. One electronic copy and three printed and bound copies of the Screencheck Draft documents will be provided.

Modification: This task was modified to include the Johnson Valley improvements.

Task 6 – Final Environmental Assessment and CEQA Documentation

Candida Neal, AICP will meet once with Agency staff to discuss the Screencheck Draft Environmental Assessment and CEQA documentation. Appropriate changes and additions will be incorporated into the document. Once the revisions are complete, one electronic copy and five printed and bound copies will be provided. The Bighorn-Desert View Water Agency shall be responsible for copying, publication and distribution of all CEQA documents. The Bighorn-Desert View Water Agency shall be responsible for filing the Notice of Determination.

Modification: This task was modified to include the Johnson Valley improvements.

Task 7– Permits/Approvals (Optional)

Candida Neal, AICP will, upon receiving a Notification to Proceed, complete work necessary to obtain any permits or approvals required by the IES Forms.

Modification: This task was modified to include the Johnson Valley improvements.

**BIGHORN-DESERT VIEW WATER AGENCY
WATER INFRASTRUCTURE RESTORATION PROGRAM CEQA/NEPA DOCUMENTATION**

SECTION 2: DESCRIPTION OF FIRM

Candida Neal, AICP Our firm provides a variety of planning and environmental review services to cities and governmental agencies in Los Angeles, San Bernardino, and Riverside Counties.

Staff / Employees Although our organization has no employees, as necessary we can call on experienced environmental professionals to complete the work.

Client List and Prior Experience Jeff Bloom, Community Development Director
City of Upland
(909) 931 4131

- Mitigated Negative Declaration for Phase II of the Upland Basin Expansion
- Contract Planner Services

Brian Lee, Director of Community Development
City of Bellflower
(562) 804-1424 x2224

- CEQA and NEPA Documentation for the City of Bellflower Water System Improvements Program 2008

Brent Arnold, Planning Manager
City of Chino
(909) 591 9890

- Edgewater Communities EIR Project Manager

Rick Gomez, Community Development Director
City of Adelanto
(909) 957 1856

- Mitigated Negative Declaration for Wastewater Treatment Plant Expansion
- Mitigated Negative Declaration for Airport Park and Overlay Zone Changes

Current Workload Currently our firm is working on projects for the Cities of Adelanto and Chino. We are also employed by one private developer.

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E MAIL ADDRESS: CNEALAICP@EARTHLINK.NET**

**BIGHORN-DESERT VIEW WATER AGENCY
WATER INFRASTRUCTURE RESTORATION PROGRAM CEQA/NEPA DOCUMENTATION**

SECTION 3: PROFESSIONAL EXPERIENCE

Candida Neal, AICP

Ms. Neal has over thirty years experience in planning and environmental design. She has worked for numerous cities including serving as Planning Manager for the City of Pomona and as well as Interim City Planner for the City of Upland.

Deborah Bradford

Ms. Bradford has worked for the Cities of Claremont, Paramount and Malibu. In addition, she prepared environmental documents for a large environmental consulting firm.

Aminta Raffalovich

Ms. Raffalovich graduated from the University of California, Berkeley with a degree in Environmental Economics and Policy. She has prepared environmental documents for the Cities of Adelanto and Bellflower.

Environmental Documents

- Mitigated Negative Declaration for Phase II of the Upland Basin Expansion, City of Upland
- Edgewater Communities Environmental Impact Report Project Manager, City of Chino
- Mitigated Negative Declaration for Adelanto Wastewater Treatment Plant Expansion, City of Adelanto
- Mitigated Negative Declaration for Adelanto Airport Park and Overlay Zone Changes, City of Adelanto

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**BIGHORN-DESERT VIEW WATER AGENCY
WATER INFRASTRUCTURE RESTORATION PROGRAM CEQA/NEPA DOCUMENTATION**

SECTION 4: TENTATIVE SCHEDULE

| | | |
|---------------|---|--|
| Task 1 | Data Collection Estimated Schedule: | Two weeks |
| Task 2 | California Historic Resources Survey (CHRIS) Records Search Estimated Schedule: | Six weeks |
| Task 3 | Technical Reports and Existing Setting Estimated Schedule: Staff Review Period: | Eight weeks Two weeks |
| Task 4 | Screencheck Draft NEPA Environmental Assessment Estimated Schedule: Staff Review Period: | Six weeks Two weeks |
| Task 5 | Screencheck Draft CEQA Documentation Estimated Schedule: Staff Review Period: | Six weeks Two weeks |
| Task 6 | Final Environmental Assessment and CEQA Documentation Estimated Schedule: Public Review Period: Response to Comments: Notice of Determination: | Four weeks 30 days Two weeks One week |
| Task 7 | Permits/Approvals (Optional) Estimated Schedule: | Four weeks |

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**BIGHORN-DESERT VIEW WATER AGENCY
WATER INFRASTRUCTURE RESTORATION PROGRAM CEQA/NEAPA DOCUMENTATION**

SECTION 5: BUDGET

| | | |
|---------------|--|--------------------|
| Task 1 | Data Collection | |
| | Original | \$1,432.18 |
| | Current Request | \$300.00 |
| | Task Modified | \$1,732.18 |
| Task 2 | California Historic Resources Survey (CHRIS) Records Search | \$16,173.12 |
| | Current Request | -\$8,173.12 |
| | Task Modified | \$8,000.00 |
| Task 3 | Technical Reports and Existing Setting | \$7,630.69 |
| | Current Request | \$36,523.60 |
| | Task Modified | \$44,154.29 |
| Task 4 | Screencheck Draft NEPA Documentation | \$5,475.31 |
| | Current Request | \$1,300.00 |
| | Task Modified | \$6,775.31 |
| Task 5 | Screencheck Draft CEQA Documentation | \$5,475.31 |
| | Current Request | \$1,300.00 |
| | Task Modified | \$6,775.31 |
| Task 6 | Final NEPA Assessment and CEQA Documentation | \$4,723.31 |
| | Current Request | \$1,000.00 |
| | Task Modified | \$5,723.31 |
| Task 7 | Permits/Approvals (Optional) | \$3,283.31 |
| | Current Request | \$0 |
| | Task Modified | \$3,283.31 |
| | TOTAL WITHOUT TASK 7 | \$73,160.41 |
| | TOTAL WITH TASK 7 | \$76,443.72 |

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**CANDIDA NEAL, AICP
PLANNING // URBAN DESIGN
// ENVIRONMENTAL REVIEW**

Billing Rates

All work will be completed on a time and materials basis. Our billing rates are as follows:

| | |
|---------------|----------------|
| Principal | \$100 per hour |
| Planner | \$85 per hour |
| Support staff | \$55 per hour |

Reimbursable expenses will be charged at cost plus 15 percent.

Mileage will be calculated at the current IRS expense rate.

Payment Terms

Invoices will be submitted via email monthly. Payment will be due within 30 days of receipt of invoice.

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TODD ENGINEERS

GROUNDWATER · WATER RESOURCES · HYDROGEOLOGY · ENVIRONMENTAL ENGINEERING

May 1, 2008

Proposal – Transmitted via email only araffalovich@candidanealaicp.com

To: Aminta Raffalovich
Candida Neal, AICP
114 North Indian Hill Blvd., Suite S
Claremont, CA 91711

From: Phyllis Stanin, Vice President, Principal Geologist

Re: Proposal for Professional Services
Environmental Analysis – Evaluation of Hydrology/Water Quality Issues
Bighorn-Desert View Water Agency
San Bernardino County, CA

Candida Neal, AICP is conducting an environmental analysis for a Water Infrastructure Restoration Program (WIRP) proposed by Bighorn-Desert View Water Agency (BDVWA). This analysis will consider 11 specific infrastructure improvements recommended in the BDVWA Water System Master Plan, which was approved in 2007. The environmental analysis is being conducted in compliance with the California Environmental Quality Act (CEQA) and the National Environmental Protection Act (NEPA). It is anticipated that the analysis will involve evaluation of regulatory checklists and the preparation of a mitigated negative declaration that proposes mitigation measures for potentially significant environmental impacts. Candida Neal, AICP has requested a scope of services from Todd Engineers to assist with groundwater and water quality issues in that analysis. This memorandum summarizes our recommended approach and scope.

Approach

A brief review of the 11 infrastructure improvements indicates that two of the projects will require a groundwater/water quality assessment – Project 8 and Project 11. Project 8 involves development of a five-acre spreading basin along Pipes Wash in the Reche Subbasin of the Ames Valley Groundwater Basin. The basin will be used for recharge of State Water Project (SWP) water. Potential water quality issues involve the water quality of SWP and changes in water quality due to recharge, such as leaching of natural constituents in the vadose zone, and the compatibility of recharge water with ambient groundwater.

Project 11 involves development of groundwater in the Johnson Valley Groundwater Basin. Potential groundwater and water quality impacts for this project

involve the sustainability of the groundwater basin and ambient water quality for potable use. It is our understanding that our scope will focus on these two projects.

Scope of Services

Based on our understanding of the issues to be evaluated, the following scope of services is proposed. Key assumptions for each task are also described and were used to control our costs.

Task 1. Collect Data

There are several key data sources and documents relevant to this analysis. Mojave Water Agency (MWA) has prepared a Programmatic Environmental Report (PEIR) on a Regional Water Management Plan (RWMP) that contains several components of the WIRP including recharge in the Ames Valley Groundwater Basin (ESA, September 2004). The PEIR provides guidance on potential impacts from spreading basins as well as possible mitigation measures. In addition, MWA maintains a database of relevant groundwater and water quality data in this area, as well as on SWP water. We assume cooperation from MWA and easy access to key data sets.

Todd Engineers also has familiarity with groundwater conditions in the two key project areas. We have recently developed basin-wide hydrogeologic conceptual models for the two groundwater basins of interest for BDVWA and MWA. Data and analyses are summarized in a 2007 document (Kennedy/Jenks/Todd, April 2007). In addition, selected documents and reports prepared by the U.S. Geological Survey (USGS) will be incorporated.

BDVWA also collects groundwater quality data in compliance with drinking water regulations. Some of these data were incorporated into the 2007 basin study described above. However, additional available data will be helpful to provide the most current information in the environmental analysis. We assume that BDVWA can make these data available for this study. In addition, it may be helpful to incorporate water quality data available from other well operators in the basin such as Hi-Desert Water District or the County Services area. We assume that BDVWA can assist in coordinating the collection of these data if available. In order to control costs, we are assuming that no data collection efforts other than those described above will be necessary to complete the analysis.

Task 2. Review Environmental Checklists and Develop Threshold of Significance

NEPA requires that all Federal actions to take into account environmental considerations of a proposed project. The Environmental Assessment associated with the NEPA Compliance Checklist is a concise document that is written in a manner that is understandable by the public. The document must identify the environmental media (air, land, soil, cultural, natural resources, etc.) that could be potentially affected by the project and the environmental consequences of the proposed action and alternatives. Our analysis will focus on the potential impacts to groundwater and water quality for the two projects. In addition, we will evaluate a “no project” alternative. The threshold of significance will

be addressed and will likely be based on California's antidegradation policy and other factors. At this time, it is anticipated that our analysis will result in a *Finding of No Significant Impact* that will be dependent on specified mitigation measures.

The CEQA analysis will parallel the NEPA analysis and will consider the standard questions for potential impacts on hydrology and water quality (Section VIII). Mitigation measures included in the PEIR will be considered and recommended as applicable.

Task 3. Evaluate Potential Impacts to Groundwater Quality from Spreading Grounds in Ames Valley Groundwater Basin

As included in the Project Description, a five-acre spreading basin is proposed along Pipes Wash in the Reche Subbasin. Potential impacts from such a project will include, but not be limited to, impacts to existing wells, water quality impacts from the recharge water, movement of existing groundwater plumes of contamination (if any), mass salt loading, entrainment of chemicals in the vadose zone (including septage impacts), and the potential for leaching natural materials in the soil during the "first flush" of recharge. Geochemical modeling may ultimately be required to ensure the chemical compatibility of the recharge water and ambient groundwater. However, the modeling is beyond the scope of this assessment and will be listed as a mitigation measure. The analysis will also include a brief assessment of a "no project" alternative.

Task 4. Evaluate Potential Impacts to Groundwater Supply and Quality from Johnson Valley Development

The proposed project in Johnson Valley involves local development of a water supply including a new groundwater production well and associated infrastructure. According to the Project Description, it may also involve an imported water supply, although the details of this latter component are not fully developed at this time. For the local supply, the analysis will evaluate impacts from increased production in the groundwater basin. Potential water quality impacts will also be considered, if applicable. The analysis will also include a brief assessment of a "no project" alternative.

Task 5. Identify Mitigation Measures

As potential impacts from the two projects are identified in Tasks 3 and 4, appropriate mitigation measures will be identified. Several mitigation measures are provided in the PEIR and will be incorporated as relevant. Mitigation will likely include such activities as monitoring, methods and timing of project operation, water treatment, and other factors.

Task 6. Prepare Technical Memorandum

A Technical Memorandum will be prepared that summarizes the groundwater/water quality assessment. The text will describe the data reviewed, the determination of the threshold of significance, the impact evaluation, and mitigation measures. It is assumed that one memorandum will be sufficient to support both the NEPA and CEQA requirements. It is further assumed that the memorandum will be the only written product required by Todd Engineers and that the mitigated negative declaration will be prepared by others. A draft memorandum will be submitted for review and comments by Candida Neal, AICP and BDVWA. Comments will be incorporated into a final memorandum.

Optional Task 7. Attend Meetings

At the request of BDVWA and/or Candida Neal, AICP, Todd Engineers will attend team meetings or public hearings in support of the project. At the meeting(s), Todd Engineers will provide additional information/clarification on the environmental analysis and application of the work to the mitigated negative declaration. The number of meetings is not known; for costing purposes, one internal team meeting and one public hearing is assumed. The cost difference assumes that the hearing involves a brief public presentation.

Qualifications and Project Team

Todd Engineers is highly qualified for this assessment and has conducted similar assessments in California. We are a small consulting firm specializing in the planning, development, management, and protection of groundwater resources. We have worked on numerous CEQA/NEPA compliance projects involving groundwater and water quality issues. Todd Engineers specializes in groundwater management projects and has assessed the potential for enhanced recharge and conjunctive use in many groundwater basins across California and nationwide. We are experienced in all aspects of groundwater development including well siting, design, installation, and testing.

For efficiency on this project, Todd Engineers proposes to use two senior professionals who have worked in the area previously and are familiar with the basin hydrogeology. The Project Manager for Todd Engineers will be Phyllis Stanin, Principal Geologist. Ms. Stanin is a registered Professional Geologist, Certified Hydrogeologist, and Certified Engineering Geologist in California and a Registered Geologist in Arizona. Ms. Stanin worked with BDVWA and Mojave Water Agency (MWA) in 2006/2007 on the development of hydrogeologic basin conceptual models of the Ames Valley, Johnson Valley, and Means Valley groundwater basins (Kennedy/Jenks/Todd, April 2007). Ms. Stanin will be assisted by Edwin Lin, Senior Geologist, who is also a Professional Geologist and Certified Hydrogeologist in California. Mr. Lin was the lead hydrogeologist for the BDVWA-MWA report and is familiar with the hydrogeology in the area of the two proposed projects. The environmental analysis will be reviewed by Dr. Bill Motzer, Senior Geochemist with Todd Engineers. Dr. Motzer is a water quality expert with more than 25 years of experience with the assessment of water quality impacts.

Estimated Project Costs

Based on the approach and scope of work discussed above, a cost estimate has been prepared for labor as well as administrative, graphics, and other direct costs and fees as provided in the Fee Schedule attached. Estimated project costs are provided in the following table.

| Task | Labor | Direct Costs/ Graphics/Fees | Total |
|--|-----------------|--|-----------------|
| Task 1 – Collect Data | \$ 1,480 | \$ 130 | \$ 1,610 |
| Task 2 – Review Checklists | \$ 640 | \$ 6 | \$ 646 |
| Task 3 – Evaluate Ames Valley Spreading Basin | \$ 3,270 | \$ 773 | \$ 4,043 |
| Task 4 – Evaluate Johnson Valley Supply | \$ 2,200 | \$ 762 | \$ 2,962 |
| Task 5 – Identify Mitigation Measures | \$ 1,380 | \$ 14 | \$ 1,394 |
| Task 6 – Prepare Technical Memorandum | \$ 5,140 | \$ 829 | \$ 5,969 |
| TOTAL | \$14,110 | \$2,514 | \$16,624 |
| Optional Task 7 – Meetings – 1 with project team | \$ 1,530 | \$ 495 | \$ 2,025 |
| Meetings – 1 public hearing | \$ 1,980 | \$ 770 | \$ 2,750 |
| TOTAL WITH OPTIONAL MEETINGS | \$17,620 | \$3,779 | \$21,399 |

We agree to conduct the project on a time and expense basis not to exceed the amount provided above without written consent from Candida Neal, AICP. We will provide you with monthly invoices showing persons working on the project and hours expended. Invoices will also provide detail on other direct costs including expenses, administrative support, graphics costs, and communication fees in accordance with the attached fee schedule.

Project Schedule

In order to coordinate an already-commenced CEQA schedule, it is our understanding that you would like to move the project forward in an expedited manner. We will begin the project immediately upon receiving a notice to proceed, and work to meet the NEPA/CEQA deadlines.

Thank you for allowing Todd Engineers to provide this scope of work; we hope it meets your expectations. We look forward to assisting you on this important project.

TODD ENGINEERS

GROUNDWATER • WATER RESOURCES • HYDROGEOLOGY • ENVIRONMENTAL ENGINEERING

SCHEDULE OF CHARGES

January 2008

Professional Services

Hourly Rates

| | |
|--|---------------------|
| Principal Consultant | \$175.00 - \$180.00 |
| Principal Engineer | \$175.00 - \$185.00 |
| Principal Geologist/Hydrogeologist | \$175.00 - \$180.00 |
| Senior Engineer | \$165.00 - \$175.00 |
| Senior Geologist/Hydrogeologist/Geochemist | \$165.00 - \$175.00 |
| Associate Engineer | \$125.00 - \$135.00 |
| Associate Geologist/Hydrogeologist | \$125.00 - \$135.00 |
| Staff Engineer | \$100.00 - \$120.00 |
| Staff Geologist/Hydrogeologist | \$ 95.00 - \$115.00 |

Technical Services

| | |
|-----------------------------|---------------------|
| CAD/GIS/Graphics Specialist | \$ 80.00 - \$90.00 |
| GIS/Drafting Support | \$ 55.00 - \$ 80.00 |
| Clerical | \$ 80.00 |

Communications: 1% of Professional Services

Travel Time: Travel time will be charged at regular hourly rates.

Litigation, Depositions, and Testimony: Rates available upon request.

Rates are adjusted annually in January

Outside Services

All services not ordinarily furnished by Todd Engineers, including printing, subcontracted services, local mileage, travel by common carrier, etc. are billed at cost + 15%. Local mileage is billed at the current Federal mileage rate (\$ 0.505 POV mileage rate as of 04/08).

**Proposal and Cost Estimate
for General Biological Survey and
Focused Surveys for Desert Tortoise and Burrowing Owl,
For the Bighorn-Desert View Water Agency's Planned
Water Infrastructure Restoration Program (WIRP)
San Bernardino County, California**

Bid # 08-023

Prepared by:

Circle Mountain Biological Consultants
P.O. Box 3197
Wrightwood, California 92397
PH/FAX: (760) 249-4948
Contacts: Sharon Dougherty, Ed LaRue

Prepared for:

Candida Neal, AICP
PO Box 1978
Claremont, CA 91711
PH: (909) 626-9958
FAX: (909) 626-9950
Contact: Aminta Raffalovich

On behalf of:

Bighorn-Desert View Water Agency
622 South Jemez Trail
Yucca Valley, CA 92284
PH: 760-364-2315
Contact: Marina West

May 2008

**Proposal and Cost Estimate
for General Biological Survey and
Focused Surveys for Desert Tortoise and Burrowing Owl,
For the Bighorn-Desert View Water Agency's Planned
Water Infrastructure Restoration Program (WIRP)
San Bernardino County, California**

1.0. Introduction. Circle Mountain Biological Consultants (CMBC) was contacted in April of 2008 by Candida Neal AICP on behalf of the Bighorn-Desert View Water Agency, (Proponent) to provide a proposal and cost estimate for general biological surveys and focused surveys for desert tortoise, a California and federal threatened species, on their Water Infrastructure Restoration Program (WIRP) in San Bernardino County, California, in portions of the unincorporated communities of Landers, Flamingo Heights, and Johnson Valley and portions of the Town of Yucca Valley. CMBC recommends that surveys also be carried out for western burrowing owl, a California Species of Special Concern, which has been found at other sites in the area.

The work proposed will take place in different zones, as follows:

Zone B Improvements:

1) A new 12-inch water main will be installed over a distance of 28,990 feet (5.5 miles).

Zones E-2 and E-3 Improvements:

2) A new 12-inch water main will be installed in Zone E-2 over a distance of 11,140 feet (2.1 miles).

3) A new 12-inch interconnection between Zones E-2 and E-3 will be installed over a distance of 7,290 feet (1.5 miles).

4) A new 12-inch water main will be installed in Zone E-3 over a distance of 10,070 feet (1.9 miles).

Johnson Valley Improvements:

5) A new 12-inch water main will be installed, over a distance of approximately 11 miles.

6) A new well will be developed. The exact acreage to be affected is not known, but is estimated at 10 acres for the purposes of this proposal.

7) A booster station will be developed. The exact acreage to be affected is not known, but is estimated at 10 acres for the purposes of this proposal.

8) A water reservoir will be developed for emergency, operational, and fire storage purposes. The exact acreage to be affected is not known, but is estimated at 10 acres for the purposes of this proposal.

2.0. Scope of Services. CMBC proposes the following scope of work for the project: Focused surveys for desert tortoise will be carried out to U.S. Fish and Wildlife Service (1992) protocols, which calls for transects to be surveyed for sign of desert tortoise at 30-foot intervals throughout the site. In addition, per the protocol, zone of influence surveys will be completed at 100, 300, 600, 1200, and 2400 feet from the site's boundaries. Positive detection of tortoises will be determined by the following: tortoises, burrows, scats, tracks, courtship rings, etc. General biological surveys will be carried out concurrent with the focused survey for desert tortoise. The California Department of Fish and Game recommends surveys at 100-foot (30 m) intervals throughout the site and within a 150 meter buffer area, in which owls could be affected by noise and vibration, etc., from construction on the site. Field notes will be recorded and will include the following:

- Descriptions and locations of all tortoise and/or owl sign, if any;
- A list of all plants and animals detected;
- A list of all sensitive species other than tortoises that are detected, if any;
- Detectable human uses of the site to be used in a disturbance analysis.

CMBC will prepare a report documenting the results of the survey. The report will include the following elements:

- Descriptions of floral and faunal resources, including a list of detected plants and animals;
- Documentation of additional sensitive species observed during field surveys, if any;
- A discussion of habitat quality and quantification of tortoise and/or owl sign, if any;
- A vicinity map showing the location of the project area;
- A map of the locations of any special-status species or sign detected during surveys, also indicating the area that was surveyed.

Please note that the U.S. Fish and Wildlife Service will only consider a tortoise survey acceptable for one year following field surveys (U.S. Fish and Wildlife Service 1992); after that time, another survey may be required.

3.0. Schedule. Fieldwork will begin after receipt of a signed copy of the attached agreement. Given our current schedule, CMBC proposes to complete surveys of the site by 30 June 2008. CMBC will furnish the draft report to the Proponent within two weeks of completing fieldwork. Within five working days of CMBC's receipt of the Proponent's comments on the draft report, the final report will be completed. (This schedule is negotiable if a faster "turn-around" time is needed.)

4.0. Materials and Action Required. Before beginning work on the project, CMBC will require the following items from the Proponent:

- A copy of this signed agreement authorizing work;
- **The boundaries of the ROWs, well site, booster station site, and reservoir site should be staked or flagged to ensure that the appropriate area is surveyed, or alternatively, arrangements made for CMBC to meet the proponent or a representative on-site to identify project boundaries at the time of the surveys;**
- Two copies of an accurate map of each of the project areas (e.g., U.S. Geological Survey 7.5' quad map, or parcel map clearly indicating adjacent streets, acreage, and site dimensions) that will facilitate finding the sites and mapping any significant biological resources.
- A legal description of the property, including township, range, and section;
- A project description, including such information as the ROW width, planned areas of impact, and so forth.

5.0. Cost Estimate. Cost estimates are based on a typical survey speed of 4 acres per hour, or 40 minutes per linear mile of surveys on level terrain. The width of the ROW is 60 feet, and will require two transects. Adjacent undeveloped areas will be surveyed for desert tortoise zone-of-influence and western burrowing owl buffer areas, as described previously. *This is a not-to-exceed estimate. Costs may be less if the travel can be combined with another job, if the site is surrounded by developed properties such that zone-of-influence transects are not necessary, etc.*

Field Surveys:

Zone B

| | | |
|---------------------------|--------------------------|-------------|
| 5.5 mile ROW | 7.5 hours @ \$60/hour = | \$ 450.00 |
| Zone of Influence | 37.5 hours @ \$60/hour = | \$ 2,250.00 |
| Burrowing owl buffer zone | 22.0 hours @ \$60/hour = | \$ 1,320.00 |

Zones E-2 & E-3

| | | |
|---------------------------|--------------------------|-------------|
| 5.5 mile ROW | 7.5 hours @ \$60/hour = | \$ 450.00 |
| Zone of Influence | 37.5 hours @ \$60/hour = | \$ 2,250.00 |
| Burrowing owl buffer zone | 22.0 hours @ \$60/hour = | \$ 1,320.00 |

Johnson Valley

| | | |
|---------------------------|--------------------------|-------------|
| 11 mile ROW | 15.0 hours @ \$60/hour = | \$ 900.00 |
| Zone-of Influence | 75.0 hours @ \$60/hour = | \$ 4,500.00 |
| Burrowing owl buffer zone | 44.0 hours @ \$60/hour = | \$ 2,640.00 |
| Three 10-acre sites | 7.5 hours @ \$60/hour = | \$ 450.00 |
| Zone of Influence | 12.0 hours @ \$60/hour = | \$ 720.00 |
| Burrowing owl buffer zone | 6.0 hours @ \$60/hour = | \$ 360.00 |

Travel:

| | | |
|--------------------|--|-------------|
| Drive time | 11.0 hours X 4 surveyors @ \$60/hour = | \$ 2,640.00 |
| Mileage round trip | X 4 surveyors = | \$ 850.00 |

Lodging & Per Diem: 9 nights X 4 surveyors @ \$100/night = \$ 3,600.00

Administrative costs: 3.0 hours @ \$60/hour = \$ 180.00

Report: 20.0 hours @ \$60/hour = \$ 1,200.00

TOTAL = **\$18,040.00**

Payment is due within 30 days of the date of invoice. After 30 days, an administrative fee of 10% of the outstanding balance may be charged to all accounts unless previous arrangements for payment have been made.

6.0. Agreement.

This proposal, consisting of Introduction, Scope of Services, Schedule, Materials and Action Required, Cost Estimate, and Agreement (total 4 pages, plus title page), represents the entire understanding between both parties and may only be modified in writing by both parties. If the scope of work described above is changed, through addition or reduction of the services required, an amendment to this agreement and cost estimate will be necessary.

If the terms and conditions of this proposal are acceptable, please sign and return two copies to Circle Mountain Biological Consultants. A signed original will be returned for your records.

This proposal will remain valid for 120 days from the last date signed below, unless changed by both parties in writing.

I, _____ (print or type name) authorize Circle Mountain Biological Consultants to proceed with services as described in this proposal.

Authorized Signature

Date

Circle Mountain Biological Consultants

Date

Bighorn-Desert View Water Agency: Water Infrastructure Restoration Program Draft Project Description – May 19, 2008

The Bighorn-Desert View Water Agency (BDVWA) was formed in 1989 by the merger of Bighorn Mountain Water Agency with the Desert View County Water District. BDVWA is located in the southern portion of San Bernardino County near the towns of Yucca Valley and Landers in an unincorporated area called Flamingo Heights (See Figure 1 – Project Location). BDVWA encompasses 44 square miles, providing water service to 1,582 customers in portions of Yucca Valley, Landers, and Johnson Valley. There are two other water agencies located adjacent to BDVWA: Hi-Desert Water District (HDWD) and County Service Area 70 (CSA 70) (See Figure 2 – Water Districts).

BDVWA overlays three groundwater basins, which have historically been called the Ames Valley Basin, the Means Valley Basin, and the Johnson Valley Basin. Most of the pumping is from the Ames Valley Basin and the Johnson Valley Basin. The Ames Valley Basin consists of several subbasins: Pioneertown Subbasin, Pipes Subbasin, and Reche Subbasin. In addition to local groundwater, BDVWA can purchase water from the Mojave Water Agency (MWA). Water purchased from MWA is State Water Project water and is purchased by MWA through its contract with the California Department of Water Resources (DWR). Currently, BDVWA has no infrastructure to utilize this supply.

The existing BDVWA infrastructure consists of wells, reservoirs, booster pumps, pressure reducing valves (PRVs), and pipelines. BDVWA facilities need to meet several criteria:

- Sufficient water supply to meet the long-term needs of the customers;
- Sufficient long-term supply to meet the needs of additional future customers;
- Sufficient capacity to meet the maximum flow requirements; and
- Sufficient capacity to meet fireflow standards.

The existing system has deficiencies which prevent it from meeting these criteria. A few of these deficiencies are:

- Heavy reliance on 6-inch and 8-inch water mains which do not provide adequate fire flow;
- Inability of most reservoirs to refill overnight after a 500 gallons per minute (gpm) fire; and
- Inefficient operation of Zones E-2 and E-3 due to structure as separate zones.

Don Howard Engineers prepared a Water System Master Plan (WSMP) for BDVWA. The WSMP (approved April 24, 2007) outlines improvement projects to address deficiencies in the system. BDVWA plans to upgrade its current system through the Water Infrastructure Restoration Program (WIRP), which includes many of the proposed projects included in the WSMP.

Figure 1 – Project Location

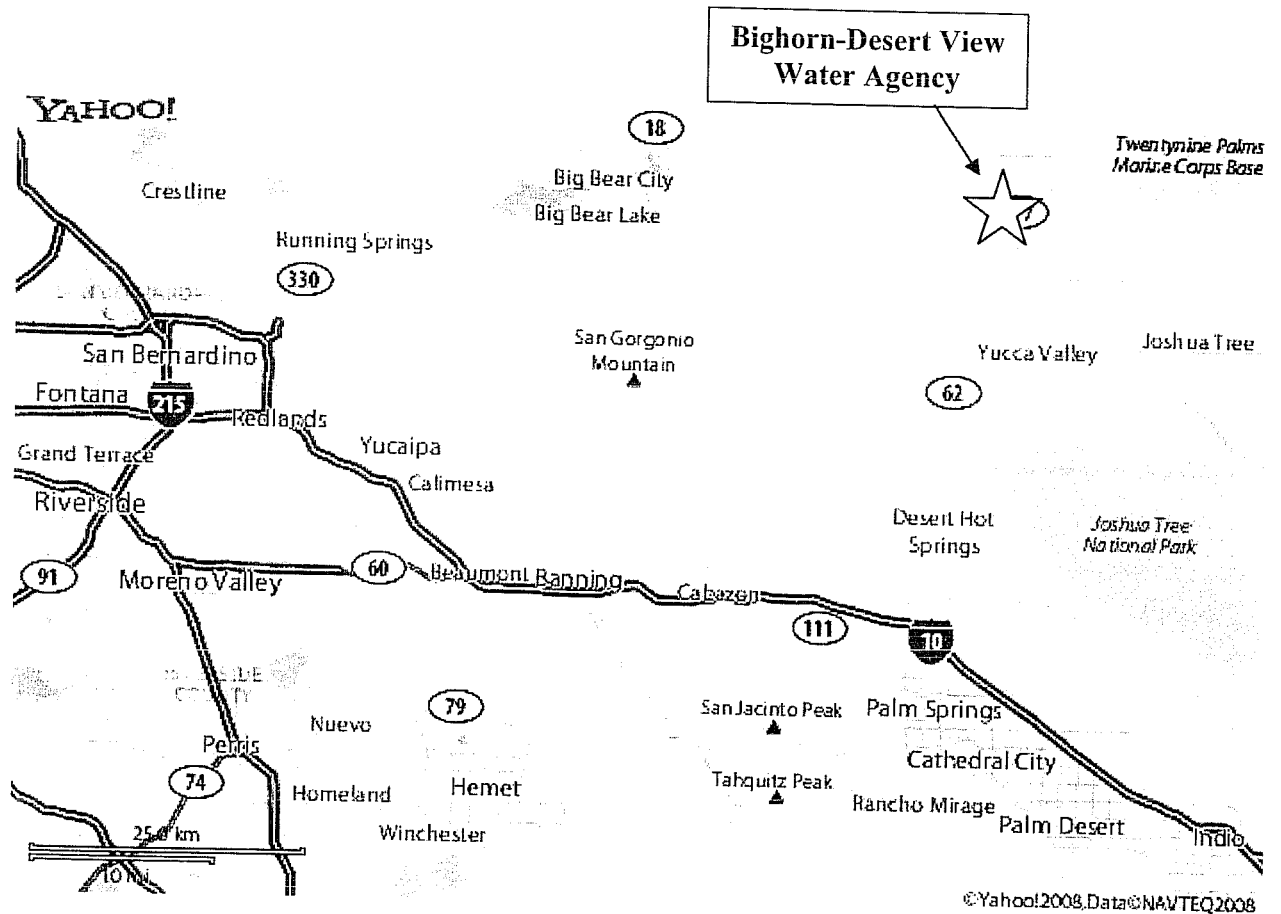
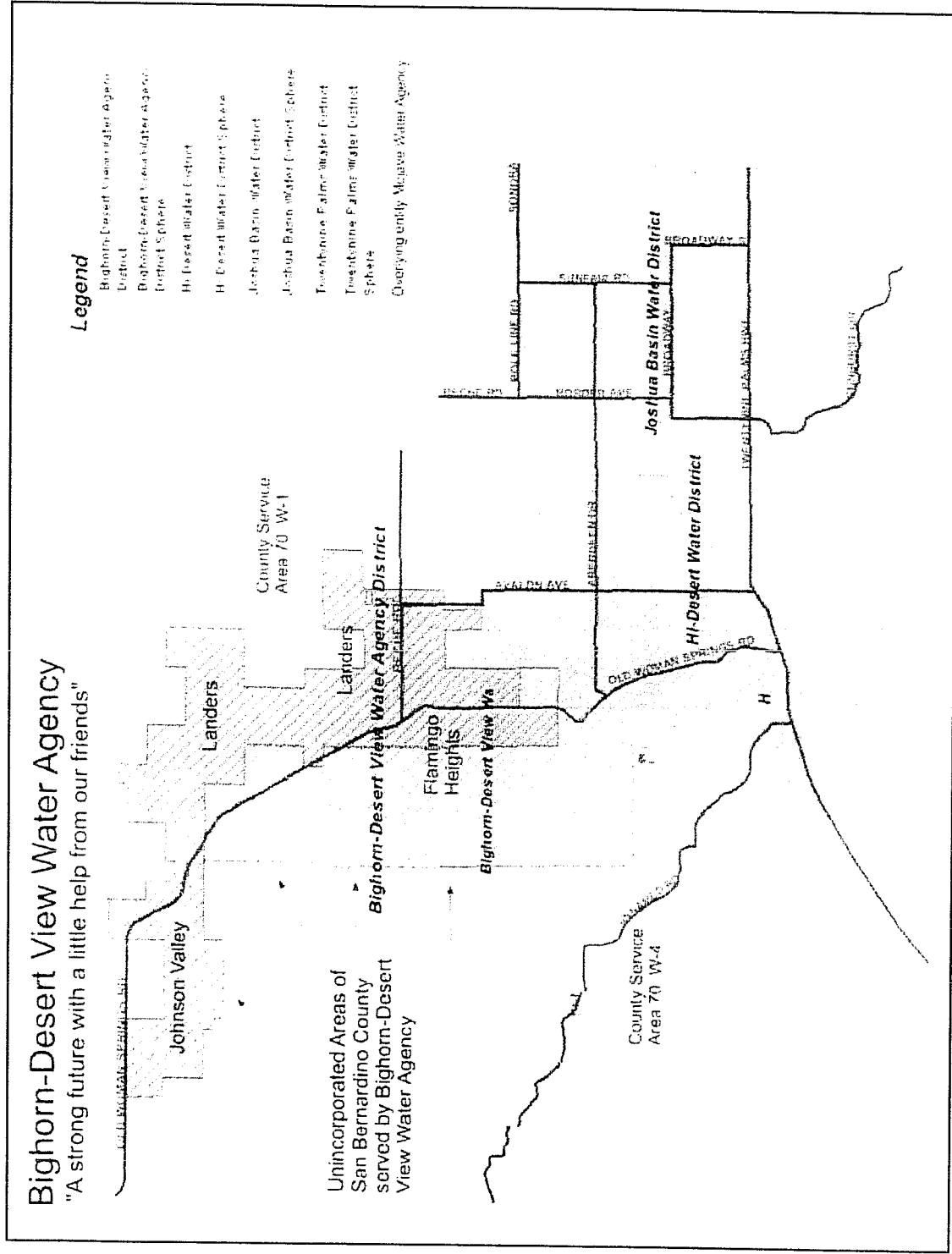


Figure 2 – Water Districts



BDVWA has procured and will continue to procure federal assistance through the State and Tribal Assistance Grant Funding Program of the United States Environmental Protection Agency (EPA) for several of the projects included in the WIRP.

The WIRP assigns priority to each of the projects with respect to cost and with the intention to achieve the greatest system improvement for the least investment. Some of the upgrades affect the system as a whole, while others affect only specific pressure zones. The WIRP includes the following projects:

1. Groundwater Management Plan

The implementation of a groundwater management plan is necessary for planning future water supply projects and other improvements. The plan will account for water placed in storage and the right to pump out stored water, and establish the right to pump local groundwater and lease and/or sell water rights. This plan will require the participation of the Improvement District M (ID-M) Participants pumping water from the Reche Subbasin. ID-M Participants include BDVWA, CSA 70, HDWD, and the Joshua Basin Water District (JBWD). This should be given high priority.

2. Supervisory Control and Data Acquisition (SCADA)

The purpose of a SCADA system is to automate the acquisition of data and provide centralized control of the water systems. The SCADA system will monitor the reservoirs, well pumps, booster pumps, and PRV meters, and report facilities data to a central location, store the information for later use, and run the system automatically. This system will also provide security to the facilities in terms of intrusion alarms.

3. Fire Hydrant Installation Program

The American Water Works Association (AWWA) recommends a maximum spacing for fire hydrants of 600 feet, and that hydrants be located near intersections and in the middle of long blocks. BDVWA does not always meet these criteria. When the water mains are upgraded, the existing fire hydrants will be reconnected to the new mains and new fire hydrants installed to meet the AWWA standard. Fire hydrants will only be installed on 8-inch or larger water mains.

4. Isolation Valve Replacement Program

The AWWA recommends that the spacing of isolation valves be 800 feet. BDVWA has many water lines with valve spacing in excess of 800 feet. Priority for the replacement of isolation valves will be given to 8-inch mains, as many of the smaller mains will be replaced in the future. The isolation valves should be put in cans to allow for annual exercising of the valves and to make repairs easier.

5. Aerial Topography and Photography Updates

Aerial topography and photographs should be updated at five year intervals during periods of rapid growth. Such data could be used to track growth and provide data for

modeling. The most recent aerial photographs were taken in 1972. This project should be given low priority unless growth exceeds expectations.

6. Update Atlas Management Tools

BDVWA will update its water atlas records. This project will require drafting software, a computer, and a plotter. This should be given high priority.

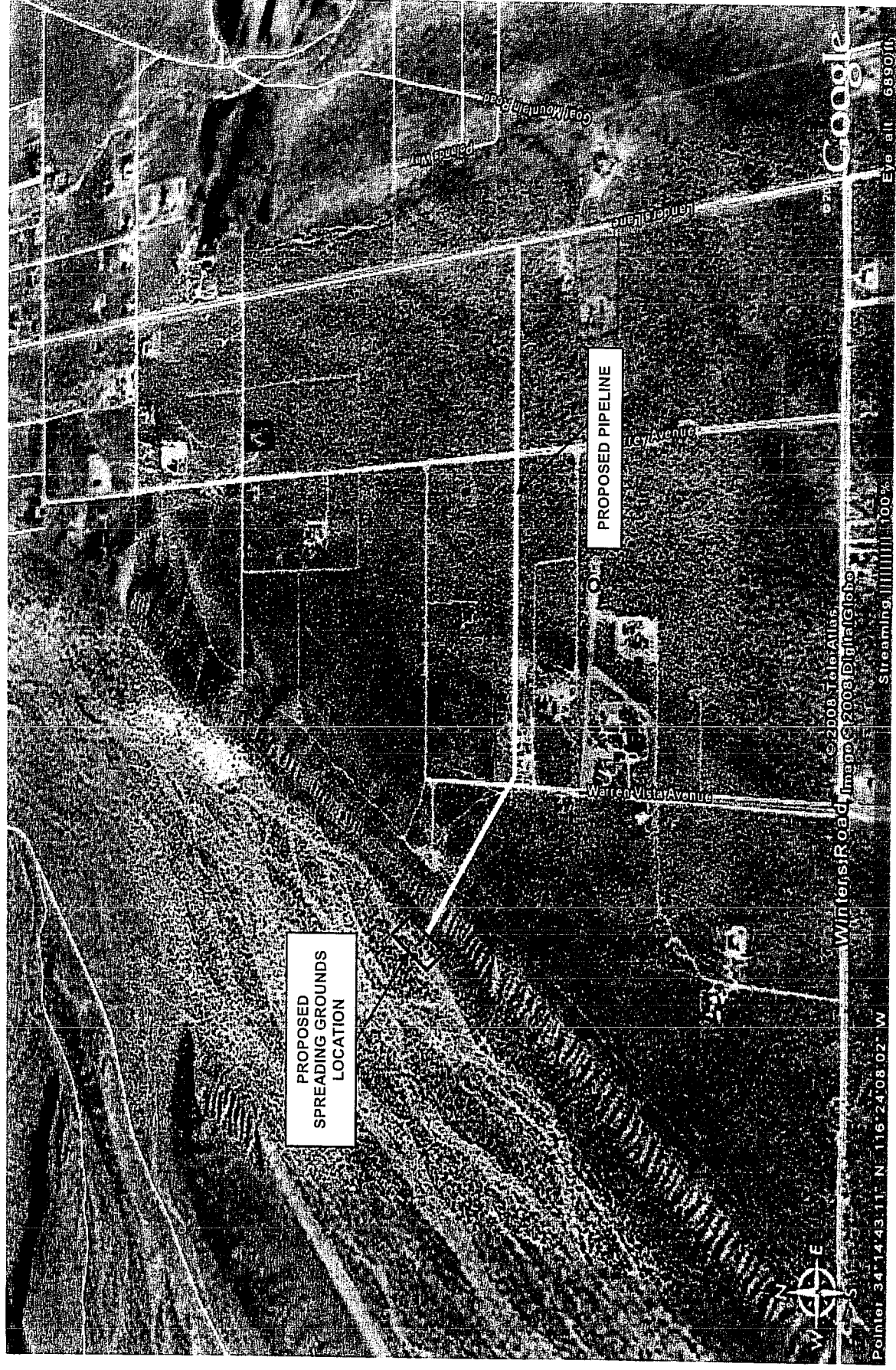
7. Interagency Connections

All water systems will be equipped with emergency connections to adjacent water systems. Such connections should be capable of delivering water in both directions. Currently, BDVWA can deliver water to HDWD but cannot rely on HDWD for supplemental water. If possible, there should be more than one connection with each agency. The use of the reciprocal connections will be addressed by an agreement between BDVWA, HDWD, and CSA 70, specifying the maximum amount of water that can be taken or received and under what conditions. The agreement should also address the cost of facility maintenance.

8. Spreading Grounds

It is estimated that by the year 2025, water use will reach 749 acre-feet per year (afy) excluding any future annexations. A conservative estimation would give BDVWA production rights of 500 afy. This would result in a deficiency of 249 afy. This deficiency can be met with State Water Project water. The WIRP will provide for the creation of spreading grounds in order to facilitate importing and using State Water Project water. The spreading grounds will encompass approximately five acres (See Figure 3 – Spreading Grounds Location).

Figure 3 – Spreading Grounds Location



9. System Improvements

Figure 4, Future Water System Schematic, shows the proposed system of zones.

Zone B

The WIRP will provide for a 12-inch transmission main in order to provide proper pressure and fire flow to this zone. Table 1 describes the location and length of pipeline improvements:

| TABLE 1 Zone B: 12-inch Pipeline System Improvements | | | |
|---|------------------------|------------------------|--------------------|
| Street | From | To | Length (ft) |
| Deer Trail | Steffeson Road | Starlight Mesa Road | 5,610 |
| Starlight Mesa Road | Deer Trail | Wamego Trail | 660 |
| Wamego Trail | Starlight Mesa Road | Desert View Road | 13,870 |
| Desert View Road | Wamego Trail | Geronimo Trail | 660 |
| Geronimo Trail | Desert View Road | Desidera Road | 3,300 |
| Desidera Road | Geronimo Trail | Inca Trail | 660 |
| Inca Trail | Desidera Road | Unnamed Street | 1,650 |
| Unnamed Street | Inca Trail | Olga Lane | 660 |
| Olga Lane | Unnamed Street | Old Woman Springs Road | 1,280 |
| Old Woman Springs Road | Massachusetts | Easement #1 | 450 |
| Easement #1 | Old Woman Springs Road | Olga Lane | 190 |

These improvements are depicted in Figure 5 – Zones A and B Improvements.

Zones E-2 and E-3

Because Zone E-2 and Zone E-3 are at the same elevation and in close proximity to each other, these zones will be combined so that four PRVs will supply water to the combined zone, thereby increasing redundancy. A 12-inch pipeline connecting the two zones will be installed. This should be given top priority. Zones E-2 and E-3 will also require pipeline improvements in areas with insufficient pressure or for pipelines with excessive velocities. Tables 2, 3, and 4 describe the location and length of pipeline improvements:

| TABLE 2 Zone E-2: 12-inch Pipeline System Improvements | | | |
|---|----------------|----------------|--------------------|
| Street | From | To | Length (ft) |
| Shawanee Trail | PRV 11 | Ming Lane | 6,000 |
| Ming Lane | Shawanee Trail | Deer Trail | 2,640 |
| Deer Trail | Ming Lane | Unnamed Street | 1,320 |
| Unnamed Street | Deer Trail | PRV 13 | 1,180 |

Figure 4 – Future Water System Schematic

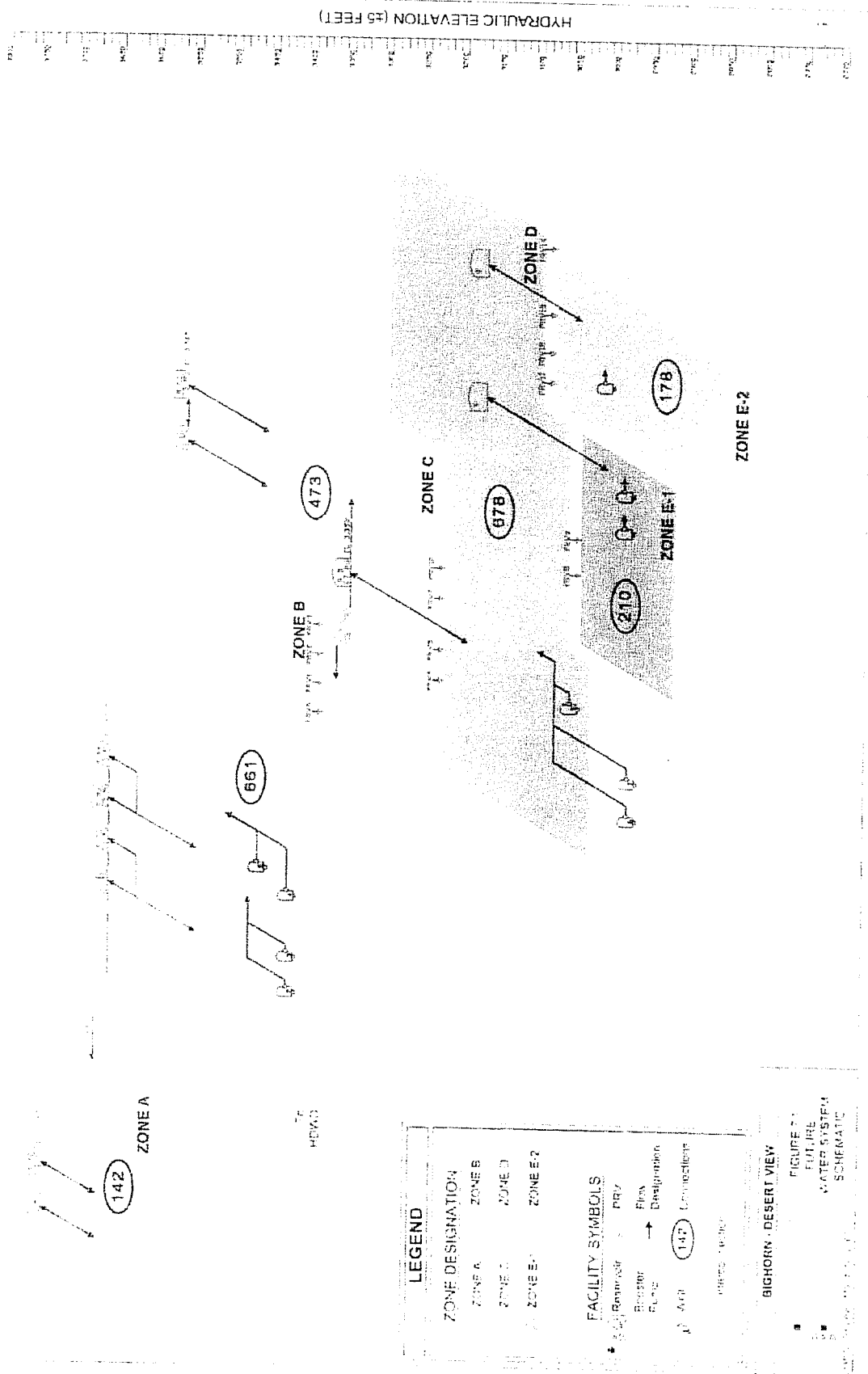
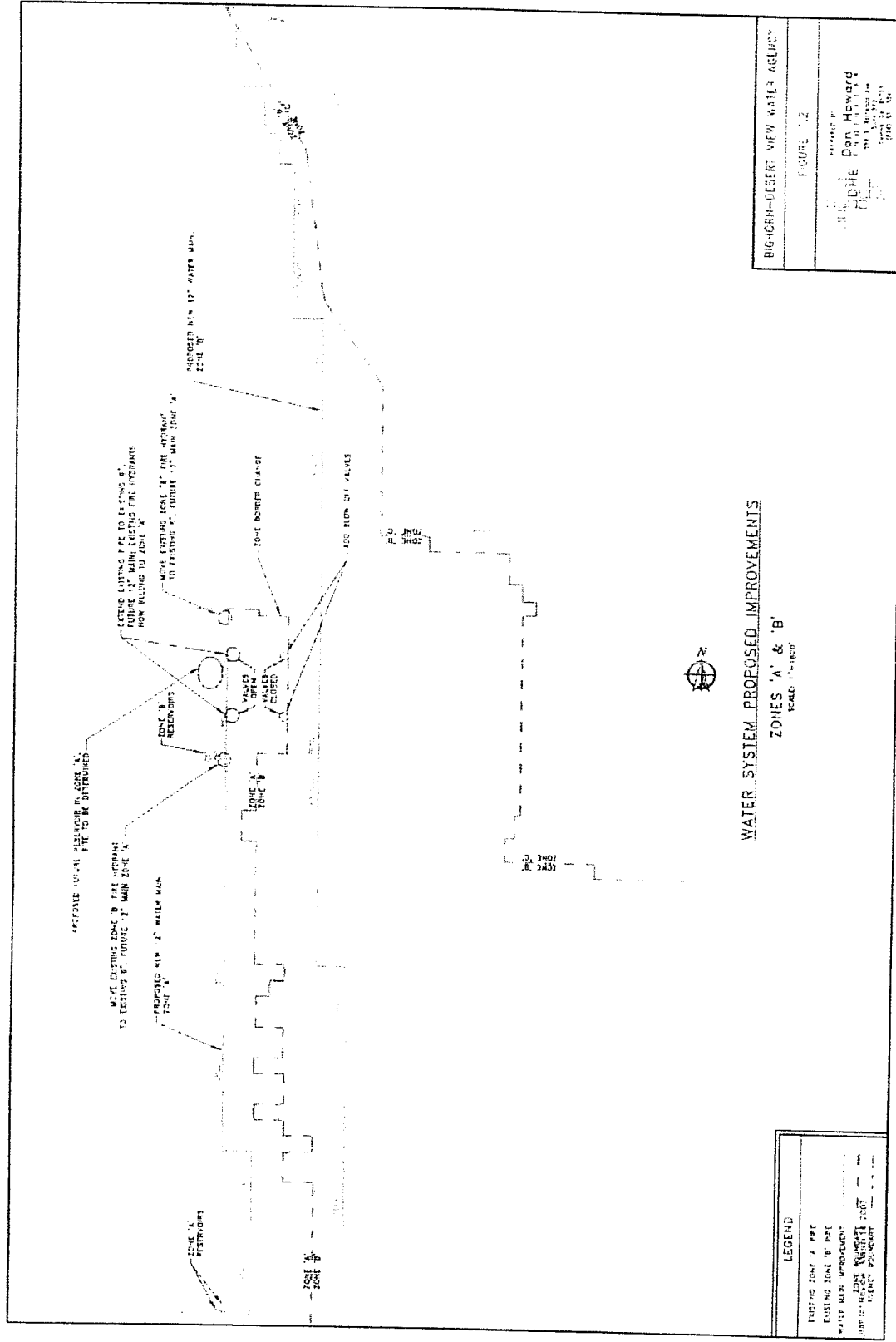


Figure 5 – Zones A and B Improvements



| TABLE 3 Zones E-2 and E-3: 12-inch Interconnection Pipeline | | | |
|--|-------------|--------------|--------------------|
| Street | From | To | Length (ft) |
| Deer Trail | Ming Road | Bodick Road | 5,940 |
| Bodick Road | Deer Trail | Charles Road | 1,980 |

| TABLE 4 Zone E-3: 12-inch Pipeline System Improvements | | | |
|---|----------------|--------------|--------------------|
| Street | From | To | Length (ft) |
| Kickapoo Trail | PRV 14 | Bodick Road | 3,960 |
| Bodick Road | Kickapoo Trail | Charles Road | 1,980 |
| Charles Road | Bodick Road | Terminus | 4,130 |

These improvements are depicted in Figure 6 – Zones E-1 and E-2 Improvements.

10. Seismic Review Improvements

Emergency Generator

Currently, Well 2 or Well 3 can be operated by a generator at the well site in the case of a general power failure. An additional well(s) should be equipped with back-up power to provide power in case of a seismic event. The WIRP will provide for a mobile generator, to be transferable between Wells 6, 7, and 9. If the generator must be a fixed unit, it will be installed at the well with highest production, Well 9.

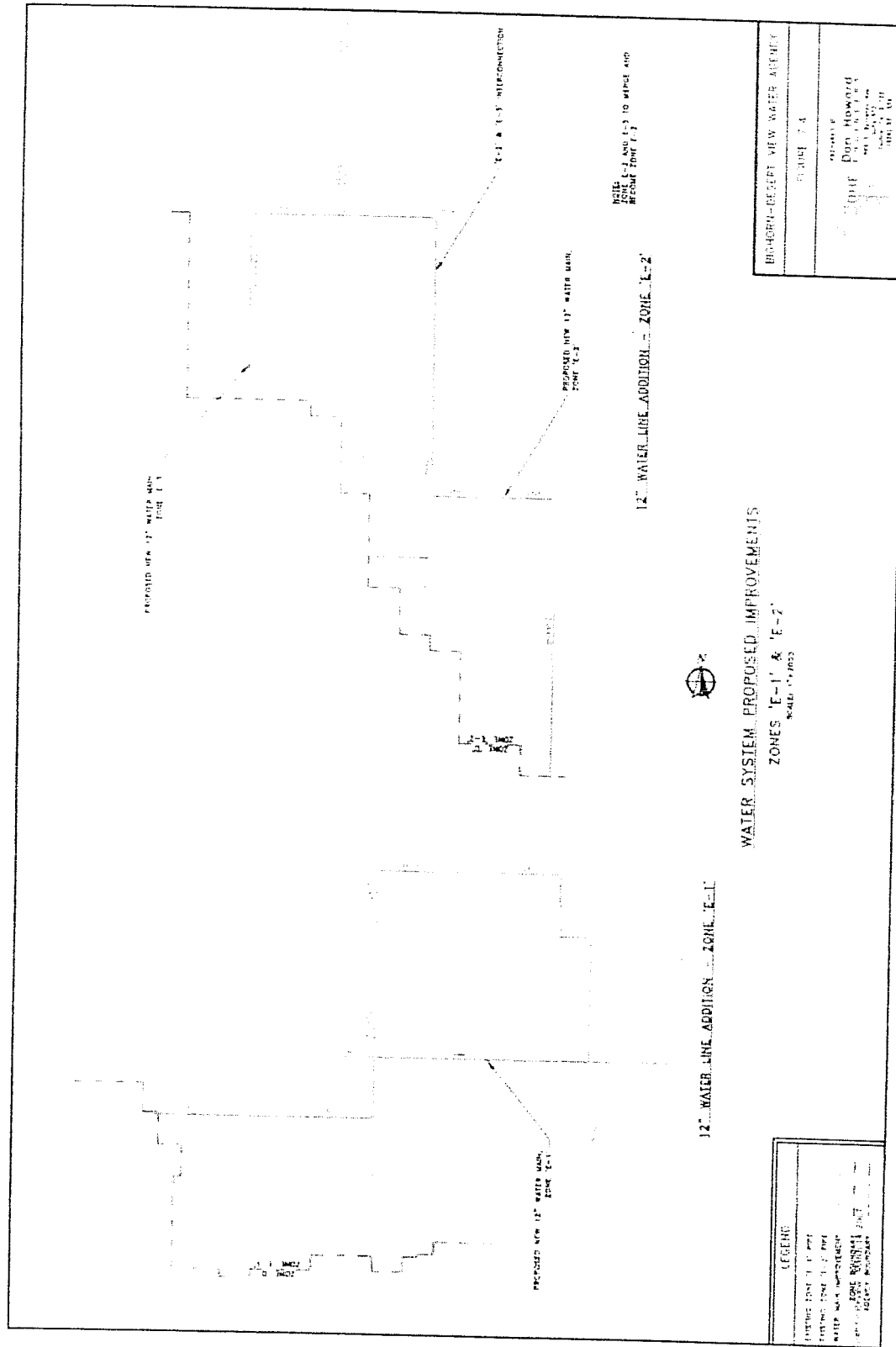
Retrofit Reservoirs

Reservoir D is the only reservoir anchored for seismic purposes. All other reservoirs will be retrofitted with a proper anchoring system and expansion joints.

11. Johnson Valley Water Supply Project

The Phase I Johnson Valley Water Supply Project will provide a firm source of supply which will incorporate both groundwater (new water well) and imported water supply sources from an interconnection to the Mojave Pipeline, which is operated by the Mojave Water Agency, of which BDVWA is a member. Figure 7 depicts the location of the proposed water well. This project will also include the construction of a water reservoir and booster pump station for emergency, operational and fire storage purposes to serve the Johnson Valley system (See Figures 8 and 9). In addition, this project includes the construction of a water transmission main to serve the area (See Figure 10).

Figure 6 – Zones E-1 and E-2 Improvements



Locator Map

San Gabriel River map is subject to change without notice.

Legend

Well Location Verified

-

Well Location Not Verified

- ⊗

Geographic

-

Faded Blue Area

-

Faded Green Area

-

North Arrow

Scale Bar

0 10 20 30 40 50 60 70 80 90 100 Miles

Map 11

Figure 9 – Johnson Valley Booster Pump Station Location

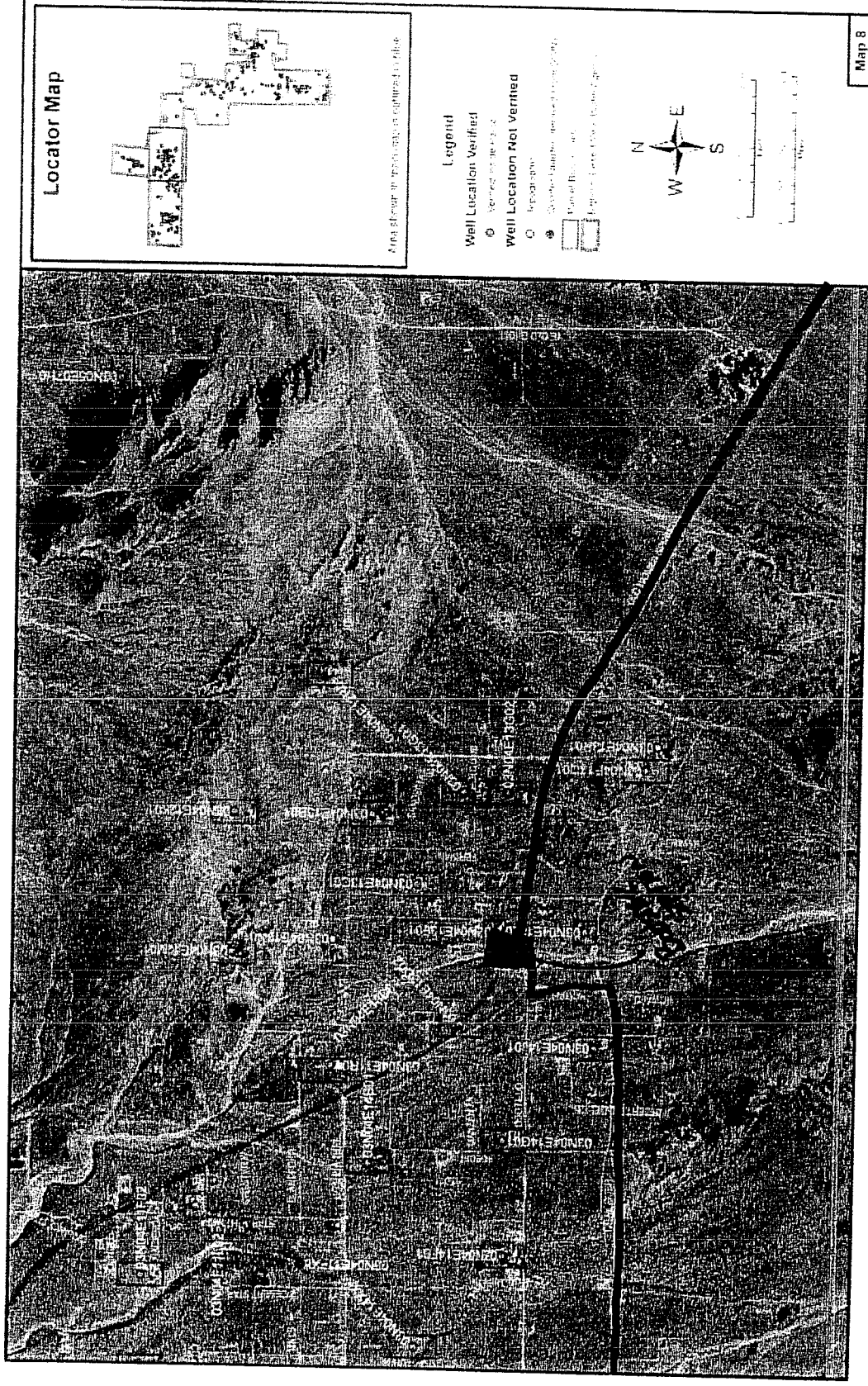
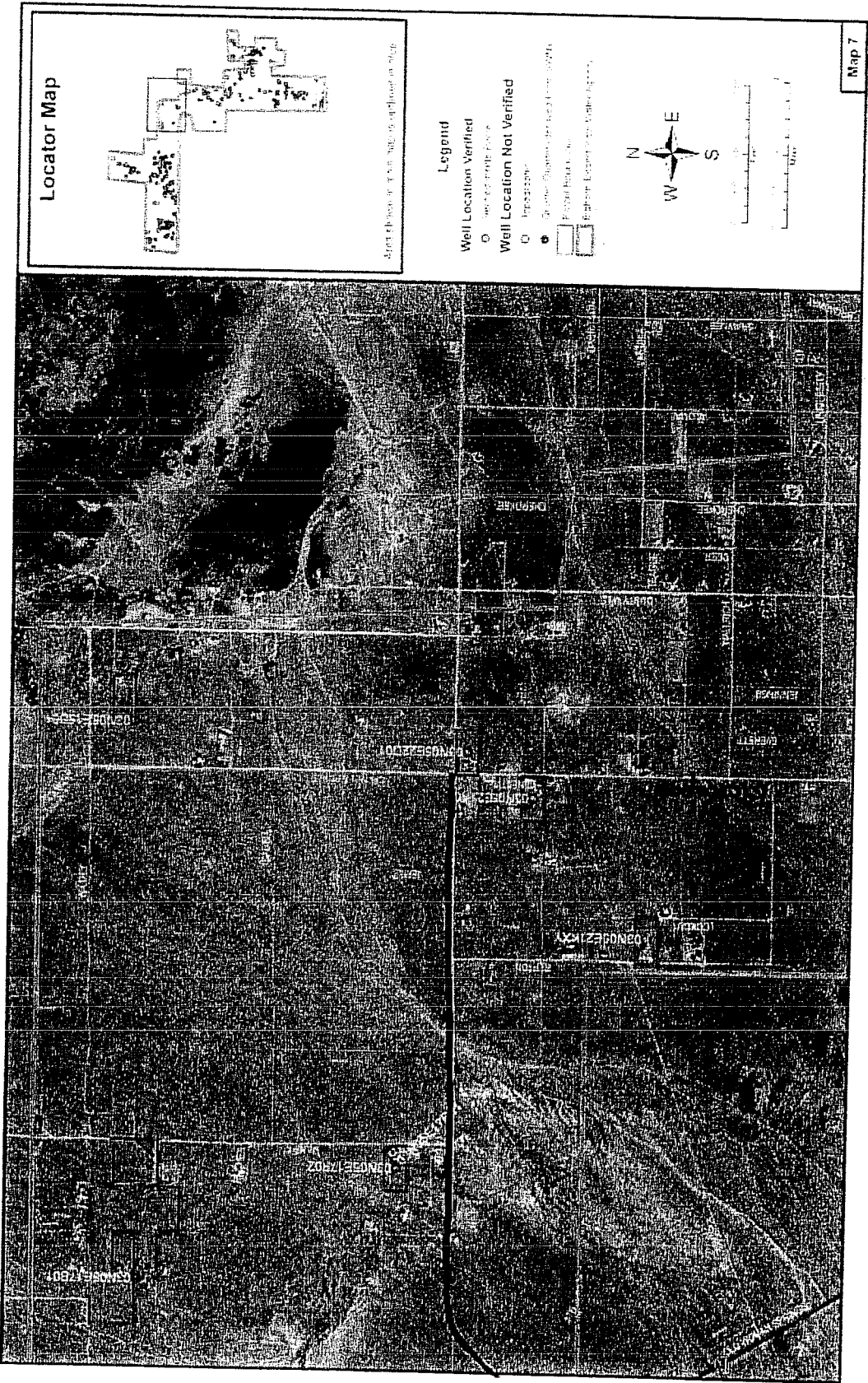


Figure 10 – Johnson Valley Transmission Main Location



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

Meeting Date: May 27, 2008

To: Board of Directors

Budgeted: Yes

Budgeted Amount: N/A

Cost: \$160

Funding Source: N/A

From: Marina D. West

General Counsel Approval: N/A

Staff Contact:

CEQA Compliance: N/A

Subject: ACWA Health Benefits Authority Delta Dental Open Enrollment Period and Annual Premium Increase of 7.41%

SUMMARY

The employees of the Bighorn Desert View Water Agency currently receive benefits from ACWA Health Benefits Authority. The open enrollment period and application of premium increases occurs each year on the first of July. The premium increase for Delta Dental will be 7.41% for a total annual cost to the Agency of approximately \$160.

RECOMMENDATION

That the Board take the following action:

1. Approve the payment of the ACWA Health Benefits Authority Delta Dental premium increase of 7.41% for the employees of the Agency, per the terms provided within the Employee Handbook, at an annual cost to the Agency of approximately \$160.

BACKGROUND/ANALYSIS

The employees of the Bighorn Desert View Water Agency currently receive benefits from ACWA Health Benefits Authority. The open enrollment period and application of premium increases occurs each year on the first of July for the Dental insurance portion of the medical insurance package. The health insurance (Blue Cross) portion open enrollment period is in January.

The premium increase for Delta Dental will be 7.41%. When applied per the Employee Handbook, the total annual cost to the Agency to provide the Delta Dental insurance to both employees and their dependents is approximately \$160. This increase has been applied to the FY2008/09 budget projections as well as the expected Blue Cross health insurance premiums expected in January. Staff is currently researching the cost of other medical insurance plans provided by ACWA and other possible vendors to determine if cost savings can be obtained while preserving the benefits as defined in the Employee Handbook.

Staff recommends approving the payment of the ACWA Health Benefits Authority Delta Dental premium increase per the formula in the approved Employee Handbook.

PRIOR RELEVANT BOARD ACTION(S)

Ordinance 050-02 Employee Handbook Update

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

Meeting Date: May 27, 2008

To: Board of Directors

Budgeted: N/A

Budgeted Amount: N/A

Cost: N/A

Funding Source: N/A

From: Marina D. West

General Counsel Approval: N/A

Staff Contact:

CEQA Compliance: N/A

Subject: Acknowledge receipt of attorney Trager's "Review of Agency Payment of Per Diem to Agency Directors" dated April 24, 2008

SUMMARY

Board requested an attorney review of Ordinance 05O-01 following the payment of "Per Diem" for meetings attended by Directors Corl-Lorono and Burkhart.

RECOMMENDATION

That the Board take the following action(s):

1. Discuss the contents of the review from attorney Susan Trager.
2. Provide direction to staff regarding potential changes to Ordinance 05O-01

BACKGROUND/ANALYSIS

Board requested an attorney review of Ordinance 05O-01 following the payment of "Per Diem" for meetings attended by Directors Corl-Lorono and Burkhart.

Staff recommends the Board discuss the contents of review (included without attachments) and provide direction to staff regarding potential changes to Ordinance 05O-01.

PRIOR RELEVANT BOARD ACTION(S)

05/24/05 Ordinance 05O-01 adopted by the Board.

Law Offices of
SUSAN M. TRAGER

A Professional Corporation

19712 MacArthur Blvd., Suite 120
SUSAN M. TRAGER

Irvine, California 92612

OF COUNSEL
FRANCIS D. LOGAN, JR.

TELEPHONE
(949) 752-8971

FACSIMILE
(949) 863-9804

E-MAIL
smt@tragerlaw.com

April 24, 2008

President Phil Johnson
Members of the Board of Directors
Bighorn-Desert View Water Agency
622 Jemez Trail
Yucca Valley, CA 92284

Re: Review of Agency Payment of Per Diem to Agency Directors

Dear President Johnson and Board Members:

This letter provides advice and direction to the Board of Directors ("Board") of the Bighorn-Desert View Water Agency ("Agency") on the obligations and choices of the Agency in the payment of compensation ("per diem") to individual directors for providing service to the Agency. We reviewed the statutory scheme covering per diem ordinances and analyzed the Agency's existing per diem ordinance. We also analyzed the propriety of paying per diem to the Directors who recently attended workshops put on by the California Department of Water Resources ("DWR").

Statutory Scheme Governing Agency's Per Diem Ordinance

The Agency's only statutory obligation to pay for Directors' services is that the Agency must pay for Directors to attend meetings of the full Board of the Agency, and then only for up to three meetings per month. (Water Code Appendix, § 112-12.) For directors to be paid for any other services, including attendance at meetings of subcommittees of the Board and conferences or other organized educational activities, the Agency must adopt an ordinance (a "per diem ordinance") authorizing payment to Directors for rendering those services to the Agency. (Water Code, § 20200 et seq.¹) Pursuant to Water Code section 20200~~2~~, an

¹ / AB 1234, adopted in 2005, substantially amended and clarified the then-existing statutory

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ordinance may pay per diem for up to 10 days in any calendar month. The District's current ordinance pays for up to six days in a calendar month.

The requirement to adopt a per diem ordinance is not unique to the Agency. Every water district in California must adopt such an ordinance for its directors to receive per diem. Like every other water district, the statutory scheme by which the Agency may adopt a per diem ordinance constrains the Agency's ability to delegate the obligations of the Board under a per diem ordinance to the Board President or the Agency General Manager. In order for a Director to be paid for attending a non-Agency meeting (as discussed in further detail below), the full Board of Directors must consider and approve the Director's attendance in advance. (Water Code, § 20201.)

The Legislature requires that a special district's expenditure of money - for however worthy a cause - must be done transparently and in conformity with the law. The requirement that the full Board approve in advance each Director request for per diem forces the Agency to balance the value of paid attendance against other demands on the budget, in an orderly, scheduled, and open public process.

The statutory obligations and limitations of the per diem ordinance are as follows:

Meetings of the Full Board

The Agency must pay for Directors to attend meetings of the full Board of the Agency, for up to three meetings of the full Board in any calendar month. (Water Code Appendix, §112-12.) No prior approval of the Board is required in order for a Director to be paid per diem. (*Ibid.*)

Meetings of Agency Committees

The Agency's per diem ordinance may provide that the Agency will pay per diem to Directors for attending duly constituted subcommittees of the Board. (Water Code, § 20201; Gov. Code, § 53232.1.)

Attendance at subcommittee meetings requires prior Board approval. (*Ibid.*) We believe that there are two effective ways of obtaining that approval. The monthly agenda for each meeting of the Board could contain as an action item authorizing per diem for attendance at the various standing and ad hoc committees in the upcoming month. Alternatively, the resolutions creating each of the standing and ad hoc committees could be revised to establish a set meeting schedule for which the appointed Directors will receive per diem. The appointment

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of directors to the various committees would then constitute the Board's prior approval.

Other Days of Service

The Agency's per diem ordinance may provide that the Agency pay per diem to Directors for rendering other "days of service" to the Agency in their capacity as members of the Board. (Water Code, § 20201.) The per diem ordinance must require that a Director receive prior Board approval for each day of service. (*Ibid.*)

Days of service are limited to attendance at a conference or organized educational activity (Gov. Code, § 53232.1, subd. (a)), unless the Agency adopts, in a public meeting, a written policy (an "Official Duties Policy") specifying the other types of occasions that constitute the performance of official duties for which a Director may receive per diem. (Gov. Code, § 53232.1, subd. (b).)

Possible areas to be covered in such a policy should be Director attendance at meetings of other agencies or committees thereof, and all other events that are not otherwise covered.

A good example of the type of activity that should be addressed in the Official Duties Policy was the appointment by the Board of President Johnson to serve as a liaison between the Board and senior staff during the transition period until a permanent General Manager was hired. The Policy should not only determine whether liaison meetings qualify for per diem, but also the number of days per month that the appointed Director could hold liaison meetings. As President Johnson's appointment as liaison was approved upon motion during a noticed meeting of the Board of Directors, his appointment entitles him to per diem.

Another specific type of activity to be covered in the Official Duties Policy should be the authorization of a Director to attend meetings of the Morongo Basin Pipeline Commission, Mojave Water Agency Technical Advisory Committee, and Mojave Water Agency. Under the current Ordinance, the Agency appears to give the two directors appointed to the Pipeline Commission/TAC/MWA Meetings committee blanket authorization for attendance at those meetings. We believe that this blanket approach should be revised to more closely conform with the statutory scheme.

Limitations on Per Diem

The per diem ordinance must limit compensation to no more than \$100 per day. The Agency may adopt, on an annual basis, a subsequent ordinance increasing the amount of per diem, but the increase must not exceed 5% per year.

The per diem ordinance must limit per diem payments to no more than 10 days in any calendar month.

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Problems With Existing Ordinance

We believe that the Agency's existing procedure for paying per diem, set forth in Ordinance 05O-01, is inadequate because it gives rise to too much confusion as to what meetings are covered and what process is required to obtain per diem. The structure of the Ordinance itself suggests, erroneously, that the categories of meetings other than regular/special meetings, standing committee meetings, ad hoc committee meetings, might not require pre-approval for paid attendance. Opportunities for circumventing Board consideration of paid attendance at noticed, public meetings, should be eliminated.

We provide, as an attachment to this letter, a proposed Ordinance 08O-01 that conforms to statutory requirements and provides a clearer and more definitive procedure for individual directors to request per diem and for the Board to approve the payment of per diem. We also believe that the Board should consider adopting an Official Duties Policy, and we have attached a draft policy for the Board's consideration.

Payment of Pending Per Diems Request

Background Facts

On March 4 and March 5, 2008, two Agency Directors attended two workshops conducted by DWR that were arranged by the Mojave Water Agency ("MWA"). One Agency Director who attended workshops on both days made a request for per diem from Agency staff, submitted the appropriate request form, and at the March 26 regularly scheduled Board meeting made a presentation about the workshops.

The published agenda for the regularly-scheduled meeting of the Board held on February 28, 2008 which preceded the DWR workshops did not contain any agenda item about the upcoming DWR workshops or the Agency's role in DWR's State water planning process, did not provide for a description of what information would be discussed at the workshops, and provided no opportunity for Directors or members of the public to comment on whether attendance would be sufficiently worthwhile for public funds to be expended to pay an Agency Director to attend either one or both meetings.

In the Agency's budgeting process, it had not been contemplated that Agency representatives or any committee of the Agency would attend DWR's State water planning meetings.

Applicability of Ordinance

The Agency's Per Diem Ordinance must be read in accordance with applicable state law. For per diem to be paid for attendance at any non-Agency meeting, such as the DWR workshops of March 4 and 5, attendance at the meeting must be authorized by the Board in

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advance of the meeting. The Board did not take this matter up at its February 26 meeting. So the only way that attendance could have been authorized in advance is if the Directors were appointed to a committee, and the Board had previously authorized that the members of that committee had authorization to attend DWR workshops. We are not aware that this was done.

Language in the Agency's Ordinance 050-01 has been asserted as the reason why the Board's pre-approval of paid attendance was not required. Some have suggested that for the purpose of paying per diem, under Ordinance 050-01, workshops are the same as regular Board meetings, standing committee meetings, and ad hoc committee meetings. It has also been suggested that paid attendance at the DWR workshops had been included in the Agency's budget.

The Agency may not interpret Ordinance 050-01 to bootstrap committee membership into blanket approval of paid attendance for outside agency meetings simply because the meeting topic might dovetail into the daily functioning of the Agency. In this case, it is a stretch to say that the DWR workshops had direct relevance to the day to day operations of the Agency. In any event, the matter of whether authorize paid attendance at one or more of these meetings was one to be decided by the Board alone, in advance of the attendance. Similarly, Committee membership does not confer automatic approval for attendance at non-Agency meetings related to the purpose of the committee. Whether to approve paid attendance remains in the sole province of the Board to Directors to decide.

Applicability of Existing Policies

Policy Statement No. 04P-03 establishes the management authority of the Agency's General Manager. Under this policy statement, the General Manager has the authority to manage financial operations and expend funds for budgeted items only. Given the other laws governing payment of per diem, we believe that under the policy statement the General Manager has the authority to pay per diem only after Board approval, even though the General Manager has blanket authority for many expenditures, the limits of which are established by the Board of Directors.

Policy Statement No. 06P-01, adopted January 24, 2006, establishes the process for organizing standing and ad hoc committees and appointing directors to those committees. The policy provides that the Board President, with board consensus, appoints and publicly announces the members of the standing committees for the ensuing year. The President, with board consensus, also appoints such ad hoc committees as may be deemed necessary by the President or the Board. The duties of the ad hoc committees are to be outlined at the time of appointment, and the committee is considered dissolved when its final report to the Board is made.

As discussed above, we are not aware of any Board action authorizing the members of any standing or ad hoc committee to attend DWR workshops.

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Approval By Board President and/or GM

Per diem eligibility cannot be authorized by either the Board President or the General Manager acting on his or her own accord, even though such payment would be well within the General Manager's expenditure authorization. Under the statutes, only the Board is empowered to authorize paid attendance at non-Agency meetings, and the authorization must be given before attendance occurs. The public policy reason for vesting the power to pay per diem with the Board of Directors is to (1) require the expenditure to undergo the Board's and the public's scrutiny as to how the public's money is being spent; (2) to curb abuses in the form of unnecessary junkets and lavish expenditures at the public's expense; and (3) to withhold from the General Manager and Board President the opportunity to use public money to "curry favor" or "reward" individual Board members by paying them for attendance at meetings.

After-the-Fact Ratification By Board

The statutes are clear that Board approval may be given only if attendance is considered before the non-agency meeting takes place. This means that the Board lacks the power to retroactively authorize per diem after the non-Agency meeting has occurred. If there is insufficient time to obtain full Board approval of paid attendance, staff can attend the meeting and report back, or a special session of the Board can be called. And A Board member can always attend any meeting of their choosing and forego payment of per diem.

Conclusion

In this case, without inquiring into the value to the Agency of the two directors' attendance at two nearly identical meetings, per diem should be withheld because compensation was not approved by the Board of Directors prior to their attendance. Had per diem already been paid by the Agency, it could be reimbursed to the Agency, or considered as an advance against future payment of per diem properly approved by the Board for attendance at future meetings.

Moving Forward with the District's Business

The penalties for misuse of public resources or falsifying expense reports are found in Government Code section 53232.4, and include the loss of per diem privileges, the obligation to pay restitution to the Agency, civil penalties and prosecution. Those penalties are not warranted in this case. The Agency's checks and balances worked to prevent an unauthorized per diem payment. The Agency is functioning as it should to call for an examination of the request, and to call for a review of the Agency's policy itself. Because the agency is so vulnerable at this time in its history, steps can and should be taken to strengthen it, given the newness of staff, and the short time it has had to interact with its new counsel.

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In the past 18 months, the Agency has hired four general managers, it has lost a long-time Board Secretary, it lost a huge precedent-setting lawsuit and was required to pay nearly \$100,000 in attorneys fees to the winning side. The Agency has also withstood scandals and a Grand Jury investigation, and has undergone an investigation and been the subject of a report by the Public Integrity Unit. It has experienced almost complete Board turnover. The Agency has little remaining internal institutional memory.

At Board President Johnson's request, we have spent days reviewing the facts of this case, records of the Agency, contemporaneous written statements of witnesses, Board policies, laws, treatises, Little Hoover Commission Reports, and have had discussions with President Johnson, one board member, interim General Manager Ray Ruppel, former General Manager Don Bartz, and incoming General Manager Marina West.

We have not conducted an audit, but we also saw no need to. We did not see a pattern of abuse of per diem requests, or for reimbursement requests. Except for the case we were asked to review, we found no violations that require disciplinary actions. The most objectionable act was the signing of the Agency check by the person requesting per diem, and that was cured by voiding of the check.

Moving forward, we strongly recommend that the Ordinance be changed to eliminate the suggestion that committee membership provides blanket authorization for paid attendance at non-Agency meetings. With that provision eliminated, all paid non-Agency meeting approvals must come before the Board of Directors in advance. This will place an added burden on staff in the preparation of the agenda, but it will expand the Board's awareness of what is going on in the water industry, and provide transparency of the Agency's expenditures.

We recommend that the Board adopt a policy that a Director may not sign an Agency check made out to himself or herself, even though two signatures are required. At a minimum, this has an appearance of self-dealing, conflict of interest, and violates public accounting principles of checks and balances. There are five check signers in the Agency. Unless there is an emergency necessitating extraordinary actions, the Director receiving the money should not approve of the payment, or sign the check.

We recommend that the policy remain in place that requests for compensation and reimbursement be reviewed and approved by the General Manager. Checks for reimbursement and for per diem should be cut in the Agency's normal check-cutting cycle, and given to the directors with their next agenda packages. This, too, is a procedure which provides one of the requisite checks and balances. Attached is an agenda and an agenda item considered April 8, regarding authorization for attendance at the May ACWA conference. This can be used as an exemplar for future agendas.

We recommend that on a going forward basis, the Directors provide oral follow up reports at the public meetings, rather than the written reports now required, so that each of the

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Directors and members of the public has the opportunity to share in what was learned by attending such meetings or workshops. The reports can be presented during the meetings under "Director's comments".

Finally, we recommend that Directors can and should attend any meeting they feel is important and relevant, even if notice of the meeting comes after the agenda has gone out, and the Board has not approved payment of per diem. Public service is just that. It is not employment. It is, rather, the fulfillment of the public's trust. The commitment of Directors and officers to doing their job is admirable and often under- appreciated. But per diem provided by the Ordinance is better viewed as an honorarium, rather than a salary.

Sincerely,

LAW OFFICES OF SUSAN M. TRAGER
A Professional Corporation

Susan M. Trager

SMT:mwy

Enclosures: 1) Draft (proposed) Ordinance 08O-01 [to be supplied]
2) Draft (proposed) Official Duties Policy [to be supplied]
3) Exemplar Agenda (NOT received)



BIGHORN-DESERT VIEW WATER AGENCY

622 S. JEMEZ TRAIL, YUCCA VALLEY, CA 92284 (760) 364-2315 FAX (760) 364-3412

Project Status Report – May 2008

PROJECTS COMPLETED

Johnson Valley Well 10 Rehabilitation and Pump Replacement

Rehabilitation of Well 10 and installation of new Gould's 90L, 20 H.P., submersible pump set at 640' has been completed. New 4" column pipe and pump cable was also installed. The well was put back into service on Wed. May 14th. The well is currently producing approximately 92 gpm.

Well 6 Rehabilitation

Sonar jet, wire brushed, bailed and video logged well. Replaced 220' of 6-inch column pipe, tube and shaft assembly. Replaced bowls with new 9 stage, 11-inch Goulds assembly. Replaced head shaft. (SoCal Pump & Well).

Well 8 Rehabilitation

Sonar jet, wire brushed, bailed and video logged well. Replace existing motor with new US Electric 200 HP motor. Replace 700' tapered threaded column pipe with new butt threaded pipe. Extended column pipe 40-feet for better submergence. Rebuilt Johnston/Sulzer 12 GMC 8 stage bowl assembly. (SoCal Pump & Well).

C-2 Pump & Motor Replacement

Replaced with new 40 HP Gould's booster pump. (Layne Christensen Co.)

System-wide Infrastructure Maintenance/Replacement

A total of 13 Air-Release Valves were replaced. Two 6-inch blow-offs and 2 warf head hydrants were replaced. A total of 365 hydrants were exercised and painted.

PROJECTS NEARING COMPLETION

Well 9 Motor Replacement

The submersible pump and motor at Well No. 9 was replaced with a vertical turbine pump and motor. On May 21st SoCal Pump and Well began installing 340' of new column pipe with a new 9 stage pump. On May 23rd the installation of the new, 125 H.P., U.S. electric motor was completed. Following completion of electrical wiring, start up activities will commence. Staff expects the well to be back on-line the week of June 9th.

PROJECTS UNDERWAY

Water System Improvement Program CEQA/NEPA Document Preparation

The Project Description for the Mitigated Negative Declaration (CEQA) document and corresponding NEPA documentation. Completion of CEQA/NEPA will require some additional effort beyond the original scope of work. Change Order for CEQA/NEPA consultant services being brought to the Board on May 27th. Upon approval, project process expected to take 4 to 6 months.