

**A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TWENTYNINE PALMS WATER DISTRICT
72401 HATCH ROAD, TWENTYNINE PALMS, CA 92277**

FEBRUARY 22, 2017 / 6:00 P.M.

AGENDA

This meeting may be viewed on the District's website at www.29palmswater.net

Next Resolution #17-05
Next Ordinance #98

Call to Order and Roll Call

Pledge of Allegiance

Additions/Deletions to the Agenda

Public Comments

Please complete a "Request to be Heard" form prior to the start of the meeting. The public may address the Board for 3 minutes on District-related matters. Government Code prohibits the Board from taking action on matters that are not on the agenda. However, the Board may refer matters for future consideration.

Local Hazard Mitigation Plan Open Comments

1. Consideration of Resolution 17-03 Adopting Annual Statement of Investment Policy
2. Consider Resolution 17-04 Concurring in Nomination of Kathleen J. Tiegs to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA)
3. Consideration to Award Well 12 Rehabilitation to Layne Christiansen Company
4. Discussion of District's Valve Maintenance Program
5. Consent Calendar

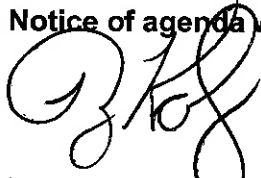
Matters under the Consent Calendar are to be considered routine and will be enacted in a single motion. There will be no separate discussion of these items unless the Board, staff or the public requests specific items be removed for separate discussion and action before the Board votes on the motion to adopt.

 - Minutes of the Regular Meeting held on January 25, 2017
 - Audit List
6. Items Removed from the Consent Calendar for Discussion or Separate Action
7. Management Reports

- 7.1 Operations
- 7.2 Finance
- 7.3 General Manager
- 8. Future Agenda Items and Staff Tasks/Directors' Comments and Reports
- 9. Adjournment

The Board reserves the right to discuss only or take action on any item on the agenda.

Notice of agenda was posted on or before 4:00 p.m., February 17, 2017.



Ray Kolisz, General Manager

Upon request, this Agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Cindy Fowlkes at (760) 367-7546 at least 48 hours before the meeting, if possible.

Pursuant to Government Code Section 54957.5, any writing that: (1) is a public record; (2) relates to an agenda item for an open session of a regular meeting of the Board of Directors; and (3) is distributed less than 72 hours prior to that meeting, will be made available for public inspection at the time the writing is distributed to the Board of Directors. Any such writing will be available for public inspection at the District offices located at 72401 Hatch Road, Twentynine Palms, CA 92277. In addition, any such writing may also be posted on the District's website.

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**RESOLUTION NO. 17-03
RESOLUTION OF THE BOARD OF DIRECTORS
OF TWENTYNINE PALMS WATER DISTRICT
ADOPTING ANNUAL STATEMENT OF INVESTMENT POLICY**

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code Section 53600.6); and

WHEREAS, the legislative body of a local agency may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 5920 and 53600 *et. seq.*; and

WHEREAS, the General Manager of the Twentynine Palms Water District ("District") shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the legislative body at a public meeting (California Government Code Section 53646[a]).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Twentynine Palms Water District as follows:

Section 1. Scope of Policy: This Investment Policy ("Policy") applies to all financial assets of the District. Funds in any deferred compensation plan and/or in a trust for retiree benefits are not included.

Section 2. Prudence: Investments shall be made with judgment and care, under circumstances then prevailing, including, but not limited to, the general economic conditions and anticipated needs of the District, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (California Government Code Section 53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

Section 3. Objectives: As specified in California Government Code Section 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

a. **Safety:** Safety of principal is the foremost objective of the Policy. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of

capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

b. **Liquidity:** The investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements that might be reasonably anticipated.

c. **Return on Investments:** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

Section 4. Delegation of Authority: Authority to manage the Policy is derived from California Government Code Section 53600, *et. seq.* Management responsibility for the Policy is hereby delegated to the General Manager. No person may engage in an investment transaction except as provided under the terms of this Policy. The Board of Directors shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of the General Manager or any other subordinate officials. Under the provisions of California Government Code Section 53600.3, the General Manager is a trustee and a fiduciary subject to the prudent investor standard.

Section 5. Ethics and Conflicts of Interest: Officers and employees involved in the investment process shall fully comply with the District's Conflict of Interest Code in the execution of this policy. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict or appear to conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Section 6. Authorized Financial Institutions and Dealers: The General Manager may maintain a list of financial institutions, selected on the basis of credit worthiness financial strength, experience and minimal capitalization authorized to provide investment services. In addition, a list may also be maintained of approved security brokers/dealers selected by credit worthiness who are authorized to provide investment and financial advisory services in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.

For brokers/dealers of government securities and other investments, the General Manager shall select only brokers/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the General Manager shall have received from said firm a signed certification form. This form shall attest that the individual responsible for the District's account with that firm has reviewed the District's Policy and that the firm understands the policy and intends to present investment

recommendations and transactions to the District that are appropriate under the terms and conditions of the Policy.

Where all funds of the District not placed in FDIC -insured accounts are invested through the State of California Local Agency Investment Fund (LAIF), the District need not investigate the qualifications of those financial institutions and broker/dealers with whom LAIF transacts business.

Section 7. Authorized and Suitable Investments:

a. **Permitted Investments:** District funds may be invested as authorized by, and subject to the limitations and special conditions of California Government Code Section 53601 *et. seq.*

b. **Prohibited Investments:** Under the provisions of California Government Code Section 53601.6 and 53631.5, the District shall not invest any funds covered by this Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero interest accrual if held to maturity.

Section 8. Collateralization: All certificates of deposits must be collateralized by U. S. Treasury obligations. Collateral must be held by a third party trustee and valued on a monthly basis. The percentage of collateralization on repurchase and reverse repurchase agreements will adhere to the amount required under California Government Code Section 53601(i)(2).

Section 9. Safekeeping and Custody: All security transactions entered into by the District shall be conducted on a delivery-versus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the District by book entry, physical delivery or by third party custodial agreement as required by California Government Code Section 53601.

Section 10. Diversification: The District will diversify its investments by security type and institution. It is the policy of the District to diversify its investment portfolio. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. Diversification strategies shall be determined and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:

a. Portfolio maturities shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.

b. Maturities selected shall provide for stability of income and liquidity.

c. Disbursement and payroll dates shall be covered through maturities investments, marketable U. S. Treasury Bills or other cash equivalent instruments such as money market mutual funds.

Section 11. Reporting: In accordance with California Government Code Section 53646(b) (1), the General Manager shall submit to each member of the Board a quarterly investment report. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values on current market values of each component of the portfolio, including funds managed for the District by third party contracted managers, if applicable. The report will also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Policy and, (2) the District will meet its expenditure obligations for the next six months as required by California Government Code Sections 53646(b)(2) and (3), respectively. The General Manager shall maintain a complete and timely record of all investment transactions.

Section 12. Investment Policy Adoption: The policy shall be adopted by resolution of the Board of Directors. The Policy shall be reviewed on an annual basis, and modifications must be approved by the Board of Directors.

PASSED, APPROVED AND ADOPTED this 22nd day of February 2017 by the following vote:

Ayes:
Noes:
Abstain:
Absent:

Kerron E. Moore, President
Board of Directors

Attest:

Ray Kolisz, Board Secretary
Twentynine Palms Water District

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Cucamonga Valley
Water District

Martin E. Zvirbulis
Secretary/General Manager/CEO

10440 Ashford Street • Rancho Cucamonga, CA 91730-2799
P.O. BOX 638 • Rancho Cucamonga, CA 91729-0638
(909) 987-2591 • Fax (909) 476-8032

RECEIVED

JAN 30 2017

TWENTYNINE PALMS WATER DISTRICT

January 25, 2017

Dear Fellow ACWA/JPIA Member:

On January 24, 2017 the Cucamonga Valley Water District Board of Directors adopted Resolution No. 2017-1-1 nominating Director Kathleen J. Tieggs for the position of ACWA/JPIA Executive Committee. We are formally requesting your support of Director Tieggs' nomination through the adoption of a concurring resolution from your agency.

Director Tieggs has been actively involved in ACWA/JPIA having served the past 10 years on the board, as well as having experience as the ex-officio member on the Executive Committee. Director Tieggs is committed to continuing the great work of providing quality insurance and employee benefit services that ensure our agencies and ratepayers are receiving the most cost-effective service possible.

I have attached a sample concurring resolution in support of Director Tieggs' nomination, as well as her candidate statement. The elections for ACWA/JPIA Executive Committee will be held May 8, 2017, should you desire to adopt a resolution or if you have questions please contact our Executive Assistant to the Board, Taya Victorino at 909.987.2591 or tayav@cvwdwater.com.

Thank you in advance for your consideration.

James V. Curatalo, Jr.
President

Attachments:

Sample Concurring Resolution
Candidate Statement – Director Tieggs

Kathleen J. Tiegs
Candidate Statement for
Association of California Water Agencies
Joint Powers Insurance Authority (ACWA/JPIA) Executive Committee

Dear ACWA/JPIA Board Members:

I am pleased to share with you my interest in serving on the Executive Committee for ACWA/JPIA. I believe I am prepared and ready for the challenge to help lead the organization as we continue to grapple with providing the best and most cost-effective insurance and employee benefit services to our members.


My experience with the ACWA/JPIA began over 10 years ago when I was appointed by the Cucamonga Valley Water District (CVWD) to serve as their ACWA/JPIA representative. I have also served as the ex-officio member of the Executive Committee in 2015-2016. As part of the Executive Committee I was able to provide the leadership and feedback to staff to ensure they were continuing to uphold the mission of the ACWA/JPIA: *“to consistently and cost effectively provide the broadest possible affordable insurance coverage and related services to its member agencies”*.

I have served on the CVWD board of directors for approximately 12 years, and have served in the role as both president and vice-president of the board of directors. I am currently a member of the Legislative/Outreach and the Human Resources/Risk Management committees. The Human Resources/Risk Management Committee is responsible for overseeing employee benefits, risk management and safety programs for the organization. At CVWD, we have taken full advantage of all the programs the ACWA/JPIA has to offer to ensure our employees are working in the safest environment possible. Our board of directors has also adopted the *Commitment to Excellence* Program pledge putting into place best management practices which bolsters our effectiveness for loss prevention and safety.

I currently serve as the President for the Association of California Agencies (ACWA). In my role as president I have focused on increasing my understanding of our members needs so that I may know how to better serve and lead the ACWA organization. I will use this same approach if elected to serve on the ACWA/JPIA Executive Committee.

The election for ACWA/JPIA is scheduled for May 8, 2017 at the conference. Thank you for allowing me to share my experience, leadership and knowledge. I look forward to the opportunity to represent you and your agency. Please feel free to contact me directly at (909) 635-4177 should you have questions or if you would like to support my candidacy.

Thank you in advance for your consideration,



RESOLUTION 17-04

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TWENTYNINE
PALMS WATER DISTRICT CONCURRING IN NOMINATION KATHLEEN J. TIEGS
TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER
AGENCIES JOINT POWERS INSURANCE AUTHORITY (ACWA/JPIA)**

WHEREAS, this District is a member district of the ACWA/JPIA; and,

WHEREAS, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA's Executive Committee, three member districts must concur with the nominating district; and

WHEREAS, another ACWA/JPIA member district, the Cucamonga Valley Water District has requested that this district concur in its nomination of its member of the ACWA/JPIA Board of Directors to the Executive Committee of the ACWA/JPIA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Twentynine Palms Water District that this District concur with the nomination of Kathleen J. Tiegs of Cucamonga Valley Water District to the Executive Committee of the ACWA/JPIA.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA/JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

PASSED, APPROVED AND ADOPTED this 22nd day of February 2017 by the following vote:

Ayes:
Noes:
Abstain:
Absent:

Kerron E. Moore, President
Board of Directors

Attest:

Ray Kolisz, Board Secretary
Twentynine Palms Water District

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TWENTYNINE PALMS WATER DISTRICT
72401 HATCH ROAD, TWENTYNINE PALMS, CA 92277-2935
760.367.7546 PHONE 760.367.6612 FAX

TO:	BOARD OF DIRECTORS
DATE:	FEBRUARY 16, 2017
FROM:	RAY KOLISZ, GENERAL MANAGER
SUBJECT:	CONSIDERATION TO APPROVE PROPOSAL FROM LAYNE CHRISTENSEN COMPANY TO REHAB WELL #12

BACKGROUND AND DISCUSSION

Water production Well #12 was drilled in 1983 to a depth of 400 feet with 12 inch steel casing installed. Well #12 currently produces 375 gallons per minute that pumps directly into the Plant 6 Collector Tank which the water is then boosted and pumped into Plant 11 and Baywood Reservoirs approximately ½ mile to the south.

Historically, water produced from Well #12 has shown elevated levels of fluoride and hexavalent chromium but are below the current Maximum Contaminant Level (MCL) of 2 parts per million and 10 parts per billion respectively. Although these levels are below the MCL's staff would develop a contingency plan to react to any level that would exceed these MCL's in the future. Staff is planning to pull the existing well equipment and video log the well to determine the condition of the well casing before any strategic plan is put in place. The last time a video log was conducted on Well #12 was in 1996. If the casing is determined to be in good shape by reviewing the video log staff will direct Layne Christensen to brush and bail the well and video log the well a second time once this procedure is complete.

If the condition of the well casing is determined to be good after the brush and bail procedure is complete staff is recommending to re-outfit the pumping equipment with a water lube assembly that would eliminate the current oil lube method and allow water to be pumped directly to Plant 11 and Baywood Reservoirs. Due to the condition of Plant 6 Collector Tank, constructed in 1962, which would need replacement in the very near future and to make pumping costs more effective with the elimination of the booster pumps, re-outfitting the well would eliminate the need for these infrastructure repairs and reduce overall electrical costs.

Due to the loss of Well #11 recently this project is of high priority to complete before the water demand on the system increases in coming months with the warmer temperatures.

COST ESTIMATE

Layne Christensen Company has provided a proposal to the District for the amount of \$68,648.43 to include providing new motor and pumping equipment if staff determines the well casing is in good condition.

FISCAL YEAR IMPACT

Cost for this project would be funded from the “Plant 6 Electrical and Well Upgrade” CIP budget of \$250,000.

RECOMMENDATION

To accept proposal from Layne Christensen Company in the amount of \$68,648.43.

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TWENTYNINE PALMS WATER DISTRICT
72401 HATCH ROAD, TWENTYNINE PALMS, CA 92277-2935
760.367.7546 PHONE 760.367.6612 FAX

TO:	BOARD OF DIRECTORS
DATE:	FEBRUARY 16, 2017
FROM:	MATT SHRAGGE
SUBJECT:	VALVE EXERCISE PROGRAM

BACKGROUND AND DISCUSSION

The Twentynine Palms Water District maintains over 200 miles of pipelines that make up the water distribution system throughout the 87 square mile service area that deliver water to our customers. Part of the distribution system includes mainline valves that allow staff to isolate water flow in the event of a mainline leak where water needs to be turned off for repair.

A key and important maintenance task that is performed on a monthly basis is the Valve Maintenance Program (Program). The District currently has 3,960 valves installed in the distribution system that are part of the Program. The Program is set up where each valve is exercised once every three years, or a triennial cycle, that ensures that the valve cycles to the full open and full closed position. When a valve is normally in the full open position it allows proper flow when water demand is high and allows adequate flow when needed for fire protection. The full closed position is crucial in the event that water needs to be shut down and with properly working valves, minimizes the total number of customers that may temporarily be out of water during a repair. Each month staff exercises approximately 103 valves or 1,230 valves annually.

When staff is exercising a valve they also check and repair the valve access can. The valve access can allows a turning tool to be placed on the valve to open or close the valve. Over time the valve can, which is normally located in a street, becomes damaged by vehicular traffic or becomes filled up with dirt due to storm run-off. When staff is on site to exercise the valve any necessary repairs or vacuuming of the can is also performed.

In April of 2014, the District purchased an E.H. Wachs valve exercise trailer that improved the effectiveness and efficiency of the program. The trailer consists of a high volume vacuum with holding tank, a "smart technology" hydraulic driven valve turner, pressure washer, auxiliary work lights, and a hydraulic power take off that can be used to operate additional tools like pumps or jackhammers. The focal point of the trailer is the valve turner. This automated turner cycles the valve to its full closed and full open position while collecting torque values that allows staff to evaluate problematic valves. The valve turner also has smart technology that recognizes if a valve is hard to open or close and automatically adjusts the amount of force that is applied to prevent breaking

the valve shaft. Once a valve shaft is broken, the valve must be replaced which is an expensive procedure. This smart technology has saved the District approximately \$80,000 in valve replacement costs due to the valve turner "breaking free" seized valves that were not able to be exercised manually in years prior to the purchase of the valve trailer. Another potential cost savings to the District using the valve trailer is the possibility of shoulder or back injuries caused by attempting to free a seized valve.

With a capital cost of \$57,236 the valve trailer has paid for itself in replacement cost savings in three years.

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**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE TWENTYNINE PALMS WATER DISTRICT
72401 HATCH ROAD, TWENTYNINE PALMS, CA 92277**

JANUARY 25, 2017 / 6:00 P.M.

Call to Order and Roll Call

President Moore called the meeting to order at 6:00 p.m., 72401 Hatch Road, Twentynine Palms, California. Those responding to roll call were Directors Bob Coghill, Carol Giannini, Suzi Horn, Sam Moore, and Roger Shinaver. Also present were General Manager Ray Kolisz, Financial Consultant Cindy Byerrum, and District Secretary Cindy Fowlkes.

Pledge of Allegiance

Director Moore led the pledge.

Additions/Deletions to the Agenda

None

Public Comments

None

Local Hazard Mitigation Plan Open Comments

Gary Sturdivan, with Sierra West Consultants, informed the Board that FEMA and the State requires input from the public concerning the implementation of a Hazard Mitigation Plan. The District will hold monthly Internal meetings with key staff members and External meetings with members of the public to identify potential hazards and ways to mitigate those vulnerabilities. Minutes will be posted to the website for review.

1. Public Hearing on Proposed Amended 2015 Urban Water Management Plan

1.1 Board to Hear Public Testimony at This Time

Ms. Lauren Everett with Kennedy/Jenks Consultants provided a presentation highlighting the reasons for the plan and the proposed amendments. The Department of Water Resources requested the District amend the plan to include production values versus losses. The District also took the opportunity to address the loss of redundancy and capacity with Wells #4 and #9 having been taken offline due to elevated Chromium VI levels. In addition to the amendments, the plan also included funding opportunities and avenues available to the District.

Director Shinaver moved to open the Public Hearing at 6:06 p.m., seconded by Director Horn, and unanimously approved.

Public comment – A speaker in the audience voiced concerns over the State's imposed 20% cut in consumption by year 2020 by a community reliant upon swamp coolers.

Director Horn moved to close the public hearing at 6:18 p.m., seconded by Director Coghill , and unanimously approved.

2. Consideration of Resolution 17-01 Adopting the Amended 2015 Urban Water Management Plan

Director Shinaver made a motion to adopt Resolution 17-01 Amending the 2015 Urban Water Management Plan, seconded by Director Giannini, and approved by the following roll call vote:

Ayes:	Directors Coghill, Giannini, Horn, Shinaver, and Moore
Noes:	None
Abstain:	None
Absent:	None

3. Consideration of Resolution 17-02 Authorizing and Pledging Revenues and Funds to Satisfy Repayment Obligations for the Financial Assistance Agreement with the California State Water Resources Control Board for the Potable Groundwater Management Project
Kenedy/Jenks Consultants prepared and filed a grant application, on the behalf of the District, to the State of California Drinking Water State Revolving Fund. To satisfy repayment obligations and as a required element, the District must pass a resolution demonstrating to the State the District's commitment to repay the funds in the form of a low interest loan, should the District not qualify for grants.

Director Coghill made a motion to adopt Resolution 17-02 authorizing and pledging revenues and funds to satisfy repayment obligations for the financial assistance agreement with the California State Water Resources Control Board for the Potable Groundwater Management project, seconded by Director Shinaver, and approved by the following roll call vote:

Ayes: Directors Coghill, Giannini, Horn, Shinaver, and Moore
Noes: None
Abstain: None
Absent: None

4. Presentation of Audit Report for Fiscal Year 2015/2016 by Cindy Byerrum
Financial Consultant, Cindy Byerrum, presented the Audit Report on behalf of The Pun Group. The financial statements were found to be in accordance to the Generally Accepted Accounting Principles for State and Local Governments (GAAP) and the audit report reflects a clean and unqualified audit opinion. The District ended the fiscal year with a 2.1% decrease in revenues. Liability for pensions remained the same for the fiscal year, but are expected to increase next year as PERS lowers the projected rate of return.
5. Approve Director Coghill to Attend the Special District Leadership Academy Conference (February 26-March 1, 2017) and to Provide Daily Meeting Stipend
Director Horn made a motion to approve Director Coghill's attendance at the Special District Leadership Academy Conference and to provide daily meeting stipend, seconded by Director Shinaver, and approved unanimously.
6. Discussion of Well #11 Replacement Costs
The estimated cost to drill a well to a depth of 500 feet, including pumping equipment, is approximately \$573,790.00, without 10% contingencies and factoring in water treatment for chromium VI and fluoride. Staff is considering drilling to a depth of 600 feet, at an additional cost of \$50,000, during the pilot borehole process to analyze the quality of water and determine if better water quality is present. Any new well that is drilled must comply with all State water quality standards, regardless of any existing variances that the District was given. The Rate Study included \$600,000 for the replacement of Well #10. This funding would be redirected to offset the costs of drilling Well #11B.
7. Discussion of (801 Housing) Valve Report
Operations Superintendent, Mike Minatrea, provided the Board with information pertaining to the number of valves (152) at the Lincoln Military Housing units. The District inherited the substructure at the housing sites. The valves were installed by a private contractor for the military, and the brand of valve used was not in accordance to the District's specifications. Last month's blow out in the Aztec area resulted in approximately \$28,000 in asphalt damage and \$4,000 in replacement parts and labor costs. Total valve replacement in the housing complex would cost approximately \$302,000.
8. Consent Calendar
- Minutes of a Regular Meeting held on December 14, 2016
 - Audit List

Director Shinaver moved to approve the Consent Calendar, seconded by Director Horn, and approved unanimously.

7. Items Removed from the Consent Calendar for Discussion or Separate Action
None

8. Management Reports

8.1 Operations

The District responded to 15 Underground Service Alerts, had 2 water main leaks, 3 water meter leaks, 0 service line leaks, 2 fire hydrant repairs, performed 3 customer pressure checks, replaced 31 meters, replaced 11 customer gate valves, and installed 3 new services. 1 Wastewater complaint was reported, customer left the garden hose on by mistake. Water quality levels were normal for the month. Water production was up 3% as compared to the same month in 2013.

8.2 Ms. Byerrum reported that Josh will be taking an extended leave. Ian will be assisting in his absence. A PERS update will be brought to the Board at a future meeting. The Fire budget is being finalized.

8.3 General Manager

Mr. Kolisz reported that the mainline at Ed Butler's place was installed in December. The District created an official Facebook page. The public is asked to "like" us at 29 Palms Water. Matt Shragge will be representing the District at The Morongo Basin Conservation Association's Annual Meeting and Desert-Wise Living program on Saturday, January 28th at 9:00 am. The Chromium VI mailer informed ratepayers that the water is safe to drink and is in compliance with the State Water Resource Control Board's approved variance allowed by all water districts whose water contains Chromium VI. The District has since placed the well producing chromium VI offline due to failure.

9. Future Agenda Items and Staff Tasks/Directors' Comments and Reports

Director Shinaver would like staff to keep the Board apprised of the condition of the valves at 801 housing.

Director Moore wished everyone a happy New Year.

10. Adjournment

On motion by Director Horn, seconded by Director Shinaver, and approved by the Board, the meeting was adjourned at 7:07 p.m.

Kerron E. Moore, President
Board of Directors

Attest:

Ray Kolisz, Board Secretary
Twenty-nine Palms Water District

Twentynine Palms Water District

Check Date Range: 1/1/2017 thru 1/31/2017

Ck No	Ck Date	Payable To	Ck Amt	Ck Detail	GL Acct No	Description
7690	01/11/2017	Richard Capelli 29 Palms Fencing	475.00	237.50	100-130-0000-5406	Repair Yard Fence
				237.50	100-150-0000-5406	Repair Treatment Plant Fence
7691	01/11/2017	Acwa Joint Powers Insurance Authority	32,192.09	24,647.26	100-000-0000-1800	Health Benefits February 2017
				1,703.70	100-310-0000-5141	Health Benefits February 2017
				349.77	100-310-0000-5142	Health Benefits February 2017
				3,777.25	100-310-0000-5144	Health Benefits February 2017
				1,714.11	100-600-0000-5399	Health Benefits February 2017
7692	01/11/2017	Customer Refund	64.36	64.36	100-000-0000-2000	Refund Check
7693	01/11/2017	Customer Refund	27.35	27.35	100-000-0000-2000	Refund Check
7694	01/11/2017	Ansafone Contact Centers	141.55	141.55	100-160-0000-5406	Answering Service
7695	01/11/2017	Best Best & Krieger	283.80	283.80	100-600-0000-5403	Professional Services December
7696	01/11/2017	Beyond Software Solutions	900.00	900.00	100-600-0000-5406	IT Services
7697	01/11/2017	Billings Transfer Inc.	600.00	600.00	100-130-0000-5406	Haul 26 Tons of Asphalt (Trucking Fee Only)
7698	01/11/2017	Customer Refund	57.46	57.46	100-000-0000-2000	Refund Check
7699	01/11/2017	Customer Refund	14.20	14.20	100-000-0000-2000	Refund Check
7700	01/11/2017	Blue Diamond Materials	1,875.18	1,875.18	100-130-0000-5220	Cold Mix (26Tons)
7701	01/11/2017	Burrtec Waste & Recycling Svcs	198.62	63.55	100-150-0000-5406	Amboy
				40.07	100-600-0000-5406	Hatch
				95.00	100-600-0000-5406	Hatch
7702	01/11/2017	Calpers	6,740.08	11.94	100-600-0000-5165	Annual Unfunded Accrued Liability
				6,728.14	100-600-0000-5165	Annual Unfunded Accrued Liability
7703	01/11/2017	Calpers	7,433.57	6,527.69	100-310-0000-5162	Retirement 12/18/16 - 12/31/16
				442.15	100-310-0000-5167	Retirement 12/18/16 - 12/31/16
				463.73	100-310-0000-5166	Retirement 12/18/16 - 12/31/16
7704	01/11/2017	Customer Refund	22.46	22.46	100-000-0000-2000	Refund Check
7705	01/11/2017	Carquest Auto Parts	225.29	24.49	100-130-0000-5222	Air Filter
				170.07	100-130-0000-5222	Filters
				30.73	100-130-0000-5222	Filters
7706	01/11/2017	City of Twentynine Palms	318.00	159.00	100-130-0000-5303	Permit Alpine/Sunnyvale
				159.00	100-130-0000-5303	Permit Pinon/Mara

Twentynine Palms Water District

Check Date Range: 1/1/2017 thru 1/31/2017

7707	01/11/2017	Customer Refund	49.55	49.55	100-000-0000-2000	Refund Check
7708	01/11/2017	Customer Refund	43.57	43.57	100-000-0000-2000	Refund Check
7709	01/11/2017	Customer Refund	39.00	39.00	100-000-0000-2000	Refund Check
7710	01/11/2017	Dangelo	6,366.15	6,366.15	100-000-0000-1499	HYD JONES J4040 6H DI 2-WAY 4" X 2-1/2"
7711	01/11/2017	Desert Hardware	9.53	9.53	100-130-0000-5220	Misc. Bushing
				(17.06)	100-130-0000-5220	credit
				17.06	100-130-0000-5220	cord
7712	01/11/2017	Customer Refund	58.47	58.47	100-000-0000-2000	Refund Check
7713	01/11/2017	Customer Refund	8.86	8.86	100-000-0000-2000	Refund Check
7714	01/11/2017	Frontier Communications	197.57	197.57	100-150-0000-5203	Plant
7715	01/11/2017	Geographic Data and Management	440.00	440.00	100-875-0000-6001	GIS Services
7716	01/11/2017	Customer Refund	49.64	49.64	100-000-0000-2000	Refund Check
7717	01/11/2017	Hemet Valley Tool & Supply	71.20	71.20	100-130-0000-5222	Chop Saw Carburetor
7718	01/11/2017	Customer Refund	37.14	37.14	100-000-0000-2000	Refund Check
7719	01/11/2017	Jeff Arwick	2,825.00	2,825.00	100-110-0000-5406	Replace Main Circuit Breaker for well #17
7720	01/11/2017	Hi-Grade Materials Co.	140.05	140.05	100-130-0000-5220	Class 2 Base (2 Loads)
7721	01/11/2017	Home Depot Credit Services	110.07	56.10	100-130-0000-5220	Utility Knife/AA 36 Pack Batteries
				53.97	100-150-0000-5220	Tower Heater
7722	01/11/2017	Inland Water Works	1,653.97	552.76	100-000-0000-1499	3/4" GV VG10006
				420.23	100-000-0000-1499	HYMAX CPLG
				680.98	100-120-0000-5220	Micro Switch
7723	01/11/2017	Itron, Inc.	4,236.00	4,236.00	100-160-0000-5406	Software Maintenance/Recertification Fee
7724	01/11/2017	Kenny Strickland Inc.	36.61	36.61	100-130-0000-5222	Tubes of Grease.
7725	01/11/2017	Konica Minolta Premier	155.97	155.97	100-150-0000-5223	01/01/2017 - 01/31/2017
7726	01/11/2017	Customer Refund	31.88	31.88	100-000-0000-2000	Refund Check
7727	01/11/2017	Customer Refund	1.59	1.59	100-000-0000-2000	Refund Check
7728	01/11/2017	Customer Refund	46.13	46.13	100-000-0000-2000	Refund Check
7729	01/11/2017	Customer Refund	58.18	58.18	100-000-0000-2000	Refund Check
7730	01/11/2017	Customer Refund	8.88	8.88	100-000-0000-2000	Refund Check
7731	01/11/2017	Michael Torres	54.00	54.00	100-130-0000-5228	3/8' dr. Ratchet
7732	01/11/2017	Minolta Business Systems	128.59	128.59	100-600-0000-5223	11/23/16 - 12/22/16
7733	01/11/2017	Customer Refund	49.28	49.28	100-000-0000-2000	Refund Check

Twentynine Palms Water District

Check Date Range: 1/1/2017 thru 1/31/2017

7734	01/11/2017	Napa Auto Parts	288.58	22.66	100-130-0000-5222	Parts
				215.03	100-130-0000-5222	Shocks
				44.74	100-130-0000-5222	Veh. #18 Wiper Blades
				6.15	100-130-0000-5222	Parts
7735	01/11/2017	Customer Refund	20.13	20.13	100-000-0000-2000	Refund Check
7736	01/11/2017	Customer Refund	35.24	35.24	100-000-0000-2000	Refund Check
7737	01/11/2017	Customer Refund	46.13	46.13	100-000-0000-2000	Refund Check
7738	01/11/2017	Customer Refund	70.25	70.25	100-000-0000-2000	Refund Check
7739	01/11/2017	Palm Springs Motors Inc.	558.36	411.19	100-130-0000-5222	Brakes
				147.17	100-130-0000-5222	TPMS Sensors
7740	01/11/2017	Parkhouse Tire Inc.	530.24	530.24	100-130-0000-5222	Tires for truck #15
7741	01/11/2017	Customer Refund	43.13	43.13	100-000-0000-2000	Refund Check
7742	01/11/2017	Customer Refund	72.44	72.44	100-000-0000-2000	Refund Check
7743	01/11/2017	Proforma	619.02	234.42	100-600-0000-5301	Envelopes and Second Page Letterhead
				148.00	100-600-0000-5301	Envelopes and Second Page Letterhead
				94.00	100-600-0000-5301	Envelopes and Second Page Letterhead
				142.60	100-600-0000-5301	Envelopes and Second Page Letterhead
7744	01/11/2017	Customer Refund	56.51	56.51	100-000-0000-2000	Refund Check
7745	01/11/2017	S.C.E.	19,270.20	39.88	100-110-0000-5201	Donnell
				60.26	100-110-0000-5201	Donnell
				2,268.24	100-110-0000-5201	Well 14
				1,069.46	100-120-0000-5201	Booster H1N, H2
				1,204.22	100-110-0000-5201	Well 16
				909.99	100-600-0000-5201	Hatch
				27.11	100-110-0000-5201	Well 4
				1,526.78	100-110-0000-5201	Well 17
				10,471.83	100-110-0000-5201	Well TP-1
				25.04	100-110-0000-5201	Michel's Road
				652.11	100-110-0000-5201	Well 1
1,015.28	100-150-0000-5201	Plant				
7746	01/11/2017	San Bernardino County	10.00	10.00	100-130-0000-5301	Parcel Maps
7747	01/11/2017	San Bernardino County Assessor	11.00	11.00	100-600-0000-5406	PIMS

Twentynine Palms Water District

Check Date Range: 1/1/2017 thru 1/31/2017

7748	01/11/2017	Customer Refund	23.98	23.98	100-000-0000-2000	Refund Check
7749	01/11/2017	Shoplet.Com	257.80	164.46	100-600-0000-5301	Office Supplies
				93.34	100-600-0000-5301	Office Supplies
7750	01/11/2017	Sierra West Consultants, Inc.	4,000.00	4,000.00	100-800-0000-6001	Hazard Mitigation Plan
7751	01/11/2017	Susan L. Simmons	431.25	431.25	100-600-0000-5406	Janitorial Services
7752	01/11/2017	Bob Stephenson	100.00	100.00	100-610-0000-5350	Video Recording Board Meeting
7753	01/11/2017	Customer Refund	67.17	67.17	100-000-0000-2000	Refund Check
7754	01/11/2017	Customer Refund	45.75	45.75	100-000-0000-2000	Refund Check
7755	01/11/2017	Underground Service Alert	25.50	25.50	100-130-0000-5406	17 New Ticket Charges
7756	01/11/2017	United Cerebral Palsy Assoc.	241.64	241.64	100-160-0000-5406	Mail Production
7757	01/11/2017	Customer Refund	54.16	54.16	100-000-0000-2000	Refund Check
7758	01/11/2017	Customer Refund	50.29	50.29	100-000-0000-2000	Refund Check
7759	01/11/2017	Customer Refund	7.76	7.76	100-000-0000-2000	Refund Check
7760	01/25/2017	Autozone Inc.	11.32	11.32	100-130-0000-5222	Shop Supplies
7761	01/25/2017	Axens	36,656.55	36,656.55	100-150-0000-5211	Actiguard AA 14x28 MESH
7762	01/25/2017	Customer Refund	14.71	14.71	100-000-0000-2000	Refund Check
7763	01/25/2017	Customer Refund	6.82	6.82	100-000-0000-2000	Refund Check
7764	01/25/2017	Customer Refund	31.86	31.86	100-000-0000-2000	Refund Check
7765	01/25/2017	Builders Supply - 29 Palms	9.33	9.33	100-130-0000-5222	Shop Supplies-Screws & Washers
7766	01/25/2017	California Chamber Of Commerce	269.98	269.98	100-600-0000-5301	2017 Membership
7767	01/25/2017	Calpers	7,373.93	6,551.68	100-310-0000-5162	Retirement 01/01/17 - 01/14/17
				401.33	100-310-0000-5167	Retirement 01/01/17 - 01/14/17
				420.92	100-310-0000-5166	Retirement 01/01/17 - 01/14/17
7768	01/25/2017	Customer Refund	40.94	40.94	100-000-0000-2000	Refund Check
7769	01/25/2017	Carquest Auto Parts	29.19	29.19	100-130-0000-5222	Air Filter
7770	01/25/2017	Centurylink Business Services	23.15	23.15	100-600-0000-5203	Hatch
7771	01/25/2017	Customer Refund	29.67	29.67	100-000-0000-2000	Refund Check
7772	01/25/2017	Customer Refund	45.02	45.02	100-000-0000-2000	Refund Check
7773	01/25/2017	Clinical Lab of San Bern.	689.50	689.50	100-140-0000-5405	Water Samples - Dec.
7774	01/25/2017	Customer Refund	34.95	34.95	100-000-0000-2000	Refund Check
7775	01/25/2017	County Of San Bernardino	17.55	17.55	100-130-0000-5406	Shop Waste
7776	01/25/2017	Customer Refund	9.76	9.76	100-000-0000-2000	Refund Check

Twentynine Palms Water District

Check Date Range: 1/1/2017 thru 1/31/2017

7777	01/25/2017	Customer Refund	26.65	26.65	100-000-0000-2000	Refund Check
7778	01/25/2017	Dlt Solutions Inc.	1,046.37	1,046.37	100-600-0000-5303	Autodesk one year renewal
7779	01/25/2017	Customer Refund	5.07	5.07	100-000-0000-2000	Refund Check
7780	01/25/2017	Customer Refund	31.86	31.86	100-000-0000-2000	Refund Check
7781	01/25/2017	Engineering Resources	2,785.27	608.00	100-110-0000-5406	Consulting Engineering Services
				2,177.27	100-850-0000-6001	Consulting Engineering Services
7782	01/25/2017	Customer Refund	52.57	52.57	100-000-0000-2000	Refund Check
7783	01/25/2017	Federal Express Corp.	21.33	21.33	100-600-0000-5302	1 airbill
7784	01/25/2017	Customer Refund	62.04	62.04	100-000-0000-2000	Refund Check
7785	01/25/2017	Customer Refund	100.00	100.00	100-130-0000-5242	D-3 Exam Fee reimbursement
7786	01/25/2017	Frontier Communications	139.91	139.91	100-600-0000-5203	Hatch
7787	01/25/2017	GoldStreet Designs	4,581.51	4,581.51	100-160-0000-5406	Chromium VI Notice
7788	01/25/2017	Customer Refund	21.35	21.35	100-000-0000-2000	Refund Check
7789	01/25/2017	Customer Refund	58.70	58.70	100-000-0000-2000	Refund Check
7790	01/25/2017	Customer Refund	3.09	3.09	100-000-0000-2000	Refund Check
7791	01/25/2017	Hemet Valley Tool & Supply	85.80	68.63	100-130-0000-5222	Air Filter & Belt for Chop Saw
				17.17	100-130-0000-5222	Retainer for Chop Saw Cart
7792	01/25/2017	Customer Refund	47.80	47.80	100-000-0000-2000	Refund Check
7793	01/25/2017	Inland Water Works	4,121.92	168.82	100-000-0000-1499	Flex Coupling Romac 501 Flex CLPG
				12.39	100-130-0000-5220	4" Romac 501 Gasket 474-510
				30.00	100-130-0000-5220	4" Romac 501 END RING BLACK
				840.45	100-000-0000-1499	6" HYMAX CPLG (HYM1006)
				91.59	100-130-0000-5220	SPOOL 4"x12" DI FLG x PE SPOOL WITH PE SIDE BEVELED
				810.29	100-000-0000-1499	1" METER PMNO7CF-X-PPB
				118.52	100-130-0000-5220	1" X1/8" NEOPRENE MTR GASKET
				45.25	100-130-0000-5220	6' NON ASB RING GASKET 1/16
				58.18	100-130-0000-5220	8" NON ASB RING GASKET 1/16
				662.12	100-000-0000-1499	8" X 1" IP J-969 SB10081
				372.70	100-000-0000-1499	3/4" WILKINS NL RESS REG 15-75
				101.30	100-130-0000-5220	6" SEWER PIPE 20' LGHTS GREEN
				120.68	100-000-0000-1499	PCV 1" SCHD 40 PIPE
				161.62	100-000-0000-1499	6"X12" GALVANIZED TOP SECTION

Twentynine Palms Water District

Check Date Range: 1/1/2017 thru 1/31/2017

				172.40	100-000-0000-1499	6"X18" GALVANIZED TOP SECTION
				323.29	100-000-0000-1499	6"DR18 C900 PVE PIPE BLUE
				32.32	100-130-0000-5220	4' NON ASB RING GASKET 1/16
7794	01/25/2017	Customer Refund	26.76	26.76	100-000-0000-2000	Refund Check
7795	01/25/2017	Customer Refund	8.17	8.17	100-000-0000-2000	Refund Check
7796	01/25/2017	Kennedy/Jenks Consultants	591.25	591.25	100-600-0000-5412	Professional Services
7797	01/25/2017	Customer Refund	24.51	24.51	100-000-0000-2000	Refund Check
7798	01/25/2017	Konica Minolta Premier	333.97	333.97	100-600-0000-5223	01/01/17 - 01/31/17
7799	01/25/2017	Customer Refund	31.86	31.86	100-000-0000-2000	Refund Check
7800	01/25/2017	Customer Refund	5.81	5.81	100-000-0000-2000	Refund Check
7801	01/25/2017	Customer Refund	43.64	43.64	100-000-0000-2000	Refund Check
7802	01/25/2017	Mcmaster-Carr Supply Co.	659.54	24.97	100-150-0000-5220	Deionized Water 1 Gallon Pour Bottle
				129.24	100-130-0000-5220	Permanent Aerosol Marking Paint Blue
				350.43	100-150-0000-5220	Replacement Desicant for 5163K19 Air Dryer
				20.08	100-150-0000-5220	Filter Element
				134.82	100-150-0000-5220	Replacement Filter Element for 9826K63.K64
7803	01/25/2017	Customer Refund	6.61	6.61	100-000-0000-2000	Refund Check
7804	01/25/2017	Napa Auto Parts	351.57	63.62	100-130-0000-5222	Serpentine Belt
				7.84	100-130-0000-5222	Trash Pump Fuel Cap
				210.48	100-130-0000-5222	All Four Shocks
				69.63	100-130-0000-5222	Shop Supplies
7805	01/25/2017	Customer Refund	3.09	3.09	100-000-0000-2000	Refund Check
7806	01/25/2017	Office Supplies Plus Inc.	16.46	16.46	100-130-0000-5406	Send off Gas Alert (For calibration)
7807	01/25/2017	Palm Springs Motors Inc.	1,311.68	317.18	100-130-0000-5222	Steering Wheel
				278.51	100-130-0000-5222	Seat Belt Latch
				14.26	100-130-0000-5222	Rear Window Wiper
				701.73	100-130-0000-5222	Water Pump & Front Brakes
7808	01/25/2017	Prudential Overall Supply	684.74	52.53	100-130-0000-5253	Uniforms
				253.61	100-130-0000-5253	Uniforms
				164.38	100-130-0000-5253	Uniforms
				52.53	100-130-0000-5253	Uniforms
				161.69	100-130-0000-5253	Uniforms

Twentynine Palms Water District

Check Date Range: 1/1/2017 thru 1/31/2017

7809	01/25/2017	Regional Government Services	380.00	380.00	100-600-0000-5406	Contract Services
7810	01/25/2017	Customer Refund	33.12	33.12	100-000-0000-2000	Refund Check
7811	01/25/2017	Customer Refund	3.38	3.38	100-000-0000-2000	Refund Check
7812	01/25/2017	S.C.E.	7,567.02	42.29	100-110-0000-5201	Well 11
				48.27	100-120-0000-5201	D.H. Resv. & Hydro
				729.86	100-120-0000-5201	Booster 11A, 11B
				271.66	100-110-0000-5201	Well 15
				1,350.37	100-120-0000-5201	Booster Lupine
				993.23	100-120-0000-5201	Booster Sullivan
				804.68	100-120-0000-5201	Booster Two Mile
				3,326.66	100-120-0000-5201	Booster TP-1 Cactus
7813	01/25/2017	Safety-Kleen Systems Inc.	316.16	316.16	100-130-0000-5406	Safety-Kleen Service
7814	01/25/2017	Customer Refund	12.29	12.29	100-000-0000-2000	Refund Check
7815	01/25/2017	Susan L. Simmons	718.75	718.75	100-600-0000-5406	Janitorial Services
7816	01/25/2017	Southern Calif. Gas Co.	210.49	210.49	100-600-0000-5202	Hatch
7817	01/25/2017	Neal Stephenson	100.00	100.00	100-130-0000-5242	D-3 Examination fee
7818	01/25/2017	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check
7819	01/25/2017	TelePacific Communications	645.51	645.51	100-600-0000-5203	Hatch
7820	01/25/2017	The Pun Group	1,950.00	1,950.00	100-600-0000-5402	Professional Services
7821	01/25/2017	Spectrum Business Time Warner Cable	129.99	129.99	100-150-0000-5203	Plant
7822	01/25/2017	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check
7823	01/25/2017	U.S. Postal Service	100.00	100.00	100-600-0000-5302	Postage Due Account
7824	01/25/2017	Union Bank	1,902.07	62.35	100-150-0000-5221	Power Sonni PS-6100 F1
				600.00	100-610-0000-5330	CSDA Leadership Academy - Coghill
				15.62	100-600-0000-5330	Travel
				13.12	100-600-0000-5330	Travel
				84.00	100-600-0000-5406	Microsoft
				199.00	100-600-0000-5303	Vimeo PRO Membership
				39.80	100-600-0000-5301	Office Supplies
				11.64	100-130-0000-5220	Gloves/shipping
				302.40	100-600-0000-5301	frames
				10.00	100-600-0000-5408	fee

Twentynine Palms Water District

Check Date Range: 1/1/2017 thru 1/31/2017

				564.14	100-130-0000-5222	2xRM-60 VHF 60-Watt Base Radios
7825	01/25/2017	UPS	281.26	281.26	100-160-0000-5302	Shipping
7826	01/25/2017	Usa Blue Book	883.00	883.00	100-130-0000-5228	Ratchet Operated Soil Pipe Cutter
7827	01/25/2017	Customer Refund	40.19	40.19	100-000-0000-2000	Refund Check
7828	01/25/2017	Customer Refund	59.14	59.14	100-000-0000-2000	Refund Check
7829	01/25/2017	Verizon Wireless	529.29	529.29	100-600-0000-5203	Wireless
7830	01/25/2017	Versatel	300.00	300.00	100-600-0000-5406	On Site Labor - Service Call
7831	01/25/2017	Customer Refund	38.06	38.06	100-000-0000-2000	Refund Check
7832	01/25/2017	Vwr Scientific Products Corp.	352.01	352.01	100-150-0000-5220	BUFFER TSAB II
7833	01/25/2017	Western Water Works	4,030.02	301.26	100-000-0000-1499	8"X1" IP J-969 JONES BRZ SADDLE SB10081
				1,240.95	100-000-0000-1499	3/4" GV VG10006
				1,609.17	100-000-0000-1499	3/4" CHECK VALVE VC10002
				417.96	100-000-0000-1499	3/4" X 1-1/2 METER TAIL MC10000
				233.12	100-000-0000-1499	2" DOMESTIC BRZ CLPG CB00008
				227.56	100-000-0000-1499	2" DOMESTIC BRZ 90 EB20200
7834	01/25/2017	Customer Refund	11.60	11.60	100-000-0000-2000	Refund Check
7835	01/25/2017	Customer Refund	57.24	57.24	100-000-0000-2000	Refund Check
7836	01/25/2017	Customer Refund	13.96	13.96	100-000-0000-2000	Refund Check
			Total	\$178,812.10		

7

7.1

TWENTYNINE PALMS WATER DISTRICT

72401 Hatch Road/P. O. Box 1735
Twentynine Palms, CA 92277-1000
PHONE (760) 367-7546 FAX (760) 367-6612

TO: Board of Directors
FROM: Mike Minatrea, Operations Superintendent
DATE: February 16, 2017
SUBJECT: Management Report

A. The Operations and Maintenance Department performed the following tasks during the month of January 2017:

1. Responded to 14 Underground Service Alerts
2. Responded to and repaired
 - a. 1 water main leak
 - b. 0 water meter leaks
 - c. 0 service line leaks
 - d. 0 fire hydrant repairs/maintenance
3. Installed 0 new services
4. Replaced 3 customer gate valves
5. Performed 5 leak audits
6. Painted 0 fire hydrants
7. Performed 10 customer pressure checks
8. Replaced 14 water meters
9. Tested and exercised emergency generators
10. Sounded wells for January
11. 0 water waste complaints reported

B. The following customer service tasks were performed:

1. 57 work orders were generated from reading meters
2. 104 work orders were generated from billing variance list
3. 338 work orders were generated for turn on or turn off
4. 490 termination notices were distributed
5. 88 non-pay turn offs were performed
6. 126 extensions were granted
7. 9 extensions were shut off for non-payment
8. 2 payment schedules have been granted
9. 0 payment schedules failed, total outstanding \$0
10. 10 customer requests and 8 complaints were logged and investigated

C. Valve and Hydrant Maintenance Update

	Valves Exercised (Began 06/16)	Dead Ends Flushed (Began 7/16)
Current Month	50	29
Year to Date	*1,982	388

*Triennial cycle

TWENTYNINE PALMS WATER DISTRICT
JANUARY WATER QUALITY AND ENGINEERING REPORT

1. **ENGINEERING**

A. No items to report.

2. **WATER QUALITY**

A. **Chlorine Levels**: Average levels maintained in the storage and distribution system ranged from a low of 0.09 mg/L to a high of 0.27 mg/L. Chlorination point (the point where chlorine is introduced into the distribution system) averages ranged from 0.22 mg/L to 0.52 mg/L.

B. **Bacteria Samples**: A total of 47 routine bacteria samples were collected at test points for the storage and distribution system during this past month. In addition 8 special bacteria samples were collected. All routine and special samples indicated ABSENT for Colilert.

C. **Fluoride Samples**: A total of 16 fluoride samples were collected at established test points for the storage and distribution system, and 6 fluoride samples were taken from potable water production wells. Fluoride levels in the distribution system ranged from a low of 0.72 mg/L to a high of 1.8 mg/L. Fluoride measurements collected at the wells ranged from a low of 0.33 to a high of 1.7 mg/L.

D. **General Physical**: A total of 13 general physical samples were collected from established locations as a part of routine testing requirements. Levels reported for color are <3.0, 1 for threshold odor and <0.1 - 0.3 for turbidity.

TWENTYNINE PALMS WATER DISTRICT
Water Production Report
FY 2016/2017

Groundwater Source													
	Mesquite Springs Basin	Fortynine Palms Basin	Eastern Basin	Indian Cove Basin	Total Produced	Total Prior Yr	%Increase (Decrease) prior year	%Increase (Decrease) from 2013	New Service	Active Account	Prior Year	%Increase (Decrease)	Main Leaks
July	102,055	98,483	38,624	42,803	281,965	249,190	13.15%	-9.10%	0				0
August	122,969	83,600	31,708	37,009	275,286	250,936	9.90%	-14.5	1	7,703	7,479	3.00%	0
Sept.	104,147	81,688	26,380	29,339	241,554	212,452	15.20%	-1%	0				0
October	103,117	66,705	20,659	23,842	214,323	186,181	15.11%	-0.80%	0	7,610	7,500	1.46%	0
Nov.	87,54	60,014	18,818	19,413	185,785	173,441	7.10%	-0.80%	0				1
Dec.	98,666	43,611	18,941	8,444	169,662	159,201	6.50%	3%	3	7,576	7,497	0.15%	2
Jan.	110,181	23,134	7,195	3,034	143,544	140,916	-2.00%	-25%	0				2
Feb.													
March													
April													
May													
June													
Totals	728,675	457,235	162,325	163,884	1512,119	1372,317	10.19%		4				5

Production Totals Expressed in Acre Feet

NOTE: Year to Date Mesquite Springs Basin regeneration production of **6,676** acre feet = **0.91%** treatment loss.

Total Meters in District = 8,082

7.2

TWENTYNINE PALMS WATER DEPARTMENT

FINANCIAL REPORT

For The Month Of

December 2016

***PRELIMINARY -SUBJECT TO YEAR-END
AND AUDIT ADJUSTMENTS***

**TWENTYNINE PALMS WATER DEPARTMENT
STATEMENT OF INVESTMENTS AND RESERVES
December 2016
(Unaudited)**

<u>Operating Funds & Internal Reserves:</u>	<u>Prior Balance</u>	<u>Deposits</u>	<u>Disbursements</u>	<u>Current Balance</u>	<u>Market</u>
Operating Funds - LAIF	\$ 2,535,882	\$ -	\$ (650)	\$ 2,535,232	\$ 2,533,772
Election Fund Reserve - LAIF	20,925	-	-	20,925	20,913
Internal Operating Reserve - LAIF	164,986	-	-	164,986	164,891
Internal Debt Retirement Reserve - LAIF	-	-	-	-	-
Capital Funds for Primary Infrastructure - LAIF	49,890	650	-	50,540	50,511
Capital Funds for Secondary Infrastructure - LAIF	43,323	-	-	43,323	43,298
Investment Funds - CalTrust	1,001,197	794	-	1,001,992	1,001,414
Total Investments	\$ 3,816,203	\$ 1,444	\$ (650)	\$ 3,816,997	\$ 3,814,798

CERTIFICATION

I certify that (1) all investment actions executed since the last report have been made in full compliance with the District's Investment Policy and, (2) the District will meet its expenditure obligations for the next six months as required by California Government Code Sections 53646(b)(2) and (3), respectively.

Cindy Byerrum, CPA
Contract CPA

*** Market values are adjusted on this report on a quarterly basis and recorded in the District's financials statements at the end of the fiscal year*

**Twentynine Palms Water Department
Statement of Revenues and Expenses
For the Period Ending December 31, 2016
(Unaudited)**

	Dec-16	Nov-16	YTD	Budget	YTD 50%	Prior YTD
1 Operating Revenues	\$ 281,133	\$ 282,079	\$ 2,042,945	\$ 3,799,900	54%	\$ 1,850,900
2 Non-Operating Revenues	56,514	51,158	315,509	663,400	48%	334,876
Total Revenue Available to						
3 Fund Operations & Capital/R&R	337,647	333,238	2,358,454	4,463,300	53%	2,185,776
4 Operating Expenses	242,536	229,453	1,549,315	3,235,304	48%	1,496,053
5 Non-Operating Expenses	14,788	14,788	88,720	177,309	50%	790,864
Net Revenues Available to Fund Capital						
6 Related Expenditures	80,324	88,997	720,419	1,050,687	69%	(101,142)

No assurance is provided on these financial statements.

The financial statements do not include a statement of cash flows.

Substantially all disclosures required by accounting principles generally accepted in the United States are not included.

Twentynine Palms Water Department
Detail Statement of Revenues and Expenses
For the Period Ending December 31, 2016
(Unaudited)

	Dec-16	Nov-16	YTD	Budget	YTD 50%	Prior YTD
1 Operating Revenues						
2 Water Sales	\$ 183,093	\$ 184,196	\$ 1,447,135	\$ 2,529,800	57%	\$ 1,198,480
3 RTS	88,603	89,271	534,446	1,161,200	46%	593,517
4 Other Operating Revenue	9,437	8,612	61,364	108,900	56%	58,902
5 Total Operating Revenues	281,133	282,079	2,042,945	3,799,900	54%	1,850,900
6 Non-Operating Revenues						
7 Capital Impact Fees	650	650	1,950	4,000	49%	2,600
8 Water Availability Assessment	49,258	49,258	295,550	591,100	50%	295,550
9 Interest Revenue	794	798	7,269	37,500	19%	4,587
10 Other Penalties	5,492	-	5,492	22,600	24%	15,081
11 Reimbursed Expenses	31	135	3,619	4,600	79%	8,114
12 Other Non-Operating Revenue	289	317	1,630	3,600	45%	8,944
13 Total Non-Operating Revenues	56,514	51,158	315,509	663,400	48%	334,876
14 Total Revenues	337,647	333,238	2,358,454	4,463,300	53%	2,185,776
15 Operating Expenditures						
16 Source of Supply						
17 Labor & Benefits	421	1,281	5,985	7,800	77%	3,961
18 Direct Expenses	20,360	20,750	136,614	292,670	47%	123,975
19 Total Source of Supply	20,781	22,031	142,598	300,470	47%	127,936
20 Pumping						
21 Labor & Benefits	-	528	764	100	764%	138
22 Direct Expenses	7,791	8,256	48,797	109,100	45%	50,386
23 Total Pumping	7,791	8,784	49,561	109,200	45%	50,524
24 Transmission & Distribution						
25 Labor & Benefits	54,729	46,595	308,075	600,320	51%	192,511
26 Direct Expenses	16,568	17,652	110,378	294,800	37%	127,602
27 Total Transmission & Distribution	71,296	64,247	418,453	895,120	47%	320,113
28 Treatment Wells						
29 Labor & Benefits	2,771	2,802	18,354	41,000	45%	18,757
30 Direct Expenses	2,026	953	12,733	29,349	43%	11,912
31 Total Treatment Wells	4,797	3,755	31,088	70,349	44%	30,668
32 Treatment Facility						
33 Labor & Benefits	9,525	11,478	71,834	161,900	44%	78,233
34 Direct Expenses	24,715	19,054	150,011	382,865	39%	224,838
35 Total Treatment Facility	34,240	30,533	221,845	544,765	41%	303,071
36 Customer Accounts						
37 Labor & Benefits	10,394	12,205	73,839	132,800	56%	63,667
38 Direct Expenses	1,559	7,545	17,161	33,400	51%	12,195
39 Total Customer Accounts	11,953	19,750	91,000	166,200	55%	75,862
40 General Administration						
41 Outside Services	17,491	14,790	149,936	290,200	52%	122,597
42 Direct Expenses	9,818	15,546	92,847	190,300	49%	87,305
43 Fire Department Reimbursements	-	-	-	-	0%	(27,480)
44 Total General Admin.	27,309	30,336	242,783	480,500	51%	182,422
45 Employee Salaries						
46 Direct Labor	83,131	81,895	559,356	1,053,100	53%	450,177
47 Less Transfer to Operations	62,715	61,602	414,720	785,400	53%	302,359
48 Total General & Admin. Salaries	20,415	20,292	144,636	267,700	54%	147,818

Twentynine Palms Water Department
Detail Statement of Revenues and Expenses
For the Period Ending December 31, 2016
(Unaudited)

	Dec-16	Nov-16	YTD	Budget	YTD 50%	Prior YTD
49 Employee Benefits						
49 Health Benefits	5,757	4,998	31,334	72,700	43%	43,308
50 Payroll Taxes	24,337	8,206	79,226	156,200	51%	137,057
51 Retirement Expenses	12,836	15,705	85,556	157,500	54%	72,258
52 Total Employee Benefits	42,929	28,909	196,115	386,400	51%	252,624
53 Board of Directors						
54 Directors' Fees	1,000	800	6,200	7,400	84%	2,500
55 Direct Expenses	24	16	5,037	7,200	70%	2,514
56 Total Board of Directors	1,024	816	11,237	14,600	77%	5,014
57 Total Operating Expenditures	242,536	229,453	1,549,315	3,235,304	48%	1,496,053
58 Non-Operating Expenditures						
59 Debt Service, Principle	-	-	-	-	0%	-
60 Debt Service, Interest	-	-	-	-	0%	-
61 Total Debt Service	-	-	-	-	0%	-
62 Depreciation Expense	-	-	-	-	0%	709,700
63 Unfunded PERS	6,740	6,740	40,434	80,738	50%	33,890
64 Unfunded OPEB Liability	8,048	8,048	48,285	96,571	50%	47,274
65 Total Non-Operating Expenditures	14,788	14,788	88,720	177,309	50%	790,864
66 Total Expenditures	257,323	244,240	1,638,035	3,412,613	48%	2,286,917
Net Revenues Available to Fund Capital						
67 Related Expenditures	80,324	88,997	720,419	1,050,687	69%	(101,142)

No assurance is provided on these financial statements.

The financial statements do not include a statement of cash flows.

Substantially all disclosures required by accounting principles generally accepted in the United States are not included.

**Twentynine Palms Water Department
Special Revenue Fund
For the Period Ending December 31, 2016
(Unaudited)**

	<u>Dec-16</u>	<u>Nov-16</u>	<u>YTD</u>	<u>Budget</u>	<u>YTD 50%</u>	<u>Prior YTD</u>
1 Tower Revenues	\$ 9,019	\$ 8,736	\$ 57,188	\$ 117,400	49%	\$ 63,776
2 Less Transfers Out to Fire	\$ -	\$ -	\$ -	\$ -	N/A	\$ (31,888)
3 Less Transfers Out To Water	\$ (5,686)	\$ (5,403)	\$ (37,188)	\$ (77,400)	48%	\$ (31,888)
4 Transfer to PARS Trust	\$ (3,333)	\$ (3,333)	\$ (20,000)	\$ (40,000)	50%	\$ -
Ending Balance To Retain In LAIF	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>

Twentynine Palms Water Department
Carryover CIP/Current CIP and R&M/Capital Outlay
For the Period Ending December 31, 2016
(Unaudited)

Carryover Capital Approved in Previous Years	<u>Budget FY 16/17</u>	<u>Current Year Expenditures</u>	<u>Remaining Budget / (Over Budget)</u>
District Projects			
1 USGS Study	150,000	\$ 3,250	146,750
2 Hazard Mitigation Plan	30,000	-	30,000
3 Treatment Plant Pond 3	-	33,770	(33,770)
4 Salt Nutrient Monitoring Wells	100,000	6,841	93,159
5 Total Carryover Capital Approved in Previous Years	280,000	43,861	236,139
Repairs, Rehabilitation, & Maintenance			
6 Plant 6 Electrical and Well Upgrade	250,000	9,931	240,069
8 Emergency Repairs, Unspecified	50,000	24,418	25,582
9 Repiping/Distribution System Upgrades	50,000	16,237	33,763
10 Reservoir Recoating and/or Cathodic Protection	175,000	2,115	172,885
11 Administrative Office Roof Repair	30,000	-	30,000
12 Administrative Office Asphalt Seal Coat	20,000	1,599	18,401
13 Fluoride Plant Instrumentation\Coating	30,000	16,277	13,723
14 Total Repairs & Maintenance	605,000	70,577	534,423
Capital Outlay			
15 Vehicle Replacements	50,000	51,020	(1,020)
17 Computer/Technology Replacements	40,000	14,973	25,027
18 GIS	50,000	15,470	34,530
19 Fencing Upgrade	15,000	-	15,000
20 One-Time Existing Conditions Sampling Event	25,000	-	25,000
21 Total Capital Outlay	180,000	81,463	98,537
22 TOTAL	\$ 1,065,000	\$ 195,901	\$ 869,099

7.3

**NO
MATERIAL
PROVIDED**