

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

JUNE 28, 2017 / 6:00 P.M.

AGENDA

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

Next Resolution #17-12
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. Public Hearing on Proposed Continuation of Water Availability Assessment
 - 1.1 Board to Hear Public Testimony at This Time
2. Consider Resolution 17-09 Continuing the Current Existing Level of Water Availability Assessments for Fiscal Year 2017-2018
3. Consider Approval of Resolution 17-10 Adopting the Proposed Budget and Compensation Plan of the Twentynine Palms Water District for Fiscal Year 2017-2018
4. Consider Resolution 17-11 Adopting a Debt Management Policy
5. Review Bid Results and Approve Selection of Contractor for Vista Del Sol Asphalt Repair
6. Discussion of Draft Employee Recognition Policy
7. Utility Cost Management Report Related to District's Electric Accounts
8. Approving Amendment to General Manager Employment Agreement
9. 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,

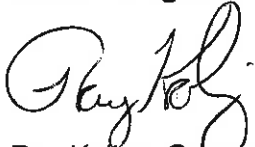
staff or the public requests specific items be removed for separate discussion and action before the Board votes on the motion to adopt.

- Minutes of the Regular Meeting held on May 24, 2017
- Audit List

10. Items Removed from the Consent Calendar for Discussion or Separate Action
11. Management Reports
 - 11.1 Operations
 - 11.2 Finance
 - 11.3 General Manager
12. Future Agenda Items and Staff Tasks/Directors' Comments and Reports
13. 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., June 23, 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.

**NO
MATERIAL
PROVIDED**

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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: JUNE 28, 2017

FROM: RAY KOLISZ, GENERAL MANAGER

SUBJECT: CONSIDER RESOLUTION 17-09 CONTINUING THE CURRENT EXISTING LEVEL OF WATER AVAILABILITY ASSESSMENTS FOR FISCAL YEAR 2017/2018

BACKGROUND

The Twentynine Palms Water District is authorized by California Water Codes 31031.7 and 31032 to annually fix water availability assessments on parcels of real property within the District to which water is made available for any purpose by the District.

The District currently has a Water Availability Assessment in place that is levied on all parcels within the District, with the exception of properties that were designated as "fire only" properties within certain annexation areas and properties owned by the California Bureau of Land Management. The assessments are collected through San Bernardino County property tax bills and the funds are used to pay for capital improvement projects, operational expenses, and maintenance costs associated with the District's water system and facilities.

Current assessment fees are charged as follows:

- \$30.00 for each parcel that is less than one acre,
- \$30.00 for the first acre, plus \$8.00 per acre for each acre over one acre up to five acres in a parcel, and
- \$7.50 per acre for the sixth and all further acres within a parcel, subject to a maximum per parcel charge of \$1,200.00.

On March 22, 2017 the Board adopted Resolution 17-05, Intention to Continue Currently Existing Water Availability Assessments of the Twentynine Palms Water District in the upcoming Fiscal Year 2017/2018.

RECOMMENDATION

Approve and Adopt Resolution 17-09 Continuing the Current Existing Level of Water Availability Assessments for Fiscal Year 2017/2018.

RESOLUTION NO. 17-09

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TWENTYNINE PALMS WATER DISTRICT
CONTINUING THE CURRENT EXISTING LEVEL OF
WATER AVAILABILITY ASSESSMENTS
FOR FISCAL YEAR 2017-2018**

WHEREAS, pursuant to Section 31032.1 and 31031.7 of the California Water Code, the Board of Directors of the Twentynine Palms Water District (hereinafter "District") is authorized and empowered to fix, levy and collect water availability assessments not to exceed Thirty Dollars (\$30.00) per acre per year for land on which the assessment is levied, or Thirty Dollars (\$30.00) per year for a parcel of less than one (1) acre within the District to which water is made available for any purpose by the District, whether the water is actually used or not, and that such assessments may vary between parcels;

WHEREAS, pursuant to Section 31032.2 of the California Water Code, it is hereby found that the District's Secretary caused notice of the filing of the required report on proposed water availability assessments, and of the time and place of the public hearing thereon to be timely published and notice to be timely mailed to the applicable property owners of record;

WHEREAS, it is further found that the District's Secretary caused a copy of the report to be timely made available for inspection during normal business hours at the office of the District located at 72401 Hatch Road, Twentynine Palms, California;

WHEREAS, pursuant to Section 31032.3 of the California Water Code, a public hearing on the proposed assessments was held on June 28, 2017, to hear and consider all objections or protests to said proposed assessments; and,

WHEREAS, the proposed water availability assessments are found not to exceed the annual District costs, in any case whatsoever, of providing District water availability to the lands proposed to be assessed.

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

Section 1. Continuation of Existing Water Availability Assessments. Water availability assessments are hereby fixed, established and continued for District Fiscal Year 2017-18 on all parcels lying within the District, which are described in the above referenced written report, on the following basis:

1. Thirty Dollars (\$30.00) for each parcel that is one (1) acre or less.
2. Thirty Dollars (\$30.00) for the first acre, plus Eight Dollars (\$8.00) for each acre over one (1) acre up to five (5) acres for each parcel.

3. Thirty Dollars (\$30.00) for the first acre, plus Eight Dollars (\$8.00) per acre over one (1) acre up to five (5) acres, plus Seven Dollars and Fifty Cents (\$7.50) per acre for the sixth and all further acres within a parcel, subject to a maximum parcel charge of Twelve Hundred Dollars (\$1,200.00).

Section 2. Collection of Water Availability Assessments. Pursuant to Section 31032.1 of the California Water Code, the District does hereby elect to fix and levy water availability assessments to be collected on the county tax roll in the same manner as general taxes.

Section 3. Authorization. The General Manager, Engineer and Attorney for the District are hereby authorized and directed to take any necessary and appropriate actions to provide for the establishment of the water availability assessments in accordance with this Resolution including, but not limited to, filing with the county the applicable reports and statements in order to collect said amounts on the tax rolls.

Section 4. CEQA Exemption. Water availability assessment monies raised pursuant to the Resolution are exempt from environmental analysis pursuant to Public Resources Code, Section 21080(b)(8).

Section 5. Overruling Objections and Protests, and Effective Date. All objections and protests received at the public hearing are hereby found not to warrant reductions or other changes in the proposed water availability assessments. This resolution is effective immediately.

Section 6. Proposition 218 Compliance. It is found and determined that the assessments here described have been determined without any change in assessment rates or methodology from assessments existing immediately prior to voter adoption of Proposition 218, and that all assessment monies are imposed exclusively to finance the capital costs or maintenance and operation expenses of the District's water system.

PASSED, APPROVED AND ADOPTED this 28th day of June 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: JUNE 28, 2017

FROM: RAY KOLISZ, GENERAL MANAGER

SUBJECT: CONSIDER RESOLUTION 17-10 ADOPTING THE PROPOSED BUDGET AND COMPENSATION PLAN OF THE TWENTYNINE PALMS WATER DISTRICT FOR FISCAL YEAR 2017/2018.

BACKGROUND

At the May 24, 2017 Board of Directors Meeting a draft proposed budget was presented to the Board for review and discussion. Cindy Byerrum provided a report and outlined areas of the draft budget to the Board including the Capital Improvement Plan (CIP).

After discussion and with no changes requested from the Board at that meeting, staff has finalized the proposed budget for your approval.

RECOMMENDATION

Approve and adopt Resolution 17-10 Adopting the Proposed Budget and Compensation Plan of the Twentynine Palms Water District for Fiscal Year 2017/2018.

RESOLUTION 17-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TWENTYNINE PALMS WATER DISTRICT APPROVING AND ADOPTING THE PROPOSED BUDGET AND COMPENSATION PLAN OF THE TWENTYNINE PALMS WATER DISTRICT FOR FISCAL 2017-2018

WHEREAS, the General Manager and the Financial Advisor, Cindy Byerrum, have submitted a proposed budget and compensation plan for Fiscal Year 2017-2018, a copy of which is attached as Exhibit "A" hereto and copies of which are in the possession of the General Manager and the Financial Advisor;

WHEREAS, the said proposed budget contains estimates of the services, activities and projects comprising the budget and contains expenditure requirements and the resources available to the District; and,

WHEREAS, the proposed budget, as herein approved, will enable the Board of Directors to make adequate financial plans and will ensure that the District's management staff can administer their respective functions in accordance with such plans.

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

That the appropriation-expenditure budgeting system is hereby adopted. The system consists of:

1. An appropriation-expenditure system which shows budgetary categories by department.
2. This system applies to operations and maintenance, replacement and rehabilitation and capital improvement expenditures as intended for use in Fiscal Year 2017-2018.
3. The General Manager is authorized to transfer operations and maintenance funds between activities and/or departments when he/she deems necessary to do so; however, he/she is not authorized to transfer funds between replacement and rehabilitation nor capital improvement projects or activities.
4. The budget system assumes existing service levels; Board of Directors approval will be required for any significant changes involving increased or decreased service levels.

5. The Financial Advisor shall be responsible for constant monitoring of the budget and shall establish and implement appropriate control mechanisms necessary for said purpose, after approval of the General Manager.
6. In the event that the General Manager or the Financial Advisor determines that revenues will be less than the amounts provided in the budget, the Board of Directors shall be provided with that information and revised revenue estimates at the next scheduled meeting of the Board so that the approved budget appropriations may be revised.
7. A monthly status report will be provided to the Board of Directors reflecting budget, year-to-date expenditures, and percentage of budget used to date by the District.

BE IT RESOLVED FURTHER, that the budget and compensation plan of the Twentynine Palms Water District for Fiscal Year 2017-2018 as set forth in Exhibit "A" hereof is hereby approved and adopted and the amounts of proposed expenditures as specified are appropriated for the programs and departments as specified.

PASSED, APPROVED AND ADOPTED this 28th day of June 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

Water Department's Budget Schedules and Line Items: Proposed Budget

SCHEDULE A: SUMMARY BUDGET

This schedule summarizes the operating and non-operating revenues, operating and non-operating expenses, capital related expenditures, debt financing or payments, and transfers in and out of the Water Department. Line 3 is the total of Operating and Non-Operating Revenues. Line 4&5 are the Operating and Non-Operating Expenses. Line 6 is the difference between the revenues and expenses; essentially the net revenues remaining to fund the District's Capital Improvement Program.

Lines 7-10 detail the District's Capital Improvement Program (CIP) expenses. Line 11 adds in the transfer of the cell tower revenues from the Special Revenue Fund. This amount represents the total cell tower revenue expected to be received, less the \$40,000 per year transfer to the pension trust fund (for the next 3 fiscal years) to contribute towards the funding of the CalPERS unfunded accrued actuarial liability for the past Fire Department employees.

Line 14 depicts the increase or decrease in fund balance planned for the year. The amount will fluctuate each year, with some years positive and some negative, primarily as the District's CIP fluctuates.

Line 16 depicts the projected ending Cash & Investments balance for FY 17/18.

SCHEDULE B: LINE ITEM BUDGET

This Schedule is the detailed budget for the District, and will be used in FY 17/18 to report monthly operating results to the Board.

The first column (A) is the Adopted Budget for Fiscal Year 16/17. The second column (B) is the Projected Balances for the Fiscal Year Ending 16/17. These amounts are estimates of how we will end the year; actual results will vary. The third column (C) is the Proposed Budget for FY 17/18. The fourth (D) and fifth (E) columns are the \$ and % changes from the Projected 16/17 results to the Proposed FY 17/18.

REVENUES

Line 2: Water Sales

- This category consists of all water sales including residential, commercial, construction water, and the Aqua Loader sales. FY 16/17 revenues are projected to be lower than budgeted due to a delay in the implementation of the rate increase to consumption after January 1st as opposed to billing after January 1st. Therefore, two months of the rate increase did not materialize. Overall, though, rate revenue is projected to increase 9% in FY 17/18, due to a 6% rate increase adopted for consumption after January 1, 2017, and an additional 6% projected for consumption after January 1, 2018. The budget assumes the same water consumption as FY 16/17.

Line 3: RTS Revenues:

- The Readiness-To-Serve (RTS) revenues are the flat charges to customers each month and are based on water meter size. Overall RTS charges are budgeted to be \$1.15 million. This budget contemplates billing only active meters. Billing inactive meters is common in other agencies, and is a Board policy decision that can be contemplated in the future. Additionally, many water agencies bill the landlord for the RTS charge when a renter moves out. The argument for this is that the fixed costs of the District remain the same where the property is rented or not. This is another area of revenue that the Board could consider in the future.

Line 4: Other Operating Revenues:

- This includes fees such as Late Penalties, Meter Installation Fees, New Account fees, Application Fees and Reconnection related fees. These revenues were budgeted overall to be consistent with the prior year and a 2% increase in volume. The District will be evaluating its fees structures in FY 17/18, however, it is not known at this time if fee increases will be proposed.

Line 7: Capital Impact Fees:

- Capital Impact Fees are fees imposed on developers or homeowners for new development. FY 17/18 is conservatively budgeted since the receipt of the fees are not guaranteed.

Line 8: Water Availability Assessment Fees.

- These fees are the annual property tax fees assessed on home owners for making water available to property owners. Budgeted the same as prior year since no increase is proposed. As a point of reference, these fees have not increased for over the past 20 years.

Line 9: Interest Revenues

- Interest is primarily earned on the District's Checking account, investments in the State of California's Local Agency Investment Fund (LAIF) and CalTRUST. Interest revenues are projected to increase based on rising interest rates and higher rate of return earned in the Checking account.

Line 10: Other Penalties

- Other Penalties includes property tax penalty collections by the County of San Bernardino. These revenues are hard to predict and can vary greatly from year to year. FY 17/18 is projected to be the same as FY 16/17 projections to be conservative.

Line 11: Reimbursed Expenses

- The District bills customers or persons for reimbursements for various things like damaging a fire hydrant to damaging a meter. These revenues are hard to predict and are conservatively budgeted since timing and frequency of incidents are unknown. Generally, these revenues are minimum of \$5,000 per year.

Line 12: Other Non-Operating Expense

- Includes money received for insurance reimbursements from ACWA JPIA, grants, scrap sales of inventory, proceeds from the sale of assets, and non-sufficient fund charges. These revenues are hard to predict and are conservatively budgeted at 16/17 levels since receipt of funds is uncertain.

EXPENDITURES

Line 16-19: Total Source of Supply: Includes costs associated with pumping the water from the aquifers into the water system.

- This category includes labor and benefits costs, and other direct expenses such as electricity (budgeted for a 4.4% increase per Edison), field supplies, radio equipment, permits and fees, and outside services.

Line 20-23: Pumping: Includes costs associated with pumping water through the system to the various reservoirs and then to the customer.

- This category includes labor and benefits costs, and other direct expenses such as electricity (budgeted for a 4.4% increase per Edison), field supplies, and outside services which are budgeted for 2% increases.

Line 24-26: Transmission and Distribution: Includes costs to maintain the assets in the District's transmission and distribution system as well as general operations costs.

- This category includes labor and benefits costs, and other direct expenses such as minor replacements to the distribution system (pipeline, meters, valves, meters, etc...), vehicle costs, uniforms and licensing costs, engineering fees, small tools, and other expenses to operate the distribution system. The main increases in this category were a \$26,000 increase in Field Supplies, \$10,000 increase in Safety Equipment that was not purchased as planned in FY 16/17, an increase in Engineering Fees for various projects, and an increase in Outside Services to update injury and illness plan. Most other expenses are budgeted for 2-3% increases.

Line 28-31: Treatment Wells: Includes costs to treat water at the well sites.

- The primary costs in this category are chemicals and lab testing, which are budgeted for 3% and 2% increases respectively.

Line 32-35: Treatment Facilities: Includes costs to treat water at the fluoride removal plant and the arsenic treatment.

- The primary costs in this category are chemicals and supplies to treat water, costs to operate the treatment plant, permits and fees, and repairs and maintenance. The increased costs are due to more production from this facility to compensate for the Well 11B closure, which increases chemical costs, electricity, and other modest costs increases for inflation.

Line 36-39: Customer Accounts: Includes costs to read customer meters, labor and benefits, postage and supplies to maintain customer accounts, and uncollectible accounts expense.

- Postage is the highest expense in this category due to the costs associated with mailing bills and notices to District customers. Uncollectible accounts is the second highest expense in this category. The District is exploring the most cost effective options to get uncollectible accounts to a minimum.

Line 40-44: Total General Administration: This category includes costs to operate the water system that cannot be attributed to the other functions already identified above.

- Labor costs are mainly District office staff and 50% of the General Manager's salary and benefits. See Schedule C for the Personnel Budget details.
- The main Outside Services in this category are accounting fees, audit fees, legal fees, other professional fees, and banking fees. The increase in FY 17/18 is due to a change in accounting procedures to record the bank charges before the interest revenue, instead of netting with the interest revenue.
- Direct Expenses included are costs to operate the District headquarters, property and liability insurance, office supplies, postage, and LAFCO annual fees. The main reasons for the increase are:
 - \$105,000 is budgeted for the District's conservation and SMART program.
 - \$10,000 for landscaping
- Also included in Direct Expenses is a grant writer for \$25,000. External grant writers are crucial to securing funding for some of the District's capital projects, which will ease pressure on the budget.
- Most of the other expenses are budgeted to remain the same as the prior year, or have modest increases for inflation.

Line 45-53: Total Employee Salaries & Benefits: Includes all salaries, benefits, and taxes for employees. Please note that the transfers out to the different operations categories is merely an estimate and may actually be more or less in each department than projected based on operational activity during the year. See Schedule C for the detail and assumptions for salaries and benefits.

Line 54-57: Total Board of Directors: Includes costs related to the Board of Directors meetings, training, and travel. There is no increase in Board stipends contemplated in this Budget.

Line 60-62: Total Debt Service: The category accounts for all principal and interest payments for District debt. The District is proud to say that it has no debt and does not plan to issue debt in the foreseeable future.

Line 63: Unfunded PERS: This is the amount the District is required to send CalPERS each year to work towards paying down the District's Unfunded Accrued Actuarial Liability (UAAL). As of June 30, 2015 (the last valuation date provided by CalPERS), the District's plan was 80% funded.

Line 64: Unfunded OPEB Liability: This is the amount to transfer to the CERBT (California Employment Retirement Benefit Trust) irrevocable trust to pay for the Unfunded Actuarial Liability (UAL) for retiree health benefits.

Line 68-71: Capital Related: See Schedule D for explanations.

Line 72: Transfer in from Special Revenue Fund: Cell Tower Revenues are accounted for in a Special Revenue Fund. The funds are transferred to the Water Fund, less the \$40,000 per year transfer to the pension trust fund (for the next 3 fiscal years) that contributes towards the funding of the CalPERS unfunded accrued actuarial liability for the past Fire Department employees.

Line 75: Increase (Decrease) in Fund Balance: This is the amount the District projects to increase or decrease fund balance during the fiscal year. Some years will be positive and some years will be negative, mainly based

on Capital Improvement Projects spending for the year. The decrease in Fund Balance is primarily caused by the District's Capital Plan.

SCHEDULE C: PERSONNEL COSTS

This schedule lists the detail of salaries and wages, paid leave, employee benefits, payroll taxes and worker's compensation.

Major assumptions include:

- Line 1: Salaries and Wages are increasing due to:
 - The addition of one new operations staff member and one new customer service staff member.
 - Merit increases averaging 3%
 - A Cost of Living Adjustment (COLA) of 1.7%
 - Vacation and Sick time used is now accounted for in this line.
- Line 2: Vacation and Sick Leave is budgeted to be the same as FY 16/17.
- Line 5: CalPERS rates are 11.995% of base salary for Classic members, and 6.237% for Public Employee Pension Reform Act (PEPRA) employees, which are generally employees hired after January 1, 2013. District employees contribute their full 8% Employee Contribution.
- Line 7: Health Care costs expenses are estimated to increase 10% per preliminary estimates from ACWA. Costs will also increase as the District adds staffing.
- Line 8&9: Dental and Group Life are estimated to increase by 2% or less. Costs will also increase as the District adds staffing.

SCHEDULE D: CAPITAL/REPAIRS & MAINTENANCE

The schedule represents four categories of capital related spending (capital and repairs & maintenance):

- Line 1-8 are overall general District Projects that do not involve capital construction or repairs and replacement.
- Line 9-16: Capital Improvement Plan is the plan for new capital improvements. These assets may be constructed or procured by the District.
- Line 17-30: Repairs & Maintenance are expenses to maintain and repair the District's assets, and costs to replace existing assets.
- Line 31-42: Capital Outlay are costs to purchase fixed assets for the Water Department (such as vehicles, furniture, radios, etc...) that are over the District's minimum capitalization policy of \$5,000.

SCHEDULE E: SPECIAL REVENUE FUND

This schedule is the Special Revenue Fund, which will be used to account for telecommunication lease revenues. The District has entered into an agreement to transfer \$40,000 per year, beginning on 7/1/16 and ending on 7/1/20, to the Pars Pension Retirement Irrevocable Trust, which will be used to the fund the CalPERS Unfunded Accrued Actuarial Liabilities for the past Fire employees' retirement.

**Twentynine Palms Water Department
Proposed Summary Water Budget
Fiscal Year 2017-18**

Schedule A

	A	B	C	D	E
	Adopted Budget 16/17	Projected 16/17	Proposed Budget 17/18	\$ Change	% Change
1 Operating Revenues	\$ 3,799,900	\$ 3,662,560	\$ 3,880,260	\$ 217,700	6%
2 Non-Operating Revenues	663,400	724,650	654,200	(70,450)	-11%
Total Revenue Available to					
3 Fund Operations & Capital/R&R	4,463,300	4,387,210	4,534,460	147,250	3%
4 Operating Expenses	3,235,304	3,305,570	3,709,380	403,810	11%
5 Non-Operating Expenses	177,309	177,500	199,400	21,900	11%
Net Revenues Available to Fund Capital					
6 Related Expenditures	1,050,687	904,140	625,680	(278,460)	-45%
7 District Projects	(280,000)	-	(425,000)	(425,000)	100%
8 CIP Projects	-	(268,000)	(2,350,000)	(2,082,000)	89%
9 Repairs & Replacement	(605,000)	(268,000)	(185,000)	83,000	-45%
10 Capital Outlay	(180,000)	(162,900)	(300,000)	(137,100)	46%
11 Transfers in from Special Revenue Fund (SRF)	77,400	-	80,700	80,700	100%
12 Transfers in from SRF for Election	-	-	-	-	0%
13 Debt Financing	-	-	-	-	0%
14 Increase (Decrease) in Fund Balance	\$ 63,087	\$ 205,240	\$ (2,553,620)	\$ (2,758,860)	108%
15 Projected Cash & Investments Beginning Balance			\$ 6,500,000		
16 Projected Cash & Investments Ending Balance			<u>\$ 3,946,380</u>		

**Twentynine Palms Water District
Proposed Budget FY 17/18**

Schedule B

	A	B	C	D	E
	Adopted	Projected	Proposed		%
	Budget 16/17	16/17	Budget 17/18	\$ Change	Change
1 Operating Revenues					
2 Water Sales	\$ 2,529,800	\$ 2,434,400	\$ 2,580,500	\$ 146,100	6%
3 RTS	1,161,200	1,116,400	1,185,800	69,400	6%
4 Other Operating Revenue	108,900	111,760	113,960	2,200	2%
5 Total Operating Revenues	3,799,900	3,662,560	3,880,260	217,700	6%
6 Non-Operating Revenues					
7 Capital Impact Fees	4,000	7,150	-	(7,150)	-100%
8 Water Availability Assessment	591,100	591,100	591,100	-	0%
9 Interest Revenue	37,500	30,100	30,700	600	2%
10 Other Penalties	22,600	23,700	23,700	-	0%
11 Reimbursed Expenses	4,600	15,900	5,000	(10,900)	-69%
12 Other Non-Operating Revenue	3,600	56,700	3,700	(53,000)	-93%
13 Total Non-Operating Revenues	663,400	724,650	654,200	(70,450)	-10%
14 Total Revenues	4,463,300	4,387,210	4,534,460	147,250	3%
15 Operating Expenditures					
16 Source of Supply					
17 Labor & Benefits	7,800	8,200	9,700	1,500	18%
18 Direct Expenses	292,670	318,400	323,300	4,900	2%
19 Total Source of Supply	300,470	326,600	333,000	6,400	2%
20 Pumping					
21 Labor & Benefits	100	1,900	2,000	100	5%
22 Direct Expenses	109,100	135,300	139,100	3,800	3%
23 Total Pumping	109,200	137,200	141,100	3,900	3%
24 Transmission & Distribution					
25 Labor & Benefits	600,320	614,000	835,700	221,700	36%
26 Direct Expenses	294,800	253,000	294,900	41,900	17%
27 Total Transmission & Distribution	895,120	867,000	1,130,600	263,600	30%
28 Treatment Wells					
29 Labor & Benefits	41,000	38,800	50,700	11,900	31%
30 Direct Expenses	29,349	20,300	25,800	5,500	27%
31 Total Treatment Wells	70,349	59,100	76,500	17,400	29%
32 Treatment Facility					
33 Labor & Benefits	161,900	143,700	186,000	42,300	29%
34 Direct Expenses	382,865	329,800	401,400	71,600	22%
35 Total Treatment Facility	544,765	473,500	587,400	113,900	24%

**Twentynine Palms Water District
Proposed Budget FY 17/18**

Schedule B

	A	B	C	D	E
	Adopted	Projected	Proposed	\$ Change	%
	Budget 16/17	16/17	Budget 17/18		Change
36 Customer Accounts					
37 Labor & Benefits	132,800	147,700	241,500	93,800	64%
38 Direct Expenses	33,400	55,600	51,700	(3,900)	-7%
39 Total Customer Accounts	166,200	203,300	293,200	89,900	44%
40 General Administration					
41 Outside Services	290,200	277,200	299,400	22,200	8%
42 Direct Expenses	190,300	232,370	319,780	87,410	38%
43 Fire Department Reimbursements	-	-	-	-	0%
44 Total General Admin.	480,500	509,570	619,180	109,610	22%
45 Employee Salaries					
46 Direct Labor	1,053,100	1,111,800	1,169,500	57,700	5%
47 Less Transfer to Operations	785,400	827,700	894,400	66,700	8%
48 Total General & Admin. Salaries	267,700	284,100	275,100	(9,000)	-3%
49 Employee Benefits					
50 Health Benefits	72,700	78,900	149,900	71,000	90%
51 Payroll Taxes	156,200	169,500	34,300	(135,200)	-80%
52 Retirement Expenses (includes Retiree Medical)	157,500	175,600	47,600	(3,000)	(1)
53 Total Employee Benefits	386,400	424,000	231,800	(192,200)	-45%
54 Board of Directors					
55 Directors' Fees	7,400	12,400	12,600	200	2%
56 Direct Expenses	7,200	8,800	8,900	100	1%
57 Total Board of Directors	14,600	21,200	21,500	300	1%
58 Total Operating Expenditures	3,235,304	3,305,570	3,709,380	403,810	12%
59 Non-Operating Expenditures					
60 Debt Service, Principle	-	-	-	-	0%
61 Debt Service, Interest	-	-	-	-	0%
62 Total Debt Service	-	-	-	-	0%
63 Unfunded PERS	80,738	80,900	97,000	16,100	20%
64 Unfunded OPEB Liability Payment	96,571	96,600	102,400	5,800	6%
65 Total Non-Operating Expenditures	177,309	177,500	199,400	21,900	12%
66 Total Expenditures	3,412,613	3,483,070	3,908,780	425,710	12%
Net Revenues Available to Fund Capital					
67 Related Expenditures	1,050,687	904,140	625,680	(278,460)	-31%

**Twentynine Palms Water District
Proposed Budget FY 17/18**

Schedule B

	A	B	C	D	E
	Adopted	Projected	Proposed		%
	Budget 16/17	16/17	Budget 17/18	\$ Change	Change
68 District Projects	(280,000)	-	(425,000)	(425,000)	
69 Capital Improvement Projects	-	(268,000)	(2,350,000)	(2,082,000)	
70 Repair, Rehabilitation, & Maint.	(605,000)	(268,000)	(185,000)	83,000	
71 Capital Outlay	(180,000)	(162,900)	(300,000)	(137,100)	
72 Transfer From Special Revenue	77,400	-	80,700	80,700	
74 Debt Retirement	-	-	-	-	
75 Inc/(Dec) In Fund Balance	\$ 63,087	\$ 205,240	\$ (2,553,620)	\$ (2,758,860)	

**Twentynine Palms Water Department
Personnel Costs
Fiscal Year 2017-18**

Schedule C

	A	B	C
	Adopted Budget 16/17	Projected 16/17	Proposed Budget 17/18
Salary and Wages			
1	\$ 1,053,100	\$ 1,111,800	\$ 1,169,500
2	14,300	34,300	34,300
3	1,067,400	1,146,100	1,203,800
Benefits/Taxes			
5	115,800	132,300	125,000
6	85,000	82,100	94,400
7	260,700	236,000	338,200
8	21,600	20,400	24,600
9	4,000	4,200	5,200
10	56,900	53,100	50,000
11	544,000	528,100	637,400
12	\$ 1,611,400	\$ 1,674,200	\$ 1,841,200

Twentynine Palms Water District
Carryover CIP/Current CIP and R&M/Capital Outlay
Fiscal Year 2017-18

Schedule D

	A	B	C	D	E
	Adopted Budget 16/17	Projected 16/17	Proposed Budget 17/18	Projected 18/19	Projected 19/20
District Projects					
1 Urban Water Management & GW Management Plan	\$ -	\$ -	\$ -	\$ 75,000	\$ 75,000
2 USGS Study	150,000	5,000	150,000	-	-
3 Treatment Feasibility & Exploration Costs	-	-	100,000	-	-
4 Hazard Mitigation Plan	30,000	25,000	-	-	-
5 SGMA	-	-	75,000	40,000	40,000
6 Asset Management Plan	-	-	-	75,000	-
7 Salt Nutrient Monitoring Wells	100,000	20,000	100,000	100,000	100,000
8 Total District	280,000	50,000	425,000	290,000	215,000
Capital Improvement Plan					
9 Treatment Plan Pond 3	-	-	-	-	-
10 Treatment Plan Pond 3 - additional funding needed	-	-	-	-	-
11 Chromium VI Wells Rehabilitation	-	-	-	-	-
12 Chromium VI and Flouride for Well 11B	-	-	1,000,000	-	-
13 Fluoride Variance (Expiring) - TP-2, W12, W16	-	-	600,000	600,000	100,000
14 Well 11B	-	-	750,000	-	-
15 Capital Improvement Plan	-	-	2,350,000	600,000	100,000
Repairs, Rehabilitation, & Maintenance					
16 Plant 6 Electrical and Well Upgrade	250,000	110,000	-	-	-
17 Emergency Repairs, Unspecified	50,000	40,000	50,000	50,000	50,000
18 Repiping/Distribution System Upgrades	50,000	25,000	50,000	50,000	50,000
19 Reservoir Recoating and/or Cathodic Protection	175,000	47,000	-	200,000	150,000
20 Reservoir or Pipeline Replacement	-	-	-	75,000	-
21 Fuel Tank Upgrade	-	-	-	-	-
22 Administrative Office Roof Repair	30,000	10,000	-	-	-
23 Meter Replacement Program	-	-	75,000	75,000	75,000
24 Booster Station Upgrade	-	-	-	100,000	-
25 Treatment Plant Asphalt Seal Coat	20,000	16,000	-	25,000	-
26 Well Rehabilitation	-	-	-	45,000	75,000
27 Fluoride Plant Instrumentation\Coating	30,000	20,000	10,000	10,000	10,000
28 Total Repairs & Maintenance	605,000	268,000	185,000	630,000	410,000
Capital Outlay					
29 Vehicle/Equipment Replacements	50,000	52,000	100,000	60,000	45,000
30 Emergency Generator	-	-	-	-	-
31 Additional Emergency Generators	-	-	-	-	-
32 Computer/Technology Replacements	-	-	-	-	-
33 Computer/Technology Replacements	40,000	30,000	30,000	10,000	10,000
34 GIS	50,000	25,000	30,000	30,000	30,000
35 Lobby Remodel	-	-	100,000	-	-
36 Fencing Upgrade	15,000	-	15,000	-	-
37 One-Time Existing Conditions Sampling Event	25,000	-	25,000	-	-
38 Telephone Purchase	-	-	-	-	-
39 Total Capital Outlay	180,000	107,000	300,000	100,000	85,000
TOTAL	\$ 1,065,000	\$ 425,000	\$ 3,260,000	\$ 1,620,000	\$ 810,000

Twentynine Palms Water Department
Special Revenue Fund
Fiscal Year 2017-18

Schedule E

	A		B		C
	16/17		16/17		17/18
1 Tower Revenues	\$ 114,000	\$	114,000	\$	117,400
2 Less Transfers Out to Fire	(57,000)		-		-
3 Less Transfers Out To Water	(57,000)		(74,000)		(77,400)
4 Less Transfers Out to PARS Trust	-		(40,000)		(40,000)
5 Ending Balance	<u>\$ -</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>

TWENTYNINE PALMS WATER DISTRICT

COMPENSATION PLAN

FISCAL YEAR 2017/2018

POSITIONS COVERED BY MOU

	Minimum	Maximum
Bookkeeper	21.18	25.26
Accounting Clerk	16.43	19.59
Mechanic	22.56	26.94
Leadworker	26.67	31.83
Service Worker III	22.55	26.94
Service Worker II	19.04	22.74
Service Worker I	16.12	19.23
Facilities Worker	17.55	20.98
Engineering Aide	17.55	20.98
Engineering Tech I	21.38	24.52
Customer Service Representative	16.12	19.23
Treatment Plant Operator I	21.21	25.48
Treatment Plant Operator II	23.72	28.45

MANAGEMENT/EXEMPT

Operations Manager	48.18	62.31
Operations Superintendent	35.18	42.04
Office Manager	27.71	32.26
District Secretary	26.87	32.10
General Manager	Set by Board of Directors	

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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:	JUNE 28, 2017
FROM:	RAY KOLISZ, GENERAL MANAGER
SUBJECT:	CONSIDERATION TO APPROVE RESOLUTION 17-11 ADOPTING A DEBT MANAGEMENT POLICY

BACKGROUND AND DISCUSSION

The District submitted a grant application to receive funding from the Drinking Water State Revolving Fund (DWSRF) for capital improvement projects of the District. The application is in the financial review portion of the approval process from the State. There is a new requirement that outlines agencies applying for grant funding have a Debt Management Policy in place that satisfies the guidelines of the State.

A Debt Management Policy ensures that debt is issued and managed prudently. This practice is advocated by the Government Finance Officers Association (GFOA). These guidelines along with other GFOA publications recommend that a formal debt management policy, guiding debt issuance, should be a part of public agency's debt administration. The GFOA endorsed the use of a debt management policy to improve the quality of decisions, articulate policy goals, provide guidelines for the structure of debt issuance, and demonstrate a commitment to long-term capital and financial planning.

The District's financial consultant Cindy Byerrum has provided the attached policy for your review and consideration.

RECOMMENDATION

Approve Resolution 17-11 Adopting a Debt Management Policy.

RESOLUTION 17-11

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TWENTYNINE PALMS WATER DISTRICT
ADOPTING A DEBT MANAGEMENT POLICY**

WHEREAS, Twentynine Palms Water District (the "District") maintains prudent financial practices to assure the ongoing financial health of the District; and

WHEREAS, the Board of Directors has determined that it would be proper in the management of its financial affairs to establish policies of the District with respect to debt management; and

WHEREAS, the Board of Directors has caused to be prepared such a policy with the assistance of staff which is attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors hereby adopts the Debt Management Policy, a copy of which is on file at the offices of the District and is available for inspection by the public.

PASSED, APPROVED AND ADOPTED at the regular meeting of the Board of Directors of the Twentynine Palms Water District held this 28th day of June 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

EXHIBIT “A”

TWENTYNINE PALMS WATER DISTRICT DEBT MANAGEMENT POLICY

Section 1. Purpose of the Policy

This policy sets forth comprehensive guidelines for the financing of capital expenditures. It is the objective of this policy that – 1) the District obtain financing when necessary, 2) the process for identifying the timing and amount of debt or other financing be as efficient as possible, 3) the most favorable interest rate and issuance costs be obtained, and 4) when appropriate, future financial flexibility be maintained.

Section 2. Policy

The issuance of long-term debt is a valuable funding resource for the District. Used appropriately and prudently, long-term debt can minimize the District's water system charges and rates over time.

To minimize dependency on debt financing for capital projects, annual renewal and replacement capital projects will be adequately funded from rates. Funding levels for capital investments will be sufficient to meet capital improvement projections needed as outlined in the current Asset Management Plans and/or Water System Master Plan. Long-term debt will be considered only for large capital improvement projects or greater than normal capital plans. The District will maintain water rates to at least meet, and potentially exceed, the minimum and target Debt Service Coverage (DSC) requirements as imposed by bond covenants. The District will not issue long-term debt to support operating costs.

- A. Use of Long-Term Debt as a Funding Mechanism – Use of long-term debt will be minimized and, unless otherwise directed by the District Board of Directors, will be utilized only for projects described in the District's approved capital improvement program. The District may consider the use of long-term debt financing when it appears that a capital project, or other expenditures as deemed appropriate by the Board, is of such a magnitude that it will negatively impact the District's rates in the short-term. The benefit of long-term debt financing is that it will spread the costs of the capital asset over a longer period of time and will, therefore, approximate the useful life of the asset, and over time, charge those customers that benefit from that asset more equitably.
- B. Types of Long-Term Debt – The District may utilize any type of debt available to it; provided, that, the District will strive to utilize the type of debt that has the lowest costs, while not imposing any burdensome covenants or reporting requirements.
- C. Legal Covenants – The District will manage its finances to meet all bond covenants associated with the long-term debt. Bond covenants are legal obligations of the District.
- D. Debt Service Coverage Covenants – Long-term debt issuances typically contain legal covenants regarding DSC. A DSC ratio is an important financial measure of the District's ability to repay the outstanding debt obligation, and is reviewed for

adequacy by banks and rating agencies. Generically, the DSC ratio is the District's net operating income divided by the total annual debt service payment. For financial planning purposes, the targeted annual DSC ratio will be greater than or equal to 1.85 on all outstanding debt that carries such a covenant.

- E. Reporting Standards – The District will fully adhere to all applicable Government Accounting Standards Board (GASB) requirements and recognized best practices for the accounting treatment and disclosure of debt obligation transactions in its audited financial statements and other relevant publications.
- F. Revenue-Bonded Debt Capacity – The issuances of debt are supported by the revenues of the District. The ability of the District to fund and support revenue bonded debt will financially establish a debt level and capacity for revenue-bonded debt.

Section 3. Conditions for Debt Issuance

When debt issuance is determined necessary, the District will assess the market conditions and timing for debt issuance to include issuing debt – 1) in times of favorable market conditions, 2) when Bond ratings would qualify District issuances to be investment grade, and 3) when revenues are sufficient to adequately cover expected debt service and issuance costs.

Bond credit enhancements will be considered when necessary for market acceptance and when costs are favorable to the District.

Section 4. Conditions for Debt Refinancing

Debt refinancing (refunding) is an important debt management tool for the District. There are three key concepts that must be taken into consideration when evaluating a debt for refunding:

1. Financial and Policy Objectives
2. Financial Savings/Results of Financing
3. Bond Structure and Escrow Efficiency

Financial and Policy Objectives – The District may undertake a refinancing for a number of financial and/or policy objectives, including to achieve debt service savings, eliminate restrictive debt/legal covenants, restructure the stream of debt service payments, or to achieve other policy objectives. Although in most circumstances the District may undertake a refunding to obtain economic savings, it may refund an issue to restructure its debt portfolio in order to obtain budgetary/cash flow relief or to address exposure to other costs/liabilities and to extend the maturity.

Financial Savings/Results of Financing - The financial framework regarding the evaluation of refunding opportunities is to be developed and evaluated by the District Treasurer, typically to include the efforts of outside financial advisors. It is important to note that federal tax law typically permits an issuer to conduct one advance refunding over the life of a bond issue. As such, the District must take greater care (i.e., require a higher savings threshold) when evaluating an advance refunding opportunity. In certain circumstances, lower savings thresholds may be justified. For example, when an advance refunding is being conducted primarily for policy reasons (other than

economic savings), interest rates are at historically low levels or the time remaining to maturity is limited, and as such, future opportunities to achieve greater savings are not likely to occur.

Bond Structure and Escrow Efficiency – The District’s debt management practices should anticipate the potential for future refundings. When debt is issued, careful attention should be paid to the bond structure to address features that may affect flexibility in the future. To that end, upon debt issuance the District shall consider: optional redemption provisions, bond coupon characteristics giving up call rights for certain maturities in exchange for a lower interest rate on the bonds, call provisions that permit the redemption of bonds in any order of maturity or on any date, call provisions that permit the issuer to call bonds at the earliest date without incurring a significant interest-rate penalty, and coupons on callable bonds priced as close to par as possible at the time of original issue.

Escrow Efficiency - The lower the cost of the escrow the more efficient the escrow. Also, in order to be efficient, escrow securities need to mature or pay interest when debt service payments of the refunded escrow are due.

Current vs. Advance Refunding - There are two types of refundings for tax-exempt debt financing, as defined by Federal Tax laws; a current refunding in which a refunding takes place (i.e., refunding bonds are sold) within 90 days of the optional call date, and an advance refunding in which refunding bonds are sold more than 90 days prior to the first call date. Federal tax law typically permits an issuer to conduct one advance refunding over the life of a bond issue.

Section 5. Interest Rate Swaps

The incurring or carrying of variable-rate debt obligations by the District involves a variety of interest rate payments and other risks that interest rate swaps are available to offset, hedge, or reduce. It is the policy of the District to utilize such interest rate swaps to better manage its debt portfolio. The District will consider executing an interest rate swap transaction if it expects the swap transaction will result in any of the following:

- A. Reduce exposure to changes in interest rates on a financial transaction;
- B. Result in a significantly lower net cost of borrowing with respect to the District’s debt consistent with an established target; or
- C. Manage variable interest rate exposure consistent with prudent debt practices and guidelines as approved by the Board.

Savings Target

Interest rate swaps will require a significant financial benefit or savings versus traditional fixed-rate debt. For an interest rate swap intended to produce the effect of a synthetic fixed rate transaction, the swap transaction must generate 5% or greater net present value savings compared to standard fixed-rate bonds which have the same optional redemption features.

Restrictions

The District will not enter into any swap transaction

- a) for speculative purposes.
- b) if the swap presents an extraordinary risk to the District's liquidity to terminate the agreement due to unforeseen events.
- c) if there is insufficient price transparency to allow for fair market valuation.

Provider Requirements

The transaction provider will have a credit rating of AA (or equivalent) or better from at least two nationally recognized credit rating agencies (at the time of agreement execution). The transaction provider will have a demonstrated record of successfully executing derivative transactions and have a minimum capitalization of \$2 billion.

Use of Independent Advisor

The District will use a professional advisor or designated swap representative ("Swap Advisor") to assist in the assessment, structuring, and pricing of proposed or existing interest rate swaps. The Swap Advisor will be a firm which:

- i. is a Municipal Advisor registered with the Securities and Exchange Commission;
- ii. has sufficient knowledge to evaluate the swap transaction and risks;
- iii. is not subject to a statutory disqualification;
- iv. is independent of the swap dealer or major swap participant;
- v. undertakes a duty to act in the best interests of the District;
- vi. provides appropriate and timely disclosures to the District; and
- vii. evaluates fair pricing and the appropriateness of the swap.

Section 6. Debt Management

The District's General Manager will oversee the bond issuance process with assistance from the District's Contract CPA and any financial advisors deemed necessary. The General Manager will insure debt proceeds are expended for allowable purposes only. The District's Contract CPA will review all debt proceeds expenditures and another form of internal control. The District's General Manager will ensure compliance with continuing disclosure and other post issuance requirements. The District's CPA will review all disclosures for compliance as well.

Section 7. Authority

The General Manager is responsible for adherence to this policy and regular reporting of the District's financial status. Board oversight will be accomplished through regular reporting of financial status and review of this Policy.

Section 8. Policy Review

This Policy will be reviewed at least biennially.

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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:	JUNE 28, 2017
FROM:	MIKE MINATREA, OPERATIONS SUPERINTENDENT
SUBJECT:	REVIEW BID PROPOSAL AND APPROVE SELECTION OF CONTRACTOR FOR VISTA DEL SOL ASPHALT REPAIR

BACKGROUND

Due to a water main leak in the Vista Del Sol Housing complex, there was extensive damage to the asphalt parking lot in the area of the leak that is in need of repair. A claim will be submitted to ACWA/JPIA for the damage and seek reimbursement for the cost of the repair. The District has obtained three quotes to perform the necessary repairs and are presented below for your review.

Van Dyke Corp.

Bid Total: \$ 59,600.00

International Paving Services, Inc

Bid Total: \$ 45,880.00

Medina Construction

Bid Total: \$ 45,441.00

RECOMMENDATIONS

Staff recommends awarding bid to Medina Construction in the amount \$ 45,441.00.

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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: JUNE 28, 2017
FROM: RAY KOLISZ, GENERAL MANAGER
SUBJECT: DISCUSSION OF DRAFT EMPLOYEE RECOGNITION POLICY

BACKGROUND AND DISCUSSION

Staff has prepared a draft "Employee Recognition Policy" for your review and discussion.

TWENTYNINE PALMS WATER DISTRICT
LENGTH OF SERVICE RECOGNITION POLICY

Purpose Of The Policy

The Twentynine Palms Water District (District) values its employees and desires to recognize them when length of service milestones are achieved. The District encourages all staff to acknowledge and celebrate the achievement of the milestones and successes obtained by their fellow employees. All regular employees are eligible for service awards after five years of continuous employment with the District.

Policy Statement

It is a practice of the District to recognize the service of its employees. Length-of-service acknowledgements are presented to individuals for milestone anniversaries in five year increments beginning with their fifth year (e.g., 5, 10, 15, etc.).

Employees who terminate employment prior to their anniversary date are not eligible for the service acknowledgement.

Employees eligible for a service acknowledgement and who are on a leave of absence receive the acknowledgement upon return to active employment.

Procedures

Length of service certificates are distributed to supervisors and will be presented at a staff meeting as close as possible to the anniversary date. The employee, and his/her family will be encouraged to attend a Board of Director's meeting where their accomplishment will also be recognized. At the discretion of the General Manager a District sponsored luncheon or dinner will be provided annually for staff to recognize the milestone achievements that have occurred during the calendar year.

RECOMMENDATION

Provide input to staff and have item come back to the Board for final approval and adoption.

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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:	JUNE 28, 2017
FROM:	RAY KOLISZ, GENERAL MANAGER
SUBJECT:	UTILITY COST MANAGEMENT REPORT RELATED TO DISTRICT'S ELECTRIC ACCOUNTS

BACKGROUND AND DISCUSSION

The District operates many water wells and booster pumps that require a high demand for electric due to the amount of horsepower required to extract and move water throughout the distribution system. Southern California Edison (SCE) offers different pumping rate structures that help minimize the overall electric costs. These rate structures are very complex that require regular oversight to determine that the costs being charged to the District are consistent with the structure that a particular account is associated with.

In January of 2017 the District entered into an agreement with Utility Cost Management, LLC (UCM) to perform a bill analysis on all District's electric accounts provided by SCE.

Through its bill analysis service, UCM expertly applies the regulations that determine the utility charges. By constantly monitoring developments in the regulatory environment, UCM ensures that the utility charges comply with the latest interpretations, rulings and amendments to the regulations. If UCM identifies a billing discrepancy, it will take steps to correct the error going forward, and recover a refund if applicable.

Since UCM offers the bill analysis service on a contingency fee basis, there were no out-of-pocket costs for the District. UCM's compensation is based on a percentage of the refund or savings that the District would be entitled to if errors on the utility bills were discovered. If no refund or savings are received, then the District is not billed from UCM.

After reviewing the electric accounts UCM has determined that no errors have occurred in the billings that would result in a refund and have no recommendations that will lower the electric costs utilizing the available rate structure programs that are available.

As stated in their report *"The District has done an excellent job of managing consumption on its accounts and taking full advantage of SCE rate programs that reward customers who shift consumption to off peak hours or curtail usage at SCE's request"*. Staff will continue to evaluate rate structures available that best fit pumping strategies which will result in the lowest possible cost to the District.



UTILITY COST MANAGEMENT LLC

www.utilitycostmanagement.com

RECEIVED

JUN - 5 2017

TWENTYNINE PALMS WATER DISTRICT

June 2, 2017

Ray Kolisz, General Manager
Twentynine Palms Water District
72401 Hatch Road
Twentynine Palms, CA 92277

Dear Mr. Kolisz:

Utility Cost Management LLC (UCM) has completed its review of the Twentynine Palms Water District ("Twentynine Palms") electricity accounts. At the present time, UCM cannot offer recommendations that will decrease the district's expenditures in the future, nor have we identified errors in past billings. In short, the charges appear to be appropriate under Southern California Edison (SCE) rates and the regulations of the California Public Utilities Commission (CPUC). The district has done an *excellent* job of managing consumption on its accounts and taking full advantage of SCE rate programs that reward customers who shift consumption to off peak hours or curtail usage at SCE's request.

To reach its conclusions about the Twentynine Palms bills, UCM relied upon a variety of sources that typically included copies of actual bills, at least one year of historical usage and billing data, and 15-minute interval data collected from "smart meters". UCM then analyzed this data in light of the rates and regulations governing SCE service and considered the value of switching to alternative rate programs. The multiple sources of information and our own extensive knowledge of SCE's rates and relevant regulations make us confident of our conclusions. Still, we realize that consumption on any account, particularly "pumping accounts", can vary dramatically from one year to the next. Consequently, it is important that you let us know if you anticipate significant changes in operations associated with any of the accounts we reviewed. Such changes can affect our recommendations and, in some cases, can open up new opportunities.

While UCM was not able to assist the district in reducing its utility expenditures, we thank you for the opportunity to review the Twentynine Palms bills.

Sincerely,

A handwritten signature in black ink, appearing to read "Dara Kerkorian", written over a horizontal line.

Dara Kerkorian

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AMENDMENT NO. 1

**GENERAL MANAGER EMPLOYMENT AGREEMENT BETWEEN
RAY KOLISZ AND THE TWENTYNINE PALMS WATER DISTRICT**

The EMPLOYMENT AGREEMENT BETWEEN THE TWENTYNINE PALMS WATER DISTRICT (“DISTRICT”) AND RAY KOLISZ (“GENERAL MANAGER”), DATED JULY 27, 2016, IS HEREBY AMENDED EFFECTIVE UPON APPROVAL BY BOTH PARTIES AS FOLLOWS:

- 1. SECTION 3.1. TERM:** Effective July 1, 2017, this section shall be amended to extend the termination date of the Agreement from June 30, 2019 to June 30, 2022.
- 2. SECTION 5.1 SALARY.:** Effective July 1, 2017, this section shall be changed to read as follows: The District shall pay General Manager an annual salary of \$159,900 per year, payable in installments and at the same time, and in the same manner, that other District employees are paid and reduced by any payroll taxes and other legally required deductions.
- 3.** Except as expressly amended herein, all other terms and conditions of the Agreement shall remain in full force and effect.

TWENTYNINE PALMS WATER
DISTRICT

By: _____
Kerron Moore, Board President

By: _____
Ray Kolisz, General Manager

Date: _____

Date: _____

9

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

MAY 24, 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 Coghiii, Caroli 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

Ed Vallerand, of Twentynine Palms, expressed concerns regarding the proposed base sewer plant and the potential of a negative impact on the water table.

Jeffrey Johnson, of Twentynine Palms, also expressed concerns over the lack of ground water recharge once a base sewer treatment plant is built. Mr. Johnson also suggested a drug drop off box to eliminate water contamination.

Local Hazard Mitigation Plan Open Comments

Mr. Kolisz informed the Board that a draft will be provided to the Board in the near future.

1. Presentation of First Draft for Fiscal Year 2017/2018 Budget

The Board was presented with a draft budget for review. Ms. Byerrum explained the budget reflects a continuation of the 6% increase. Revenues are projected to increase 4% with expenses going up 12%, with an increase in staffing and rising health care costs. Depending on the capital improvement projects, the projected fund balances will fluctuate between a positive and negative scale in the coming years. The District can expect a \$2 million draw down this coming fiscal year. The pursuance of grant funds may offset the expenses of some projects. The following expenditures and capital improvement projects were noted:

- Implementation of the SMART plan
- (2) Additional staff positions
- Treatment of Well 11B for chromium and fluoride (CIP)
- Drilling costs for Well 11B (CIP)
- Increase in employee health benefits
- Updated Injury and Illness Plan
- Increase in CalPERS and the annual unfunded payment
- Lobby Remodel for safety and compliance regulations

The Board was in consensus to bring the budget back without changes.

2. Discussion and Possible Action to Adopt Resolution 17-07 Consenting to Enter the Joint Protection Programs of the Association of California Water Agencies/Joint Powers Insurance Authority

With the Fire Department divesting from the District, staff contacted ACWA JPIA for a workers' compensation proposal. The District currently has health care benefits, liability, and property insurance coverage through ACWA JPIA. An annual proposal was provided for \$50,045, which included a multiple program discount of 5%. This is an approximate savings of \$4,865.83 from the current program provider.

Director Coghill made a motion to adopt Resolution 17-07, consenting to enter the joint protection programs of the Association of California Water Agencies/Joint Powers Insurance Authority, 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. Discussion and Possible Action to Adopt Resolution 17-08 Authorizing Application to the Director of Industrial Relations, State of California, for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities

Staff recommends adopting Resolution 17-08 as a required action for changing workers' compensation carriers.

Director Horn made a motion to adopt Resolution 17-08, authorizing application to the Director of Industrial Relations, State of California, for a Certificate of Consent to self-insure workers' compensation liabilities, seconded by Director Coghill, and approved by the following roll call vote:

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

4. Discussion of Developing an Employee Recognition Program

Mr. Kolisz suggested recognizing employees based on longevity, for 5 year anniversary increments. The Board was in agreement. An Employee Recognition Program will be presented to the Board, including projected expenses for an annual recognition dinner/luncheon and plaques.

5. Update on Hexavalent Chromium Treatment Status

Mr. Kolisz provided the Board with an update concerning the recent ruling on hexavalent chromium. Superior Court Judge Christopher Kruger ruled that the State Water Resources Control Board's implementation of a maximum contaminant level (mcl) of 10 parts per billion (ppb) did not consider the economic feasibility to small water systems and their users. The State was ordered to withdraw the regulation and has 60 days to appeal. The District has spent approximately \$300,000 to comply with the State's mandated regulation for hexavalent chromium. The District has suspended moving forward with treatment options until the State addresses compliance with the court's ruling. The District will be joining other signatories in a written request to meet with the

State's Attorney General to consider the economic feasibility of the standard and deny any appeal by the State. The Board unanimously supported the letter.

Ed Vallerand, of Twentynine Palms, suggested the District not only pursue the avenue of financial hardship, but also challenge the validity of the State's chromium requirement.

6. Consent Calendar

- Minutes of a Regular Meeting held on April 26, 2017
- Audit List

Director Shinaver moved to approve the Consent Calendar, seconded by Director Giannini, 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 7 Underground Service Alerts, had 0 water main leaks, 4 water meter leaks, 2 service line leaks, 1 fire hydrant repair, performed 2 customer pressure checks, replaced 18 meters, replaced 1 customer gate valve, and installed 2 new (residential) services. Water production was down 32% as compared to the same month in 2013. The District received an insurance check for approximately \$3,000 for a fire hydrant replacement, which included permit fees and labor costs.

8.2 Finance

Ms. Byerrum reported the District is at 75% of the budget and tracking as expected. It was suggested the Board may want to consider reviewing the District's fee schedule to ensure costs are relative to service.

8.3 General Manager

Mr. Kolisz reported the District participated in Reach Out Morongo Basin which provided information regarding emergency preparedness. The District is asking the State Water Resources Control Board for a reduction in permit fees as Twentynine Palms is considered a disadvantaged community. Well 12 is back online and pumping water.

9. Closed Session: Public Employee Performance Evaluation (Per Government Code § 54957)

Title: General Manager

Director Shinaver moved to enter closed session at 7:04 p.m., seconded by Director Horn, and unanimously approved. The Board returned to open session at 8:42 p.m. Director Moore announced there was no reportable action.

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

Director Coghill would like to see the fee schedule on the Agenda in the near future. Director Moore referenced the news article commending Matt Shragge, Matt Pastor, and Victoria for their excellent customer service.

11. Adjournment

On motion by Director Shinaver, seconded by Director Horn, and approved by the Board, the meeting was adjourned at 8:43 p.m.

Kerron E. Moore, President
Board of Directors

Attest:

Ray Kolisz, Board Secretary
Twentynine Palms Water District

Twentynine Palms Water District

Check Date Range: 5/1/2017 thru 5/31/2017

Ck No	Ck Date	Payable To	Ck Amt	Ck Detail	GL Acct No	Description
8284	05/03/2017	ACWA/JPIA	30,246.48	22,844.34	100-000-0000-1800	Medical Insurance June 2017
				1,580.37	100-310-0000-5141	Medical Insurance June 2017
				330.41	100-310-0000-5142	Medical Insurance June 2017
				1,714.11	100-600-0000-5399	Medical Insurance June 2017
				3,777.25	100-310-0000-5144	Medical Insurance June 2017
8285	05/03/2017	Ansafone Contact Centers	128.57	128.57	100-160-0000-5406	Answering Service
8286	05/03/2017	Autozone Inc.	5.30	5.30	100-130-0000-5222	Butane for Mini Torch.
8287	05/03/2017	Customer Refund	42.44	42.44	100-000-0000-2000	Refund Check
8288	05/03/2017	Customer Refund	55.78	55.78	100-000-0000-2000	Refund Check
8289	05/03/2017	Customer Refund	52.52	52.52	100-000-0000-2000	Refund Check
8290	05/03/2017	Beyond Software Solutions	1,160.00	1,160.00	100-600-0000-5406	IT Services
8291	05/03/2017	Customer Refund	69.96	69.96	100-000-0000-2000	Refund Check
8292	05/03/2017	Customer Refund	59.96	59.96	100-000-0000-2000	Refund Check
8293	05/03/2017	Builders Supply - 29 Palms	118.31	93.46	100-850-0000-6001	Misc. Copper Part (Well#12 Water Lube)
				14.13	100-130-0000-5220	PVC Cutter
				10.72	100-130-0000-5220	Hornet Killer
8294	05/03/2017	Burrtec Waste & Recycling Svcs	198.62	135.07	100-600-0000-5406	Hatch
				63.55	100-150-0000-5406	Amboy
8295	05/03/2017	Calpers	15.75	15.75	100-310-0000-5162	Replacement Benefit Contribution
8296	05/03/2017	Calpers	7,042.97	6,131.84	100-310-0000-5162	Retirement 4/9/17 - 4/22/17
				444.78	100-310-0000-5167	Retirement 4/9/17 - 4/22/17
				466.35	100-310-0000-5166	Retirement 4/9/17 - 4/22/17
8297	05/03/2017	Customer Refund	12.25	12.25	100-000-0000-2000	Refund Check
8298	05/03/2017	Customer Refund	375.00	375.00	100-000-0000-2000	Refund Check
8299	05/03/2017	Customer Refund	125.00	125.00	100-000-0000-2000	Refund Check
8300	05/03/2017	Customer Refund	12.14	12.14	100-000-0000-2000	Refund Check
8301	05/03/2017	Customer Refund	36.47	36.47	100-000-0000-2000	Refund Check
8302	05/03/2017	Customer Refund	6.86	6.86	100-000-0000-2000	Refund Check
8303	05/03/2017	Chem-Tech International Inc.	5,763.89	5,763.89	100-150-0000-5211	Load of Acid
8304	05/03/2017	Customer Refund	14.01	14.01	100-000-0000-2000	Refund Check

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8305	05/03/2017	Customer Refund	23.26	23.26	100-000-0000-2000	Refund Check
8306	05/03/2017	Customer Refund	22.46	22.46	100-000-0000-2000	Refund Check
8307	05/03/2017	Customer Refund	59.53	59.53	100-000-0000-2000	Refund Check
8308	05/03/2017	Customer Refund	604.52	604.52	100-000-0000-2000	AR Refund
8309	05/03/2017	Customer Refund	47.02	47.02	100-000-0000-2000	Refund Check
8310	05/03/2017	Customer Refund	13.13	13.13	100-000-0000-2000	Refund Check
8311	05/03/2017	Customer Refund	10.00	10.00	100-000-0000-2000	Refund Check
8312	05/03/2017	Customer Refund	21.20	21.20	100-000-0000-2000	Refund Check
8313	05/03/2017	CORBS	150.00	150.00	100-130-0000-5330	Collection System Training Class
8314	05/03/2017	Customer Refund	60.00	60.00	100-000-0000-2000	Refund Check
8315	05/03/2017	Customer Refund	54.18	54.18	100-000-0000-2000	Refund Check
8316	05/03/2017	Customer Refund	25.80	25.80	100-000-0000-2000	Refund Check
8317	05/03/2017	Desert Hardware	194.69	23.00	100-130-0000-5220	5 Gal Bucket
				3.60	100-130-0000-5222	1/8th Inch Cobalt Drill Bit.
				168.09	100-130-0000-5222	Belts for Treatment Plant Swamp Cooler.
8318	05/03/2017	Desert Pacific Exterminators	160.00	160.00	100-130-0000-5406	Quarterly Service
8319	05/03/2017	Customer Refund	52.99	52.99	100-000-0000-2000	Refund Check
8320	05/03/2017	Customer Refund	41.98	41.98	100-000-0000-2000	Refund Check
8321	05/03/2017	Customer Refund	23.26	23.26	100-000-0000-2000	Refund Check
8322	05/03/2017	Customer Refund	48.41	48.41	100-000-0000-2000	Refund Check
8323	05/03/2017	Customer Refund	12.05	12.05	100-000-0000-2000	Refund Check
8324	05/03/2017	Customer Refund	21.94	21.94	100-000-0000-2000	Refund Check
8325	05/03/2017	Frontier Communications	139.99	139.99	100-600-0000-5203	Hatch
8326	05/03/2017	Customer Refund	42.91	42.91	100-000-0000-2000	Refund Check
8327	05/03/2017	Grainger	257.13	257.13	100-150-0000-5220	Respirator Cartridge
8328	05/03/2017	Customer Refund	36.32	36.32	100-000-0000-2000	Refund Check
8329	05/03/2017	Customer Refund	22.52	22.52	100-000-0000-2000	Refund Check
8330	05/03/2017	Customer Refund	40.73	40.73	100-000-0000-2000	Refund Check
8331	05/03/2017	Harrington Industrial	1,654.47	1,654.47	100-150-0000-5220	Acid Pump Model# LPJ7MA-KTC3-XXX
8332	05/03/2017	Customer Refund	74.00	74.00	100-000-0000-2000	Refund Check
8333	05/03/2017	Hd Supply Waterworks Ltd.	340.54	340.54	100-850-0000-6001	8x6 DI FLGXMJ CONC REDUCER (Well#12 Rehalb)
8334	05/03/2017	Hi-Grade Materials Co.	1,321.85	268.80	100-130-0000-5220	Class 2 Base

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				343.72	100-120-0000-5220	Short Load of Concrete (Lear Booster Pumps)
				215.80	100-130-0000-5406	Recycling Fee, Concrete
				493.53	100-130-0000-5406	Recycling Fee (Concrete)
8335	05/03/2017	Home Depot Credit Services	804.12	521.18	100-150-0000-5220	Solar Salt (Treatment Plant)
				282.94	100-850-0000-6001	Misc. Electrical Conduit/Misc Wood for concrete (Well#12 Rehalb)
8336	05/03/2017	Inland Water Works	283.01	283.01	100-120-0000-5220	CLA-VAL REPAIR KIT #20957465F
8337	05/03/2017	Customer Refund	52.36	52.36	100-000-0000-2000	Refund Check
8338	05/03/2017	Customer Refund	9.22	9.22	100-000-0000-2000	Refund Check
8339	05/03/2017	Customer Refund	16.25	16.25	100-000-0000-2000	Refund Check
8340	05/03/2017	Customer Refund	25.00	25.00	100-000-0000-2000	Refund Check
8341	05/03/2017	Jon's Flags & Poles Inc.	282.84	282.84	100-150-0000-5220	Flag Pole Misc Parts
8342	05/03/2017	Customer Refund	26.51	26.51	100-000-0000-2000	Refund Check
8343	05/03/2017	Customer Refund	52.57	52.57	100-000-0000-2000	Refund Check
8344	05/03/2017	Customer Refund	49.65	49.65	100-000-0000-2000	Refund Check
8345	05/03/2017	Customer Refund	10.67	10.67	100-000-0000-2000	Refund Check
8346	05/03/2017	Customer Refund	151.17	151.17	100-000-0000-2000	Refund Check
8347	05/03/2017	Layne Christensen	68,605.88	68,605.88	100-850-0000-6001	Plant 6 Well Upgrade
8348	05/03/2017	Customer Refund	52.44	52.44	100-000-0000-2000	Refund Check
8349	05/03/2017	Customer Refund	12.81	12.81	100-000-0000-2000	Refund Check
8350	05/03/2017	Customer Refund	12.81	12.81	100-000-0000-2000	Refund Check
8351	05/03/2017	Customer Refund	48.22	48.22	100-000-0000-2000	Refund Check
8352	05/03/2017	Customer Refund	67.95	67.95	100-000-0000-2000	Refund Check
8353	05/03/2017	Customer Refund	30.67	30.67	100-000-0000-2000	Refund Check
8354	05/03/2017	Customer Refund	50.20	50.20	100-000-0000-2000	Refund Check
8355	05/03/2017	Customer Refund	56.55	56.55	100-000-0000-2000	Refund Check
8356	05/03/2017	Customer Refund	65.23	65.23	100-000-0000-2000	Refund Check
8357	05/03/2017	Mcmaster-Carr Supply Co.	215.31	168.69	100-130-0000-5220	Marking Paint Blue and White
				46.62	100-850-0000-6001	Bushing Adapters
8358	05/03/2017	Customer Refund	24.52	24.52	100-000-0000-2000	Refund Check
8359	05/03/2017	Customer Refund	65.00	65.00	100-130-0000-5303	D2 Examination Fee Reimbursement
8360	05/03/2017	Minolta Business Systems	123.00	123.00	100-600-0000-5223	03/23/2017 - 04/22/2017
8361	05/03/2017	Customer Refund	44.92	44.92	100-000-0000-2000	Refund Check

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8362	05/03/2017	Customer Refund	51.86	51.86	100-000-0000-2000	Refund Check
8363	05/03/2017	Napa Auto Parts	146.46	138.94	100-130-0000-5222	Veh. #21 Battery.
				(19.40)	100-130-0000-5222	Veh. #21 Battery Core Credit.
				26.92	100-130-0000-5222	Shop Supplies-2" Roloc Disc.
8364	05/03/2017	Customer Refund	18.37	18.37	100-000-0000-2000	Refund Check
8365	05/03/2017	Customer Refund	66.86	66.86	100-000-0000-2000	Refund Check
8366	05/03/2017	Customer Refund	8.75	8.75	100-000-0000-2000	Refund Check
8367	05/03/2017	Customer Refund	63.76	63.76	100-000-0000-2000	Refund Check
8368	05/03/2017	Parcel Quest	1,799.00	1,799.00	100-600-0000-5406	ParcelQuest Renewal
8369	05/03/2017	Customer Refund	19.66	19.66	100-000-0000-2000	Refund Check
8370	05/03/2017	Parkhouse Tire Inc.	841.29	841.29	100-130-0000-5222	Veh. #39 Tires.
8371	05/03/2017	Customer Refund	31.49	31.49	100-000-0000-2000	Refund Check
8372	05/03/2017	Customer Refund	58.56	58.56	100-000-0000-2000	Refund Check
8373	05/03/2017	Customer Refund	57.01	57.01	100-000-0000-2000	Refund Check
8374	05/03/2017	Customer Refund	21.94	21.94	100-000-0000-2000	Refund Check
8375	05/03/2017	Customer Refund	12.74	12.74	100-000-0000-2000	Refund Check
8376	05/03/2017	Prudential Overall Supply	518.91	157.31	100-130-0000-5253	Uniforms
				52.53	100-130-0000-5253	Uniforms
				241.07	100-130-0000-5253	Uniforms
				68.00	100-130-0000-5253	Uniforms
8377	05/03/2017	Customer Refund	49.94	49.94	100-000-0000-2000	Refund Check
8378	05/03/2017	Customer Refund	22.91	22.91	100-000-0000-2000	Refund Check
8379	05/03/2017	Customer Refund	55.39	55.39	100-000-0000-2000	Refund Check
8380	05/03/2017	S.C.E.	17,432.32	791.96	100-120-0000-5201	Booster 11A, 11B
				1,182.45	100-120-0000-5201	Booster Sullivan
				1,608.85	100-120-0000-5201	Booster Lupine
				48.04	100-120-0000-5201	D.H. Resv. & Hydro
				713.83	100-120-0000-5201	Booster Two Mile
				283.45	100-110-0000-5201	Well 15
				41.63	100-110-0000-5201	Well 11
				48.53	100-110-0000-5201	Well 9, Booster 6A, 6B
				41.63	100-110-0000-5201	Well 6, 12

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				12,671.95	100-110-0000-5201	Well TP-1
8381	05/03/2017	Customer Refund	351.39	351.39	100-000-0000-2000	AR Refund
8382	05/03/2017	Satmodo LLC	64.94	64.94	100-600-0000-5203	Iridium Monthly Minute Plan
8383	05/03/2017	Customer Refund	24.57	24.57	100-000-0000-2000	Refund Check
8384	05/03/2017	Customer Refund	39.26	39.26	100-000-0000-2000	Refund Check
8385	05/03/2017	Customer Refund	24.07	24.07	100-000-0000-2000	Refund Check
8386	05/03/2017	Customer Refund	56.94	56.94	100-000-0000-2000	Refund Check
8387	05/03/2017	Customer Refund	55.31	55.31	100-000-0000-2000	Refund Check
8388	05/03/2017	Shoplet.Com	381.61	381.61	100-600-0000-5301	Office Supplies
8389	05/03/2017	Susan L. Simmons	575.00	575.00	100-600-0000-5406	Janitorial Services
8390	05/03/2017	Customer Refund	21.67	21.67	100-000-0000-2000	Refund Check
8391	05/03/2017	Customer Refund	16.44	16.44	100-000-0000-2000	Refund Check
8392	05/03/2017	Southern Calif. Gas Co.	20.89	20.89	100-600-0000-5202	Hatch
8393	05/03/2017	Spectrum Business	179.97	139.98	100-600-0000-5203	La Luna
				39.99	100-150-0000-5203	Hatch
8394	05/03/2017	Customer Refund	56.16	56.16	100-000-0000-2000	Refund Check
8395	05/03/2017	Customer Refund	58.57	58.57	100-000-0000-2000	Refund Check
8396	05/03/2017	Customer Refund	36.47	36.47	100-000-0000-2000	Refund Check
8397	05/03/2017	Customer Refund	47.64	47.64	100-000-0000-2000	Refund Check
8398	05/03/2017	Swrcb Accounting Office	25,944.00	25,944.00	100-130-0000-5303	Water System Fees 7/1/16 - 6/30/17
8399	05/03/2017	SWRCB-DWOCP	80.00	80.00	100-130-0000-5242	D2 Certification / Meyers
8400	05/03/2017	Customer Refund	10.00	10.00	100-000-0000-2000	Refund Check
8401	05/03/2017	Customer Refund	32.46	32.46	100-000-0000-2000	Refund Check
8402	05/03/2017	Customer Refund	34.42	34.42	100-000-0000-2000	Refund Check
8403	05/03/2017	Customer Refund	54.07	54.07	100-000-0000-2000	Refund Check
8404	05/03/2017	Customer Refund	40.12	40.12	100-000-0000-2000	Refund Check
8405	05/03/2017	Underground Service Alert	150.00	150.00	100-130-0000-5406	100 new tickets
8406	05/03/2017	Usa Blue Book	973.52	362.04	100-150-0000-5220	Fluoride Standard 1 ppm
				222.33	100-850-0000-6001	Injection Quill
				389.15	100-150-0000-5220	Fluoride Standard 10 ppm
8407	05/03/2017	Customer Refund	553.35	553.35	100-000-0000-2000	AR Refund
8408	05/03/2017	Customer Refund	2.73	2.73	100-000-0000-2000	Refund Check

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8409	05/03/2017	Verizon Wireless	343.90	343.90	100-600-0000-5203	Wireless
8410	05/03/2017	Customer Refund	37.79	37.79	100-000-0000-2000	Refund Check
8411	05/03/2017	Customer Refund	59.34	59.34	100-000-0000-2000	Refund Check
8412	05/03/2017	Customer Refund	56.94	56.94	100-000-0000-2000	Refund Check
8413	05/03/2017	Customer Refund	34.59	34.59	100-000-0000-2000	Refund Check
8414	05/04/2017	S.C.E.	1,113.31	1,113.31	100-150-0000-5201	Plant
8415	05/04/2017	Bob Stephenson	125.00	125.00	100-610-0000-5350	Video Recording of board meeting
8416	05/17/2017	Jeff Arwick	7,454.00	7,454.00	100-850-0000-6001	Repair/Replace Well #12 Wiring, controls, Relocate Chlorine svst
8417	05/17/2017	Customer Refund	14.96	14.96	100-000-0000-2000	Refund Check
8418	05/17/2017	Accela, Inc. #774375	1,439.00	1,439.00	100-600-0000-5408	Web Payments with Online-Bills.com April 2017
8419	05/17/2017	Best Best & Krieger	3,559.70	129.00	100-600-0000-5403	Professional Services April 2017
				1,470.60	100-600-0000-5403	Professional Services April 2017
				1,960.10	100-600-0000-5403	Professional Services April 2017
8420	05/17/2017	Beyond Software Solutions	1,020.00	1,020.00	100-600-0000-5406	IT Services
8421	05/17/2017	Customer Refund	63.53	63.53	100-000-0000-2000	Refund Check
8422	05/17/2017	Customer Refund	19.13	19.13	100-000-0000-2000	Refund Check
8423	05/17/2017	Builders Supply - 29 Palms	139.25	22.57	100-130-0000-5220	Misc Brass Fittings
				4.29	100-150-0000-5220	5GAL Lid
				25.41	100-130-0000-5220	Poultry Net
				19.80	100-850-0000-6001	Mini Mat 4'x7' (Well #12 Concrete)
				56.42	100-850-0000-6001	Mini Mat (Well#12 concrete)
				10.76	100-130-0000-5220	Ball Valve
8424	05/17/2017	Customer Refund	42.44	42.44	100-000-0000-2000	Refund Check
8425	05/17/2017	Customer Refund	3.69	3.69	100-000-0000-2000	Refund Check
8426	05/17/2017	Calpers	6,740.08	11.94	100-600-0000-5165	Unfunded Liability May 2017
				6,728.14	100-600-0000-5165	Unfunded Liability May 2017
8427	05/17/2017	Calpers	7,039.93	6,123.78	100-310-0000-5162	Retirement 04/23/17 - 05/06/17
				447.23	100-310-0000-5167	Retirement 04/23/17 - 05/06/17
				468.92	100-310-0000-5166	Retirement 04/23/17 - 05/06/17
8428	05/17/2017	Chem-Tech International Inc.	15,059.05	9,272.35	100-150-0000-5211	Load of Caustic
				5,786.70	100-150-0000-5211	Load of Acid
8429	05/17/2017	Clinical Lab of San Bern.	697.50	697.50	100-140-0000-5405	Water Samples

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8430	05/17/2017	Customer Refund	48.72	48.72	100-000-0000-2000	Refund Check
8431	05/17/2017	Customer Refund	51.12	51.12	100-000-0000-2000	Refund Check
8432	05/17/2017	Customer Refund	3.35	3.35	100-000-0000-2000	Refund Check
8433	05/17/2017	Customer Refund	73.28	6.46	100-000-0000-2000	Refund Check
				66.82	100-000-0000-2000	Refund Check
8434	05/17/2017	Customer Refund	34.17	34.17	100-000-0000-2000	Refund Check
8435	05/17/2017	CV Strategies	3,000.00	3,000.00	100-600-0000-5406	Smart Plan Support May 2017
8436	05/17/2017	CWEA-TCP	332.00	332.00	100-130-0000-5242	Collection System Maintenance Exam Fee - Minatrea
8437	05/17/2017	CWEA-TCP	332.00	332.00	100-130-0000-5242	Collection System Maintenance Exam Fee - Kolisz
8438	05/17/2017	CWEA-TCP	332.00	332.00	100-130-0000-5242	Collection System Maintenance Exam Fee - Shragee
8439	05/17/2017	Customer Refund	72.29	72.29	100-000-0000-2000	Refund Check
8440	05/17/2017	Customer Refund	53.53	53.53	100-000-0000-2000	Refund Check
8441	05/17/2017	Desert Fire Extinguisher Co. Inc.	590.22	590.22	100-130-0000-5406	Portable Fire Extinguisher Service
8442	05/17/2017	Desert Hardware	42.23	6.70	100-130-0000-5220	Bushing
				5.14	100-130-0000-5220	FIP ELL
				8.11	100-130-0000-5220	Teflon Tape
				22.28	100-130-0000-5220	Pipe Nipple, Fip Tee, Ball Valve
8443	05/17/2017	Customer Refund	62.91	62.91	100-000-0000-2000	Refund Check
8444	05/17/2017	Engineering Resources	2,941.80	264.30	100-850-0000-6001	Professional Services
				2,677.50	100-850-0000-6001	Professional Services
8445	05/17/2017	Customer Refund	21.13	21.13	100-000-0000-2000	Refund Check
8446	05/17/2017	Customer Refund	43.52	43.52	100-000-0000-2000	Refund Check
8447	05/17/2017	Customer Refund	15.62	15.62	100-000-0000-2000	Refund Check
8448	05/17/2017	Customer Refund	48.25	48.25	100-000-0000-2000	Refund Check
8449	05/17/2017	Customer Refund	43.14	43.14	100-000-0000-2000	Refund Check
8450	05/17/2017	Ficara Grading & Excavating, Inc	1,475.00	1,475.00	100-150-0000-5406	Grading Work
8451	05/17/2017	Customer Refund	104.17	104.17	100-000-0000-2000	Refund Check
8452	05/17/2017	Customer Refund	60.89	60.89	100-000-0000-2000	Refund Check
8453	05/17/2017	Frontier Communications	155.05	155.05	100-600-0000-5203	Hatch
8454	05/17/2017	Customer Refund	34.77	34.77	100-000-0000-2000	Refund Check
8455	05/17/2017	Customer Refund	60.58	60.58	100-000-0000-2000	Refund Check
8456	05/17/2017	Customer Refund	49.88	49.88	100-000-0000-2000	Refund Check

Twentynine Palms Water District

Check Date Range: 5/1/2017 thru 5/31/2017

8457	05/17/2017	Customer Refund	41.59	41.59	100-000-0000-2000	Refund Check
8458	05/17/2017	Harrington Industrial	519.86	519.86	100-150-0000-5220	6" Blind Flange PVC SCH80 WBD
8459	05/17/2017	Customer Refund	48.80	48.80	100-000-0000-2000	Refund Check
8460	05/17/2017	Customer Refund	1.60	1.60	100-000-0000-2000	Refund Check
8461	05/17/2017	Customer Refund	58.45	58.45	100-000-0000-2000	Refund Check
8462	05/17/2017	Customer Refund	56.00	56.00	100-000-0000-2000	Refund Check
8463	05/17/2017	Identifix	714.00	714.00	100-600-0000-5303	6 months Government Identifix. (Nov 28)
8464	05/17/2017	Inland Water Works	297.28	297.28	100-130-0000-5220	Sloan Valve #110 Flush Type Valve
8465	05/17/2017	Inter-Valley Pool Supply	948.20	948.20	100-140-0000-5211	Carboys of Sodium Hypochlorite 12.5% 5 Gallon Multichlor NSF 60
8466	05/17/2017	Kennedy/Jenks Consultants	2,930.44	2,930.44	100-600-0000-5412	Professional Services
8467	05/17/2017	Customer Refund	27.87	27.87	100-000-0000-2000	Refund Check
8468	05/17/2017	Konica Minolta Premier	474.00	318.03	100-600-0000-5223	Hatch
				155.97	100-150-0000-5223	Plant
8469	05/17/2017	Customer Refund	33.30	33.30	100-000-0000-2000	Refund Check
8470	05/17/2017	Customer Refund	59.88	59.88	100-000-0000-2000	Refund Check
8471	05/17/2017	Customer Refund	7.54	7.54	100-000-0000-2000	Refund Check
8472	05/17/2017	Mcmaster-Carr Supply Co.	532.16	26.81	100-150-0000-5220	3/4" x 1/2 NPT bushing Reducing Adapter for Thick-Wall CPVC
				350.45	100-150-0000-5220	Desiccant For 1/2 NPT, 25scfm @ 45 Degree F Compressed Air Dryer
				20.08	100-150-0000-5220	Replacement Filter Element for 3/8, 1/2 and 3/4 NPT
				134.82	100-150-0000-5220	Filter Element for 1/2 & 3/4 NPT Compressed Air filter for water
8473	05/17/2017	Merit Oil Company	7,174.48	7,147.48	100-000-0000-1401	Fuel 3100 Gallon Unleaded 87
				27.00	100-000-0000-1401	Fuel Surcharge
8474	05/17/2017	Customer Refund	6.63	6.63	100-000-0000-2000	Refund Check
8475	05/17/2017	Customer Refund	51.66	51.66	100-000-0000-2000	Refund Check
8476	05/17/2017	Customer Refund	19.19	19.19	100-000-0000-2000	Refund Check
8477	05/17/2017	Office Supplies Plus Inc.	14.43	29.09	100-130-0000-5406	Sent Treatment Plant flowmeter in for repair
				7.53	100-130-0000-5406	Sent Treatment Plant flowmeter in for repair
				(22.19)	100-130-0000-5406	Credit
8478	05/17/2017	Ortega Strategies Group	5,144.56	5,144.56	100-600-0000-5350	Professional Services
8479	05/17/2017	Customer Refund	44.15	44.15	100-000-0000-2000	Refund Check
8480	05/17/2017	Customer Refund	40.35	40.35	100-000-0000-2000	Refund Check
8481	05/17/2017	Platinum Consulting Group	7,352.50	6,000.00	100-600-0000-5401	Monthly Retainer April 2017

Twentynine Palms Water District

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				1,352.50	100-600-0000-5401	Professional Services April 2017
8482	05/17/2017	Customer Refund	14.41	14.41	100-000-0000-2000	Refund Check
8483	05/17/2017	Customer Refund	33.84	33.84	100-000-0000-2000	Refund Check
8484	05/17/2017	Customer Refund	27.41	27.41	100-000-0000-2000	Refund Check
8485	05/17/2017	Proforma	6,290.02	2,174.26	100-160-0000-5301	Bills
				4,115.76	100-160-0000-5301	#9,#10 Envelopes
8486	05/17/2017	Prudential Overall Supply	503.44	149.15	100-130-0000-5253	Uniforms
				52.53	100-130-0000-5253	Uniforms
				52.53	100-130-0000-5253	Uniforms
				249.23	100-130-0000-5253	Uniforms
8487	05/17/2017	Customer Refund	47.54	47.54	100-000-0000-2000	Refund Check
8488	05/17/2017	Customer Refund	10.04	10.04	100-000-0000-2000	Refund Check
8489	05/17/2017	Customer Refund	29.19	29.19	100-000-0000-2000	Refund Check
8490	05/17/2017	Customer Refund	31.98	31.98	100-000-0000-2000	Refund Check
8491	05/17/2017	Customer Refund	25.70	25.70	100-000-0000-2000	Refund Check
8492	05/17/2017	Customer Refund	39.58	39.58	100-000-0000-2000	Refund Check
8493	05/17/2017	S.C.E.	8,764.09	1,413.41	100-110-0000-5201	Well 1
				2,481.47	100-110-0000-5201	Well 14
				47.70	100-110-0000-5201	Donnell
				1,126.63	100-600-0000-5201	Hatch
				1,931.50	100-110-0000-5201	Well 17
				1,110.11	100-110-0000-5201	Well 16
				595.29	100-120-0000-5201	Booster H1N, H2S
				25.79	100-110-0000-5201	Michel's
				32.19	100-110-0000-5201	Well 4
8494	05/17/2017	Customer Refund	23.36	23.36	100-000-0000-2000	Refund Check
8495	05/17/2017	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check
8496	05/17/2017	San Bernardino County	10.00	10.00	100-130-0000-5301	Monthly Assessor map revisions May 2017
8497	05/17/2017	Customer Refund	55.62	55.62	100-000-0000-2000	Refund Check
8498	05/17/2017	Sargent Communications Inc.	3,343.60	3,343.60	100-875-0000-6001	Treatment Plant Security Cameras (Computer Technology)
8499	05/17/2017	Customer Refund	32.44	32.44	100-000-0000-2000	Refund Check
8500	05/17/2017	Customer Refund	4.47	4.47	100-000-0000-2000	Refund Check

Twentynine Palms Water District

Check Date Range: 5/1/2017 thru 5/31/2017

8501	05/17/2017	Customer Refund	56.82	56.82	100-000-0000-2000	Refund Check
8502	05/17/2017	Sierra West Consultants, Inc.	4,000.00	4,000.00	100-800-0000-6001	Task 5 HMP
8503	05/17/2017	Susan L. Simmons	718.75	718.75	100-600-0000-5406	Janitorial Services
8504	05/17/2017	Customer Refund	51.12	51.12	100-000-0000-2000	Refund Check
8505	05/17/2017	Customer Refund	50.23	50.23	100-000-0000-2000	Refund Check
8506	05/17/2017	Spectrum Business	129.99	129.99	100-150-0000-5203	Hatch
8507	05/17/2017	TPX Communications	645.72	645.72	100-600-0000-5203	Hatch
8508	05/17/2017	Tractor Supply Credit Plan	319.97	319.97	100-150-0000-5220	40Gal Spot Sprayer/Spray Indicator 32oz
8509	05/17/2017	Customer Refund	14.96	14.96	100-000-0000-2000	Refund Check
8510	05/17/2017	Vagabond Welding Supply	710.79	710.79	100-130-0000-5222	Metal for Trailer #44B Ramps.
8511	05/17/2017	Customer Refund	3.97	3.97	100-000-0000-2000	Refund Check
8512	05/17/2017	Customer Refund	12.45	12.45	100-000-0000-2000	Refund Check
8513	05/17/2017	Western NRG, Inc.	451.62	451.62	100-600-0000-5406	SonicWall TZ 215 Renewal
8514	05/17/2017	Customer Refund	23.61	23.61	100-000-0000-2000	Refund Check
8515	05/17/2017	Customer Refund	43.45	43.45	100-000-0000-2000	Refund Check
8516	05/17/2017	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check
8517	05/31/2017	Ansafone Contact Centers	137.04	137.04	100-160-0000-5406	Answering Service
8518	05/31/2017	Aw Associates Inc.	691.16	691.16	100-130-0000-5406	Annual Carb Testing (Carb Rule 461 Testing)
8519	05/31/2017	Axens	38,693.16	38,693.16	100-150-0000-5211	Actiguard AA 14x28 Mesh
8520	05/31/2017	Customer Refund	72.29	72.29	100-000-0000-2000	Refund Check
8521	05/31/2017	Customer Refund	38.72	38.72	100-000-0000-2000	Refund Check
8522	05/31/2017	Builders Supply - 29 Palms	251.77	19.38	100-130-0000-5228	Small Tools-Soldering Iron.
				13.99	100-130-0000-5220	Paint for Garden Sign.
				23.45	100-130-0000-5228	Deluxe wire strippers
				118.48	100-130-0000-5226	Water Jugs for field crew
				45.33	100-130-0000-5220	500 ft cable with Misc supplies to secure shed
				12.88	100-130-0000-5222	Veh. #40 Items for Toolbox.
				12.25	100-130-0000-5220	Masking Tape for painting hydrants
				6.01	100-600-0000-5301	Furnace Filter
8523	05/31/2017	Calpers	7,049.83	6,133.68	100-310-0000-5162	Retirement 5/7/17 - 5/20/17
				447.23	100-310-0000-5167	Retirement 5/7/17 - 5/20/17
				468.92	100-310-0000-5166	Retirement 5/7/17 - 5/20/17

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8524	05/31/2017	Customer Refund	37.87	37.87	100-000-0000-2000	Refund Check
8525	05/31/2017	Carquest Auto Parts	209.83	19.18	100-130-0000-5222	Veh. #23 Fuel Filters.
				47.99	100-130-0000-5222	Veh. #21 Air Filters.
				142.66	100-130-0000-5222	Veh. #35 Filters.
8526	05/31/2017	Customer Refund	4.39	4.39	100-000-0000-2000	Refund Check
8527	05/31/2017	Cdw Government	4,854.54	3,597.00	100-875-0000-6001	Mfg. Part# : 6R2TF UNSPSC: 43211503 Dell Latitude 5480-14" Co
				1,039.68	100-875-0000-6001	Microsoft Office Standard 2016-License-1 PC Mfg. Part# 021-105
				153.60	100-875-0000-6001	Trend Micro Worry-Free Business Security Standard- maintenance
				64.26	100-875-0000-6001	Trip Lite 200ft Cat6 Gig Solid Conductor Snagless Patch Cable RJ
8528	05/31/2017	Centurylink Business Services	21.37	21.37	100-600-0000-5203	Hatch
8529	05/31/2017	Customer Refund	51.43	51.43	100-000-0000-2000	Refund Check
8530	05/31/2017	Customer Refund	73.41	73.41	100-000-0000-2000	Refund Check
8531	05/31/2017	Customer Refund	28.18	28.18	100-000-0000-2000	Refund Check
8532	05/31/2017	County Of San Bernardino	654.56	222.38	100-130-0000-5406	O&M Waste
				113.29	100-130-0000-5406	O&M Waste
				234.37	100-130-0000-5406	O&M Waste
				84.52	100-130-0000-5406	O&M Waste
8533	05/31/2017	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check
8534	05/31/2017	Dangelo	3,950.12	3,950.12	100-000-0000-1499	HYD JONES J4040 GH DI 2-WAY 4" X 2- 1/2
8535	05/31/2017	Customer Refund	3.40	3.40	100-000-0000-2000	Refund Check
8536	05/31/2017	Desert Hardware	74.18	1.94	100-130-0000-5222	Well 14/17 Gate Repair.
				72.24	100-130-0000-5222	Veh. #40-Items for Toolbox.
8537	05/31/2017	Customer Refund	4.88	4.88	100-000-0000-2000	Refund Check
8538	05/31/2017	E.H. Wachs	156.79	156.79	100-130-0000-5222	Veh. #40 Position Sensor.
8539	05/31/2017	Customer Refund	65.70	65.70	100-000-0000-2000	Refund Check
8540	05/31/2017	Customer Refund	45.58	45.58	100-000-0000-2000	Refund Check
8541	05/31/2017	Frontier Communications	141.98	141.98	100-600-0000-5203	Hatch
8542	05/31/2017	Customer Refund	32.09	32.09	100-000-0000-2000	Refund Check
8543	05/31/2017	Hd Supply Waterworks Ltd.	100.46	100.46	100-850-0000-6001	ADJ. PIPE SUPPORT (1" - 8")
8544	05/31/2017	Hi-Grade Materials Co.	494.57	494.57	100-850-0000-6001	Load of Concrete (Well#12 Rehab)
8545	05/31/2017	Home Depot Credit Services	454.65	454.65	100-120-0000-5220	Well 12 CL2 shed
8546	05/31/2017	Customer Refund	58.47	58.47	100-000-0000-2000	Refund Check

Twentynine Palms Water District

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8547	05/31/2017	Inland Water Works	3,797.11	801.66	100-000-0000-1499	2" MUE NL MIP X MIP ORI CORP (CS22202)
				25.86	100-130-0000-5220	2" CIR FULL FACE GASKET 1/8
				25.86	100-130-0000-5220	2" CIR DROP IN MTR GASKET 1/8
				2,262.75	100-120-0000-5220	1002302G CSM11-A2-2 SOLENOID CONTROL 115/60
				680.98	100-120-0000-5220	Weather Proof Micro Switch Only
8548	05/31/2017	Customer Refund	10.00	10.00	100-000-0000-2000	AR Refund
8549	05/31/2017	Customer Refund	56.09	56.09	100-000-0000-2000	Refund Check
8550	05/31/2017	Customer Refund	9.97	9.97	100-000-0000-2000	Refund Check
8551	05/31/2017	Customer Refund	28.31	28.31	100-000-0000-2000	Refund Check
8552	05/31/2017	Kvac	1,032.00	110.00	100-130-0000-5406	Disposal-55 Gal DM oil filters
				155.00	100-130-0000-5406	Disposal-55 gal DM Non RCRA Haz waste liquid (coolant) priced by
				95.00	100-130-0000-5406	Disposal-55 gal DM Non RCRA Haz waste liquid (oil)
				147.00	100-130-0000-5406	Packaging supplies - 55 gal open or close-top steel
				525.00	100-130-0000-5406	Transportation Fee
8553	05/31/2017	Customer Refund	10.82	10.82	100-000-0000-2000	Refund Check
8554	05/31/2017	Mark Speer Automotive	89.95	89.95	100-130-0000-5222	Veh. #21 Alignment.
8555	05/31/2017	Customer Refund	24.77	24.77	100-000-0000-2000	Refund Check
8556	05/31/2017	Minolta Business Systems	101.05	101.05	100-600-0000-5223	04/23/2017-05/22/2017
8557	05/31/2017	Customer Refund	4.73	4.73	100-000-0000-2000	Refund Check
8558	05/31/2017	Customer Refund	36.35	36.35	100-000-0000-2000	Refund Check
8559	05/31/2017	Parkhouse Tire Inc.	977.36	841.29	100-130-0000-5222	Veh. #23 Tires.
				136.07	100-130-0000-5222	Veh. #12 Spare Tire.
8560	05/31/2017	Customer Refund	35.00	35.00	100-000-0000-2000	Refund Check
8561	05/31/2017	Customer Refund	60.73	60.73	100-000-0000-2000	Refund Check
8562	05/31/2017	Powers Electric Products Co.	155.46	155.46	100-130-0000-5220	Misc. Well Sounder Parts
8563	05/31/2017	Prudential Overall Supply	473.61	61.18	100-130-0000-5253	Uniforms
				225.91	100-130-0000-5253	Uniforms
				133.99	100-130-0000-5253	Uniforms
				52.53	100-130-0000-5253	Uniforms
8564	05/31/2017	Customer Refund	44.30	44.30	100-000-0000-2000	Refund Check
8565	05/31/2017	S.C.E.	10,240.63	752.17	100-120-0000-5201	Booster Two Mile
				936.47	100-120-0000-5201	Booster Sullivan

Twentynine Palms Water District

Check Date Range: 5/1/2017 thru 5/31/2017

				1,424.65	100-120-0000-5201	Booster Lupine
				332.18	100-110-0000-5201	Well 15
				41.96	100-110-0000-5201	Well 11
				45.84	100-120-0000-5201	D.H. Resv. & Hydro
				4,593.24	100-120-0000-5201	Booster TP-1
				1,309.07	100-110-0000-5201	Well 6, 12
				805.05	100-120-0000-5201	Booster 11A, 11B
8566	05/31/2017	Customer Refund	31.87	31.87	100-000-0000-2000	Refund Check
8567	05/31/2017	Safety-Kleen Systems Inc.	316.52	316.52	100-130-0000-5406	Safety-Kleen
8568	05/31/2017	Customer Refund	50.04	50.04	100-000-0000-2000	Refund Check
8569	05/31/2017	Shoplet.Com	180.56	180.56	100-600-0000-5301	Office Supplies
8570	05/31/2017	Susan L. Simmons	575.00	575.00	100-600-0000-5406	Janitorial Services
8571	05/31/2017	Customer Refund	55.43	55.43	100-000-0000-2000	Refund Check
8572	05/31/2017	Spectrum Business	139.98	139.98	100-150-0000-5203	La Luna
8573	05/31/2017	SWRCB-DWOC	210.00	105.00	100-130-0000-5242	Grade D5/Minatrea
				105.00	100-130-0000-5242	Grade D5/Shragge
8574	05/31/2017	U.S. Postal Service	7,000.00	7,000.00	100-160-0000-5302	Permit 620
8575	05/31/2017	Customer Refund	65.31	65.31	100-000-0000-2000	Refund Check
8576	05/31/2017	Union Bank	803.45	359.00	100-600-0000-5303	AWWA Journals - Arsenic Rehabilitation Article
				268.30	100-875-0000-6001	Cameras
				40.21	100-600-0000-5301	Batteries
				114.95	100-600-0000-5406	Web Solutions
				27.96	100-130-0000-5301	Amazon,
				88.00	100-600-0000-5406	Microsoft
				44.70	100-600-0000-5301	CA Water Environm
				(139.67)	100-600-0000-5301	Credit
8577	05/31/2017	Usa Blue Book	564.40	75.91	100-130-0000-5226	Midnight powder-free nitrile gloves 100/box Extra Lg
				283.24	100-110-0000-5220	Well Depth Gauge 0-393 H20
				64.52	100-130-0000-5226	SPF 30 Sunscreen (50/Box)
				31.95	100-130-0000-5226	Max Ear Plugs (Box of 100)
				108.78	100-130-0000-5226	Max Ear Plugs (Box of 200)
8578	05/31/2017	Verizon Wireless	284.57	284.57	100-600-0000-5203	Wireless

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Check Date Range: 5/1/2017 thru 5/31/2017

8579	05/31/2017	Vwr Scientific Products Corp.	528.22	528.22	100-150-0000-5220	Buffer TSAB II SUPPLY IN PL BTL 3.8L
8580	05/31/2017	Customer Refund	35.93	35.93	100-000-0000-2000	Refund Check
8581	05/31/2017	Customer Refund	9.10	9.10	100-000-0000-2000	Refund Check
			Total	\$368,500.72		

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11.1

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: June 14, 2017
SUBJECT: Management Report

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

1. Responded to 28 Underground Service Alerts
2. Responded to and repaired
 - a. 0 water main leaks
 - b. 1 water meter leak
 - c. 1 service line leak
 - d. 0 fire hydrant repairs/maintenance
3. Installed 0 new services
4. Replaced 2 customer gate valves
5. Performed 4 leak audits
6. Painted 0 fire hydrants
7. Performed 5 customer pressure checks
8. Replaced 8 water meters
9. Tested and exercised emergency generators
10. Sounded wells for May
11. 0 water waste complaints reported

B. The following customer service tasks were performed:

1. 170 work orders were generated from reading meters
2. 40 work orders were generated from billing variance list
3. 359 work orders were generated for turn on or turn off
4. 397 termination notices were distributed
5. 64 non-pay turn offs were performed
6. 64 extensions were granted
7. 10 extensions were shut off for non-payment
8. 1 payment schedules have been granted
9. 0 payment schedules failed, total outstanding \$0
10. 10 customer requests and 5 complaints were logged and investigated

C. Valve and Hydrant Maintenance Update

	Valves Exercised (Began 06/16)	Dead Ends Flushed (Began 7/16)
Current Month	103	11
Year to Date	*2,379	475

*Triennial cycle

TWENTYNINE PALMS WATER DISTRICT
MAY 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 0.10 mg/L to a high of 0.30 mg/L. Chlorination point (the point where chlorine is introduced into the distribution system) averages ranged from 0.26 mg/L to 0.75 mg/L.

B. **Bacteria Samples:** A total of 48 routine bacteria samples were collected at test points for the storage and distribution system during this past month. In addition 9 special bacteria samples were collected. All routine and special samples indicated ABSENT for Colilert.

C. **Fluoride Samples:** A total of 15 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 .92 mg/L to a high of 1.8 mg/L. Fluoride measurements collected at the wells ranged from a low of 0.43 to a high of 1.8 mg/L.

D. **General Physical:** A total of 14 general physical samples were collected from established locations as a part of routine testing requirements. Levels reported for color are <3.0 to 7.5, 1 for threshold odor and <0.1 - 1.2 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.	88.929	34.546	12.041	10.774	146.290	157.930	-7.40%	-12%	0	7,535	N/A		1
March	128.362	34.399	11.921	5.685	180.367	183.431	-1.70%	-14%	0				0
April	124.923	49.434	16.775	1.104	192.266	180.901	6.00%	-32%	2	7,659	7,569	1.20%	0
May	134.653	52.548	17.539	17.043	221.783	220.759	0.45%	-20%	0				0
June													
Totals	1205.542	628.162	220.601	198.490	2252.825	2115.338	6.50%		6				6

Production Totals Expressed in Acre Feet

NOTE: Year to Date Mesquite Springs Basin regeneration production of **16.09** acre feet = **1.32%** treatment loss.

Total Meters in District = 8,082

11.2

TWENTYNINE PALMS WATER DEPARTMENT

FINANCIAL REPORT

For The Month Of

April 2017

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

**TWENTYNINE PALMS WATER DEPARTMENT
STATEMENT OF INVESTMENTS AND RESERVES**

**April 2017
(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	\$ 2,114,655	\$ 5,552	\$ -	\$ 2,120,207	\$ 2,118,460
Election Fund Reserve - LAIF	20,925	-	-	20,925	20,907
Internal Operating Reserve - LAIF	165,272	430	-	165,701	165,565
Internal Debt Retirement Reserve - LAIF	-	-	-	-	-
Capital Funds for Primary Infrastructure - LAIF	50,625	132	-	50,756	50,715
Capital Funds for Secondary Infrastructure - LAIF	43,398	113	-	43,511	43,475
Investment Funds - CalTrust	1,004,540	962	-	1,005,502	1,004,673
Total Investments	\$ 3,399,414	\$ 7,188	\$ -	\$ 3,406,602	\$ 3,403,795

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 April 30, 2017
(Unaudited)**

	Apr-17	Mar-17	YTD	Budget	YTD 83%	Prior YTD
1 Operating Revenues	\$ 304,421	\$ 246,852	\$ 3,112,842	\$ 3,799,900	82%	\$ 2,875,679
2 Non-Operating Revenues	67,065	104,548	659,940	663,400	99%	556,071
3 Total Revenue Available to Fund Operations & Capital/R&R	371,486	351,400	3,772,782	4,463,300	85%	3,431,750
4 Operating Expenses	253,631	289,753	2,694,412	3,235,304	83%	2,401,668
5 Non-Operating Expenses	14,788	14,788	147,870	177,309	83%	1,318,107
6 Net Revenues Available to Fund Capital Related Expenditures	103,067	46,859	930,499	1,050,687	89%	(288,026)

Twentynine Palms Water Department
Detail Statement of Revenues and Expenses
For the Period Ending April 30, 2017
(Unaudited)

	Apr-17	Mar-17	YTD	Budget	YTD 83%	Prior YTD
1 Operating Revenues						
2 Water Sales	\$ 198,256	\$ 144,015	\$ 2,111,537	\$ 2,529,800	83%	\$ 1,815,187
3 RTS	95,525	95,034	903,006	1,161,200	78%	967,794
4 Other Operating Revenue	10,640	7,803	98,299	108,900	90%	92,698
5 Total Operating Revenues	304,421	246,852	3,112,842	3,799,900	82%	2,875,679
6 Non-Operating Revenues						
7 Capital Impact Fees	5,200	-	7,150	4,000	179%	5,247
8 Water Availability Assessment	49,258	49,258	492,583	591,100	83%	492,583
9 Interest Revenue	7,188	828	21,873	37,500	58%	17,262
10 Other Penalties	3,150	555	23,165	22,600	102%	22,516
11 Reimbursed Expenses	3,726	8,648	16,328	4,600	355%	8,718
12 Other Non-Operating Revenue	64	45,259	98,841	3,600	2746%	9,745
13 Total Non-Operating Revenues	68,586	104,548	659,940	663,400	99%	556,071
14 Total Revenues	373,007	351,400	3,772,782	4,463,300	85%	3,431,750
15 Operating Expenditures						
16 Source of Supply						
17 Labor & Benefits	1,054	645	8,443	7,800	108%	6,385
18 Direct Expenses	25,546	28,295	249,407	292,670	85%	194,518
19 Total Source of Supply	26,600	28,940	257,850	300,470	86%	200,903
20 Pumping						
21 Labor & Benefits	-	-	900	100	900%	271
22 Direct Expenses	18,239	10,340	95,090	109,100	87%	84,075
23 Total Pumping	18,239	10,340	95,990	109,200	88%	84,346
24 Transmission & Distribution						
25 Labor & Benefits	45,872	63,213	524,002	600,320	87%	315,218
26 Direct Expenses	15,185	25,695	199,561	294,800	68%	187,718
27 Total Transmission & Distribution	61,057	88,908	723,563	895,120	81%	502,936
28 Treatment Wells						
29 Labor & Benefits	2,716	3,451	29,958	41,000	73%	33,588
30 Direct Expenses	2,219	1,001	18,926	29,349	64%	20,924
31 Total Treatment Wells	4,934	4,451	48,884	70,349	69%	54,512
32 Treatment Facility						
33 Labor & Benefits	14,135	15,753	120,779	161,900	75%	129,130
34 Direct Expenses	27,739	24,058	297,122	382,865	78%	337,563
35 Total Treatment Facility	41,874	39,811	417,902	544,765	77%	466,694
36 Customer Accounts						
37 Labor & Benefits	10,326	16,013	120,542	132,800	91%	104,121
38 Direct Expenses	129	499	24,256	33,400	73%	19,872
39 Total Customer Accounts	10,455	16,512	144,798	166,200	87%	123,993
40 General Administration						
41 Outside Services	18,410	20,664	237,375	290,200	82%	191,720
42 Direct Expenses	18,440	15,484	167,813	190,300	88%	145,262
43 Fire Department Reimbursements	-	-	-	-	0%	(45,800)
44 Total General Admin.	36,850	36,148	405,188	480,500	84%	291,182

Twentynine Palms Water Department
Detail Statement of Revenues and Expenses
For the Period Ending April 30, 2017
(Unaudited)

	Apr-17	Mar-17	YTD	Budget	YTD 83%	Prior YTD
45 Employee Salaries						
46 Direct Labor	79,273	119,566	921,705	1,053,100	88%	745,117
47 Less Transfer to Operations	58,662	88,330	684,369	785,400	87%	498,254
48 Total General & Admin. Salaries	20,611	31,236	237,336	267,700	89%	246,863
49 Employee Benefits						
49 Health Benefits	1,354	5,745	50,047	72,700	69%	66,654
50 Payroll Taxes	12,580	17,006	153,609	156,200	98%	233,292
51 Retirement Expenses	12,073	8,992	136,420	157,500	87%	119,396
52 Total Employee Benefits	26,007	31,744	340,075	386,400	88%	419,343
53 Board of Directors						
54 Directors' Fees	525	925	8,450	7,400	114%	3,900
55 Direct Expenses	-	739	6,376	7,200	89%	6,998
56 Total Board of Directors	525	1,664	14,826	14,600	102%	10,898
57 Total Operating Expenditures	247,152	289,753	2,686,412	3,235,304	83%	2,401,668
58 Non-Operating Expenditures						
59 Debt Service, Principle	-	-	-	-	0%	-
60 Debt Service, Interest	-	-	-	-	0%	-
61 Total Debt Service	-	-	-	-	0%	-
62 Depreciation Expense	-	-	-	-	0%	1,182,833
63 Unfunded PERS	6,740	6,740	67,395	80,738	83%	56,483
64 Unfunded OPEB Liability	8,048	8,048	80,476	96,571	83%	78,791
65 Total Non-Operating Expenditures	14,788	14,788	147,870	177,309	83%	1,318,107
66 Total Expenditures	261,940	304,541	2,834,283	3,412,613	83%	3,719,776
Net Revenues Available to Fund Capital						
67 Related Expenditures	111,067	46,859	938,499	1,050,687	89%	(288,026)
68 Carryover Projects	(4,000)	(4,224)	(62,985)	(280,000)	22%	(1,176,572)
69 Capital Improvement Projects	-	-	-	-	0%	(1,080)
70 Repair, Rehabilitation, & Maintenance	(86,139)	(15,976)	(211,839)	(605,000)	35%	(76,532)
71 Capital Outlay	-	(1,600)	(91,718)	(180,000)	51%	(432,509)
72 Transfer To CalPERS	-	-	-	-	0%	-
73 Transfer From Special Revenue	9,935	5,570	68,199	77,400	88%	53,418
74 Transfers in from SRF for Election	-	-	-	-	0%	-
75 Debt Retirement	-	-	-	-	0%	-
76 Increase (Decrease) In Fund Balance	\$ 30,863	\$ 30,629	\$ 640,156	\$ 63,087	1015%	\$ (1,921,301)

**Twentynine Palms Water Department
Special Revenue Fund
For the Period Ending April 30, 2017
(Unaudited)**

	<u>Apr-17</u>	<u>Mar-17</u>	<u>YTD</u>	<u>Budget</u>	<u>YTD 83%</u>	<u>Prior YTD</u>
1 Tower Revenues	\$ 13,268	\$ 8,904	\$ 101,532	\$ 117,400	86%	\$ 106,836
2 Less Transfers Out to Fire	\$ -	\$ -	\$ -	\$ -	N/A	\$ (53,418)
3 Less Transfers Out To Water	\$ (9,935)	\$ (5,570)	\$ (68,199)	\$ (77,400)	88%	\$ (53,418)
4 Transfer to PARS Trust	<u>\$ (3,333)</u>	<u>\$ (3,333)</u>	<u>\$ (33,333)</u>	<u>\$ (40,000)</u>	<u>83%</u>	<u>\$ -</u>
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 April 30, 2017
(Unaudited)

Carryover Capital Approved in Previous Years	Budget FY 16/17	Current YTD Expenditures	Remaining Budget / (Over Budget)
District Projects			
1 USGS Study	150,000	\$ 3,250	146,750
2 Hazard Mitigation Plan	30,000	16,000	14,000
3 Treatment Plant Pond 3	-	33,770	(33,770)
4 Salt Nutrient Monitoring Wells	100,000	9,965	90,035
5 Total Carryover Capital Approved in Previous Years	280,000	62,985	217,015
6 Repairs, Rehabilitation, & Maintenance			
7 Plant 6 Electrical and Well Upgrade	250,000	117,225	132,775
8 Emergency Repairs, Unspecified	50,000	28,530	21,470
9 Repiping/Distribution System Upgrades	50,000	16,237	33,763
10 Reservoir Recoating and/or Cathodic Protection	175,000	17,294	157,706
11 Administrative Office Roof Repair	30,000	-	30,000
12 Administrative Office Asphalt Seal Coat	20,000	14,490	5,510
13 Fluoride Plant Instrumentation\Coating	30,000	16,277	13,723
14 Well 11B		1,785	
15 Total Repairs & Maintenance	605,000	211,839	394,946
16 Capital Outlay			
17 Vehicle Replacements	50,000	51,020	(1,020)
18 Computer/Technology Replacements	40,000	18,632	21,368
19 GIS	50,000	22,065	27,935
20 Fencing Upgrade	15,000	-	15,000
21 One-Time Existing Conditions Sampling Event	25,000	-	25,000
22 Total Capital Outlay	180,000	91,718	88,282
23 TOTAL	\$ 1,065,000	\$ 366,542	\$ 700,243

11.3

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:	JUNE 28, 2017
FROM:	RAY KOLISZ, GENERAL MANAGER
SUBJECT:	GENERAL MANAGER'S REPORT

JUNE 2017

- The District plans to fund an effort to influence legislative and regulatory policies and evaluate related activities for potential action in 2018. This will begin by participating in official hearings and working groups related to assistance for disadvantaged communities (SB623 by Sen. Monning) and low income water rate assistance with pending implementation of AB401 by the State Water Resources Control Board. Several stakeholder groups are also convening to begin forming a state water bond that may potentially appear on a 2018 November ballot. These activities are getting underway during the summer and will last through the end of 2017. The District will work with our consultants at OSG to track legislation and regulations, draft analysis and testimony, and attend hearings and working groups to present the District's positions.
- The cathodic protection system installation has been completed on the 2400 Reservoir. This reservoir is an above ground welded steel reservoir constructed in 2007 with a capacity of 1 million gallons. The interior of the reservoir has an epoxy coating to provide rust protection to the steel structure. The cathodic protection system is a technique used to control the corrosion of metal surfaces by making the installed sacrificial anodes corrode instead of the protected metal.
- The 2016 Consumer Confidence Report is in the process of being mailed and distributed to our customers.
- Several District staff members attended two workshops at Big Horn Desert View Water Agency in which FEMA ICS 100B/700A training was completed and participated in a table top emergency exercise.
- The District continues to take part in proactive training and procurement of supplies to support the Emergency Response Plan.