

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

June 26, 2019 / 4:00 P.M.

AGENDA

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

Next Resolution #19-11
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.

1. Public Hearing on Proposed Continuation of Water Availability Assessment
 - 1.1 Board to Hear Public Testimony at This Time
2. Consider Resolution 19-07 Continuing the Current Existing Level of Water Availability Assessments for Fiscal Year 2019-2020
3. Consideration to Approve Resolution 19-08 Adopting the Fiscal Year 2019-2020 Annual Budget and Compensation Plan
4. Consideration to Approve Resolution 19-09 Adopting Changes to the Reserve Policy
5. Consideration to Approve Resolution 19-10 Declaring Certain Water District Property as Surplus and Authorizing Disposal of Same
6. Review Quotes and Authorize the Purchase of New Vehicles
7. Formation of Ad Hoc to Review the Current General Manager's Job Description and Establishment of Salary Range
8. 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.

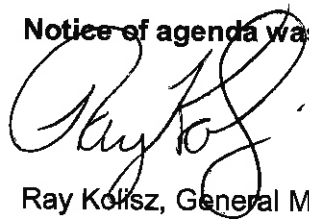
- Minutes of the Regular Meeting held on May 22, 2019
- Audit List

9. Items Removed from the Consent Calendar for Discussion or Separate Action
10. Management Reports
 - 10.1 Maintenance
 - 10.2 Water Quality
 - 10.3 Finance
 - 10.4 General Manager
11. Closed Session: Public Employee Performance Evaluation (Per Government Code § 54957)

Title: 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 21, 2019.



Ray Kolsz, 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**

2

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 26, 2019
FROM:	RAY KOLISZ, GENERAL MANAGER
SUBJECT:	CONSIDER RESOLUTION 19-07 CONTINUING THE CURRENT EXISTING LEVEL OF WATER AVAILABILITY ASSESSMENTS FOR FISCAL YEAR 2019/2020

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 27, 2019 the Board adopted Resolution 19-05, Intention to Continue Currently Existing Water Availability Assessments of the Twentynine Palms Water District in the upcoming Fiscal Year 2019/2020.

RECOMMENDATION

Approve and Adopt Resolution 19-07 Continuing the Current Existing Level of Water Availability Assessments for Fiscal Year 2019/2020.

RESOLUTION NO. 19-07

**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 2019-2020**

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 26, 2019, 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 2019-20 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 26th day of June 2019 by the following vote:

Ayes:
Noes:
Abstain:
Absent:

Carol Giannini, President
Board of Directors

Attest:

Ray Kolisz, Board Secretary
Twentynine Palms Water District

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 26, 2019
FROM: RAY KOLISZ, GENERAL MANAGER
SUBJECT: CONSIDERATION TO APPROVE RESOLUTION 19-08 ADOPTING THE
FISCAL YEAR 2019\2020 ANNUAL BUDGET AND COMPENSATION
PLAN

BACKGROUND AND DISCUSSION

At the May 22, 2019 Board of Director's meeting, staff presented a draft budget for the upcoming fiscal year 19\20. After discussion of the draft budget the Board directed staff to prepare the final budget for approval and adoption.

RECOMMENDATION

Approve Resolution 19-08 Adopting the Fiscal Year 2019\2020 Annual Budget and Compensation Plan

RESOLUTION 19-08

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 YEAR 2019-2020

WHEREAS, the General Manager and the Financial Advisor, Cindy Byerrum, have submitted a proposed budget and compensation plan for Fiscal Year 2019-2020, 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 2019-2020..
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 2019-2020 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 26th day of June 2019 by the following vote:

Ayes:
Noes:
Abstain:
Absent:

Carol Giannini, President
Board of Directors

Attest:

Ray Kolisz, Board Secretary
Twentynine Palms Water District

Twentynine Palms Water Budget Schedules & 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 proceeds, debt service and transfers in and out of the Water Department. Lines 1 & 2 are the total of Operating and Non-Operating Revenues. Lines 4 & 5 are the total Operating and Non-Operating Expenses. Line 8 is the difference between the revenues and expenses; essentially the net revenues remaining to fund the District's Capital Improvement Program.

Line 9 shows the debt proceeds received to fund the AMI / AMR Capital Improvement project. Lines 10-13 outline the District's Capital Improvement Program (CIP) expenses by category. Line 14 adds in the transfer of the cell tower revenues from the Special Revenue Fund. This amount represents the total cell tower lease revenue expected to be received, less the \$40,000 transfer to the pension trust fund to contribute towards the funding of the CalPERS unfunded accrued actuarial liability for past Fire Department employees (FY 19-20 is the last year of the annual obligation).

Line 15 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. This drawdown of fund balance was anticipated in the District's 2015 rate study.

SCHEDULE B: DETAIL BUDGET

This Schedule shows the detailed budget for the District and will be used in FY 19/20 to report monthly operating results to the Board.

The first column (A) is the Adopted Budget for Fiscal Year 18/19. The second column (B) is the Projected Balances for the Fiscal Year Ending 18/19. 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 19/20. The fourth (D) and fifth (E) columns are the \$ and % changes from the Projected 18/19 results to the Proposed FY 19/20 Budget.

REVENUES

Line 2: Water Sales

- This category consists of all volumetric water sales including residential, commercial, construction water, and the Aqua Loader sales. FY 18/19 revenues are projected to end the year over budget in all categories due to slightly higher consumption than anticipated. Rate revenue is projected to increase 6% in FY 19/20 due to a 6% rate increase adopted for consumption after January 1, 2019, and an expected increase of 6% effective January 1, 2020. The FY 19/20 budget assumes the same water consumption as FY 18/19.

Line 3: RTS Revenues:

- The Readiness-To-Serve (RTS) revenues are the flat charges on the customers' bills and are based on water meter size. Overall RTS charges are budgeted to be \$1.34 million. The budget contemplates billing only active meters (currently) and anticipates the 6% rate increase effective January 1, 2020. 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 whether 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 with conservative tactics for unpredictable revenues. Meter Installation fees are budgeted at zero for FY 19/20 because activity is unknown (received \$19,000 during FY 18/19) and Late Penalties are budgeted at 90% of projected FY 18/19 results.

Line 7: Capital Impact Fees:

- Capital Impact Fees are fees imposed on developers or homeowners for new development. FY 19/20 is budgeted at zero since the receipt of the fees are not guaranteed or predictable.

Line 8: Water Availability Assessment Fees.

- These fees are the annual property tax fees assessed on homeowners 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 and investments in the State of California's Local Agency Investment Fund (LAIF). Interest revenues are budgeted conservatively with no increase in FY 19/20.

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 19/20 is budgeted at the same amount as the FY 18/19 projections to be conservative.

Line 11: Reimbursed Expenses

- Includes billing customers or persons for reimbursements regarding damage to a fire hydrant or meter but are not limited to these types of incidents. Reimbursed Expenses are difficult to predict and are budgeted conservatively due to the unknown timing and frequency of these revenues. FY 18/19 includes reimbursements from UPS for a lost handheld (\$2.8K) and ACWA JPIA for the Underground Storage Tank Program (\$4K). Generally, these revenues are a minimum of \$5,000 per year.

Line 12: Misc. Non-Operating Revenue

- Includes money received from grants, scrap sales of inventory, proceeds from the sale of assets as well as Non-Sufficient Fund (NSF) charges. Generally, these revenues are hard to predict and must be budgeted conservatively since receipt of funds is uncertain. FY 19/20 is budgeted at \$25,000 in anticipation of a minimum of \$10,000 in recycling revenue and \$15,000 in proceeds from the sale of assets (two trucks).

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 the allocation of labor and benefits as well as other direct expenditures such as electricity (budgeted for a 3% increase), field supplies, radio equipment, state and local permits and fees, and outside services. Direct Expenses are anticipated to increase with the new State Water Resource Control Board (SWRCB) fees set to take effect in FY 19/20.

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 the allocation of labor and benefits as well as other direct expenditures such as electricity (budgeted for a 3% increase), field supplies, and outside services. Direct expenses are expected to decrease in FY 19/20 due to lower planned repairs than 18/19.

Line 24-27: Transmission and Distribution: Includes costs to maintain assets in the District's transmission and distribution system as well as general operations expenses.

- This category includes the allocation of labor and benefits as well as 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. Most expenses in this category are budgeted for 2-4% increases with inflation.

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

- This category includes the allocation of labor and benefits as well as other direct expenses such as chemicals and lab testing. Labor and Benefits is budgeted to increase in FY 19/20 due to increased allocations in FY 18/19. Chemicals are assumed to increase by 3% and lab testing is set to increase 3% with inflation.

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

- Primary costs in this category include chemicals and supplies to treat water, costs to operate the treatment plant, permit fees, and repairs and maintenance. Labor and Benefits is budgeted to increase in FY 19/20 due to increased Treatment Facility labor experienced during FY 18/19. Direct expenses are budgeted to increase primarily due to an expected extra media purchase (\$100K), Filterpress repair (\$15K), contaminated water hauling (\$12K), and arsenic parts (\$7.5K).

Line 36-40: Customer Accounts: Includes costs to read customer meters, labor and benefits, postage and supplies to maintain customer accounts, and uncollectible accounts expense.

- Line 38: The District anticipates hiring (2) temporary employees (estimated for 6 months) to fulfill additional duties associated with the AMI project during FY 19/20.
- Line 39: Uncollectible accounts is the highest expense in this category, budgeted at \$25,000 for FY 19/20. The District is exploring the more cost-effective options to collect on outstanding balances.

Line 41-44: Total General Administration: This category includes costs to operate the water district that cannot be attributed to the other functions already identified above, excluding labor and benefits.

- Line 41: The main Outside Services in this category are accounting fees, audit fees, legal fees, other professional fees, and banking fees. The increase in FY 19/20 is primarily due to additional costs associated with the rate study (\$40K study, \$10K accounting), salary survey (\$30K), and legal costs for MOU negotiations (\$15K).
- Line 42: Direct Expenses included are costs to operate the District headquarters, property and liability insurance, office supplies, postage, and LAFCO annual fees.
 - The increase in Direct Expenses is attributed to consistent year to year budget allocations for Conservation / Legislative Affairs, Landscaping, and Printing but the District is projected to end FY 18/19 below budget in these categories.
 - Also included in Direct Expenses is a Grant Writer for \$25,000. External grant writers are crucial in securing grant funding for District capital projects and help relieve pressure on the budget.
- Most other expenses are budgeted to remain the same as the prior year or may have modest increases due to expected inflation.

Line 45-48: Employee Salaries / G&A Salaries: Includes a total salaries analysis for all employees, salaries attributable to temporary labor, the amount of salaries transferred out to operations and the salaries attributable directly to General & Administrative activities. Please refer to **Schedule C** for additional detail and assumptions regarding salaries and benefits.

- Line 45: Total District Direct Labor outlines the total cost of salaries for all District employees and is anticipated to increase with a COLA adjustment (2.5%) and merit increases (3%).
- Line 46: AMI Temporary Labor is the additional hired labor to facilitate the AMI project.
- Line 47: Less Transfer to Operations shows the amount of labor allocated to other departments. Please note that the transfers out to the different operations categories is merely an estimate and results may vary in each department based on operational activity during the year.
- Line 48: Total General & Administrative Salaries outlines labor costs for District office staff and 50% of the General Manager's salary.

Line 49-56: District Benefits / G&A Benefits: Includes an analysis of the total health benefits, payroll taxes, workers compensation, and CalPERS costs to the District as well as the associated amount that has been transferred out to various departments. The remaining amount is benefits allocated to the General & Administrative department.

- Line 50: Medical insurance is budgeted to increase 12% due to a full staffing for the year and 6% increases from ACWA JPIA, which occur on January 1, 2020 and are estimated at this time.
- Line 51-52: Payroll taxes and Workers Compensation are budgeted to increase in coordination with the merit and COLA pay increases.
- Line 53: CalPERS costs are budgeted to increase in coordination with the merit and COLA pay increases, full staffing and increased plan contribution rates. Please refer to **line 6 in the Schedule C section** of this narrative for detail regarding specific rates.
- Line 54: Provides a total of all District benefits combined.
- Line 55: Less Transfer to Operations shows the benefits that have been allocated out to all other departments (excluding General & Administrative).

- Line 56: Total G&A Benefits Allocated shows the amount of District Benefits allocated to G&A.

Line 57-60: Payouts & Retiree Medical: Includes sick and vacation payouts for current District employees and medical benefits for retired fire department employees.

Line 61-64: Total Board of Directors: Includes costs related to the Board of Directors meetings, training, and travel. Directors Fees are anticipated to increase due to additional visits to Sacramento anticipated, and full conference participation.

Line 67-70: Debt Service: The category accounts for all principal and interest payments for District debt. The District recently issued \$2 million in debt in order to fund the AMI / AMR capital project. This debt was issued for 10 years at 3.05% interest.

Line 71: Unfunded PERS Annual Payment: This is the amount the District is required to send CalPERS each year to pay down the District's Unfunded Accrued Actuarial Liability (UAAL). As of June 30, 2017 (the last valuation date provided by CalPERS), the District's plan was 77.5% funded.

Line 72: Unfunded Pension and Other Post-Employment Benefits (OPEB) Trust Payments: There is \$100,000 budgeted to transfer to the CERBT (California Employment Retirement Benefit Trust) irrevocable trust to fund a reserve to pay the Other Post-Employment Benefits liability for payment of future retiree health benefits. The other \$100,000 is to fund a proposed Pension trust with PARS, that can be used in the future to pay down the unfunded pension obligations.

Line 76: Debt Proceeds: \$2 million in debt proceeds borrowed to fund the AMI / AMR Capital Improvement project.

Line 77-80: Capital Related: See Schedule D for explanations.

Line 81: Election Expense: The \$20,000 budget here is the estimated Election Expense from Management for FY19/20.

Line 82: Transfers from Special Revenue: Cell Tower Revenues are accounted for in the Special Revenue Fund. The funds are transferred to the Water Fund, less the \$40,000 per year transfer to the pension trust fund (ending after FY 19/20) that contributes towards the funding of the CalPERS unfunded accrued actuarial liability for past Fire Department employees.

Line 83: 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 Improvement Plan, totaling near \$4.3 million for FY 19/20, offset by debt proceeds.

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 2: Regular Salary and Overtime is increasing due to:

- Merit increases averaging 3%
- A Cost of Living Adjustment (COLA) of 2.5%

Line 3: Vacation and Sick Leave is budgeted for an estimate of paid time off employees will to be able to cash out during FY 19/20.

Line 6: CalPERS rates are 13.692% of base salary for Classic members, and 6.985% 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: Social Security and Payroll Taxes includes costs for FICA, Medicare, Employee Training Tax (ETT), and State Unemployment Insurance (SUI).

Line 8: Group Medical Insurance expenses are estimated to increase 6% per preliminary estimates from ACWA.

Line 9: Group Dental and Vision Insurance is estimated to increase by 2% or less.

Line 10: Group Life Insurance is estimated to increase by 2% or less.

Line 11: Worker's Compensation Insurance: FY 19/20 is projected to increase slightly with increased salaries.

SCHEDULE D: CAPITAL/REPAIRS & MAINTENANCE

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

Line 1-9 District Projects are overall general projects that do not involve capital construction or repairs and replacement.

Line 10-18: Capital Improvement Plan is the plan for new capital improvements. These assets may be constructed or procured by the District.

Line 19-29: Repairs, Rehabilitation & Maintenance are expenses to maintain and repair the District's assets, and costs to replace existing assets.

Line 30-39: 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 is in the middle of 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.

EXHIBIT "A"

TWENTYNINE PALMS WATER DEPARTMENT

ANNUAL BUDGET

For The Fiscal Year

July 2019 - June 2020

**Twentynine Palms Water Department
Proposed Summary Water Budget
FY 2019-20**

Schedule A

	A	B	C
	Adopted Budget 18/19	Projected 18/19	Proposed Budget 19/20
1 Operating Revenues	\$ 4,212,800	\$ 4,290,900	\$ 4,511,800
2 Non-Operating Revenues	704,700	809,200	780,300
Total Revenue Available to			
3 Fund Operations & Capital/R&R	4,917,500	5,100,100	5,292,100
4 Operating Expenses	3,962,500	3,804,166	4,406,800
5 Non-Operating Expenses	298,700	298,900	346,700
6 Total Debt Service	-	60,000	249,200
7 Total Expenses	4,261,200	4,163,066	5,002,700
Net Revenues Available to Fund Capital			
8 Related Expenditures	656,300	937,034	289,400
9 Debt Proceeds	-	-	2,000,000
10 District Projects	(495,000)	(85,000)	(205,000)
11 CIP Projects	(1,700,000)	(270,000)	(3,000,000)
12 Repairs & Replacement	(380,000)	(257,500)	(795,000)
13 Capital Outlay	(488,500)	(448,500)	(295,000)
14 Election Expense	-	-	(20,000)
Sub-Total	(3,063,500)	(1,061,000)	(2,315,000)
15 Transfers in from Special Revenue Fund (SRF)	91,100	91,100	95,100
16 Increase (Decrease) in Fund Balance	\$ (2,316,100)	\$ (32,866)	\$ (1,930,500)
17 Projected Cash & Investments Beg. Balance			<u>\$ 7,000,000</u>
18 Projected Cash & Investments End Balance			<u>\$ 5,069,500</u>

**Twentynine Palms Water District
Proposed Detail Budget
FY 2019-20**

Schedule B

	A	B	C	D	E
	Adopted Budget 18/19	Projected 18/19	Proposed Budget 19/20	\$ Difference (C - B)	% Difference (D / B)
1 Operating Revenues					
2 Water Sales	\$ 2,861,200	\$ 2,882,500	\$ 3,055,500	\$ 173,000	6%
3 Readiness-To-Serve	1,242,500	1,266,300	1,342,300	76,000	6%
4 Other Operating Revenue	109,100	142,100	114,000	(28,100)	-20%
5 Total Operating Revenues	4,212,800	4,290,900	4,511,800	220,900	5%
6 Non-Operating Revenues					
7 Capital Impact Fees	-	22,400	-	(22,400)	-100%
8 Water Availability Assessment	591,100	591,100	591,100	-	0%
9 Interest Revenue	73,700	124,300	124,300	-	0%
10 Other Penalties	34,900	34,900	34,900	-	0%
11 Reimbursed Expenses	5,000	5,600	5,000	(600)	-11%
12 Misc. Non-Operating Revenue	-	30,900	25,000	(5,900)	-19%
13 Total Non-Operating Revenues	704,700	809,200	780,300	(28,900)	-4%
14 Total Revenues	4,917,500	5,100,100	5,292,100	192,000	4%
15 Operating Expenditures					
16 Source of Supply					
17 Labor & Benefits	8,600	18,300	19,400	1,100	6%
18 Direct Expenses	325,200	303,400	362,200	58,800	19%
19 Total Source of Supply	333,800	321,700	381,600	59,900	19%
20 Pumping					
21 Labor & Benefits	4,900	5,600	5,800	200	4%
22 Direct Expenses	117,900	137,300	125,000	(12,300)	-9%
23 Total Pumping	122,800	142,900	130,800	(12,100)	-8%
24 Transmission & Distribution					
25 Labor & Benefits	1,121,100	907,200	993,900	86,700	10%
26 Direct Expenses	265,400	337,800	353,500	15,700	5%
27 Total Transmission & Distribution	1,386,500	1,245,000	1,347,400	102,400	8%
28 Treatment Wells					
29 Labor & Benefits	48,400	63,100	67,200	4,100	6%
30 Direct Expenses	31,900	40,300	41,400	1,100	3%
31 Total Treatment Wells	80,300	103,400	108,600	5,200	5%
32 Treatment Facility					
33 Labor & Benefits	224,800	246,500	261,400	14,900	6%
34 Direct Expenses	382,600	341,200	514,700	173,500	51%
35 Total Treatment Facility	607,400	587,700	776,100	188,400	32%
36 Customer Accounts					
37 Labor & Benefits	197,700	242,100	256,500	14,400	6%
38 AMI Temporary Labor	-	-	55,000	55,000	
39 Direct Expenses	55,400	50,766	58,300	7,534	15%
40 Total Customer Accounts	253,100	292,866	369,800	76,934	26%
41 General & Administration					
42 Outside Services	293,700	311,200	412,400	101,200	33%
43 Direct Expenses	313,900	251,100	306,500	55,400	22%
44 Total General & Administration	607,600	562,300	718,900	156,600	28%

**Twentynine Palms Water District
Proposed Detail Budget
FY 2019-20**

Schedule B

	A	B	C	D	E
	Adopted Budget 18/19	Projected 18/19	Proposed Budget 19/20	\$ Difference (C - B)	% Difference (D / B)
45 Employee Salaries / G&A Salaries					
46 Total District Direct Labor	1,357,200	1,338,800	1,451,900	113,100	8%
47 Less: Transfer to Operations	(1,057,400)	(1,032,900)	(1,142,900)	(110,000)	11%
48 Total General & Admin. Salaries	299,800	305,900	309,000	3,100	1%
49 District Benefits / G&A Benefits					
50 District Benefits - (H/D/V)	443,300	341,600	380,600	39,000	11%
51 District Benefits - Taxes	108,300	111,400	117,500	6,100	5%
52 District Benefits - Workers Comp	51,300	49,900	52,700	2,800	6%
53 District Benefits - CalPERS	151,300	138,400	164,500	26,100	19%
54 <i>Subtotal District Benefits</i>	754,200	641,300	715,300	74,000	12%
55 Less: Transfer to Operations	(587,600)	(495,600)	(563,100)	52,800	-11%
56 Total G&A Benefits Allocated	166,600	145,600	152,100	6,500	4%
57 Payouts & Retiree Medical					
58 Vacation / Sick Payouts	45,700	45,700	58,000	12,300	27%
59 Retiree Medical	28,900	20,300	22,500	2,200	11%
60 Total Payouts & Retiree Medical	74,600	66,000	80,500	14,500	22%
61 Board of Directors					
62 Directors' Fees	15,000	15,000	17,000	2,000	13%
63 Direct Expenses	15,000	15,800	15,000	(800)	-5%
64 Total Board of Directors	30,000	30,800	32,000	1,200	4%
65 Total Operating Expenditures	3,962,500	3,804,166	4,406,800	602,634	16%
66 Non-Operating Expenditures					
67 Debt Service					
68 Principal	-	-	189,700	189,700	
69 Interest / Issuance Costs	-	60,000	59,500	(500)	
70 Total Debt Service	-	60,000	249,200	189,200	0%
71 Unfunded PERS Annual Payment	118,700	118,900	146,700	27,800	23%
72 Unfunded Pension & OPEB Trust Payments	180,000	180,000	200,000	20,000	11%
73 Total Non-Operating Expenditures	298,700	358,900	595,900	237,000	66%
74 Total Expenditures	4,261,200	4,163,066	5,002,700	839,634	20%
Net Revenues Available to Fund Capital					
75 Related Expenditures	656,300	937,034	289,400	(647,634)	-69%
76 Debt Proceeds		-	2,000,000	2,000,000	
77 District Projects	(495,000)	(85,000)	(205,000)	(120,000)	
78 Capital Improvement Projects	(1,700,000)	(270,000)	(3,000,000)	(2,730,000)	
79 Repair, Rehabilitation, & Maintenance	(380,000)	(257,500)	(795,000)	(537,500)	
80 Capital Outlay	(488,500)	(448,500)	(295,000)	153,500	
81 Election Expense	-	-	(20,000)	(20,000)	
82 Transfers From Special Revenue	91,100	91,100	95,100	4,000	
83 Increase/(Decrease) In Fund Balance	\$ (2,316,100)	\$ (32,866)	\$ (1,930,500)		

**Twentynine Palms Water Department
Personnel Costs
FY 2019-20**

Schedule C

	A	B	C
	Adopted Budget 18/19	Projected 18/19	Proposed Budget 19/20
1 Salary and Wages			
2 Total Regular Salary and Overtime	\$ 1,357,200	\$ 1,338,800	\$ 1,396,900
3 Temporary AMI Labor	-	-	55,000
4 Vacation and Sick Leave	45,700	45,700	58,000
5 Total Salary and Wages	1,402,900	1,384,500	1,509,900
6 Benefits/Taxes			
7 CalPERS Pension Payments	151,300	138,400	164,500
8 Social Security & Payroll Taxes	108,300	111,400	117,500
9 Group Medical Insurance	411,400	312,800	348,800
10 Group Dental and Vision Insurance	27,000	23,900	26,100
11 Group Life Insurance	4,900	4,900	5,700
12 Worker's Compensation Insurance	51,300	49,900	52,700
13 Total Employee Benefits	754,200	641,300	715,300
14 Total Salary and Benefits	\$ 2,157,100	\$ 2,025,800	\$ 2,225,200

Twentynine Palms Water District
Carryover CIP/Current CIP and R&M/Capital Outlay
FY 2019-20

Schedule D

	A	B	C	D	E=C+D	F	G
	Adopted Budget 18/19	Projected 18/19	Carryover 18/19	Add. or New 19/20 Budget	Proposed Budget 19/20	Projected 20/21	Projected 21/22
1 District Projects							
2 GW Mgmt. Plan & Urban Water Mgmt. Plan	\$ 45,000	\$ -	45,000	\$ -	\$ 45,000	\$ -	\$ -
3 Treatment Feasibility & Exploration Costs	150,000	25,000	35,000	-	35,000	-	-
4 Vulnerability Assessment	-	-	-	-	-	50,000	-
5 Standard Drawings Update	-	-	-	25,000	25,000	-	-
6 Salt Nutrient Monitoring Wells\Sampling	100,000	10,000	50,000	-	50,000	50,000	-
7 Asset Management Plan	100,000	50,000	50,000	-	50,000	-	-
8 USGS Study	100,000	-	-	-	-	-	-
9 Total District	495,000	85,000	180,000	25,000	205,000	100,000	-
10 Capital Improvement Plan							
11 Chromium VI and Flouride for Well 11B	500,000	100,000	400,000	250,000	650,000	125,000	-
12 Fluoride Variance (Expiring)-TP2, W12, W16	1,200,000	100,000	1,100,000	250,000	1,350,000	50,000	500,000
13 AMI / AMR Meters	-	-	-	1,000,000	1,000,000	1,000,000	-
14 Well 11B	-	70,000	-	-	-	-	-
15 Hansen Booster Station	-	-	-	-	-	75,000	-
16 Stockwell Booster Station	-	-	-	-	-	25,000	-
17 Cactus Booster Station	-	-	-	-	-	-	-
18 Capital Improvement Plan	1,700,000	270,000	1,500,000	1,500,000	3,000,000	1,275,000	550,000
19 Repairs, Rehabilitation, & Maintenance							
20 Plant 6 Electrical and Well Upgrade	75,000	10,000	25,000	-	25,000	-	-
21 Emergency Repairs, Unspecified	50,000	50,000	-	50,000	50,000	60,000	70,000
22 Repiping/Distribution System Upgrades	50,000	50,000	-	50,000	50,000	50,000	60,000
23 Reservoir Recoating / Cathodic Protection	20,000	-	20,000	10,000	30,000	-	-
24 Large Meter Replacement Program	50,000	50,000	-	20,000	20,000	10,000	15,000
25 Well Rehabilitation / Booster Rehab	75,000	65,000	10,000	-	10,000	80,000	80,000
26 Fluoride Plant Instrumentation\Coating	10,000	7,500	2,500	7,500	10,000	10,000	25,000
27 Treated Water Reservoir Coating	50,000	25,000	25,000	475,000	500,000	-	-
28 Campbell Reservoir Road Paving	-	-	-	100,000	100,000	-	-
29 Total Repairs & Maintenance	380,000	257,500	82,500	712,500	795,000	210,000	250,000
30 Capital Outlay							
31 Vehicle/Equipment Replacements	175,000	325,000	-	125,000	125,000	100,000	65,000
32 Computer/Technology Replacements	30,000	30,000	-	30,000	30,000	10,000	10,000
33 GIS	25,000	25,000	-	30,000	30,000	10,000	10,000
34 Administrative Building / Office Remodel	75,000	35,000	-	25,000	25,000	10,000	10,000
35 Fencing Upgrade	20,000	20,000	-	-	-	-	-
36 Energy Efficiency Projects\Office Solar	150,000	-	50,000	-	50,000	-	-
37 One-Time Existing Conditions Sampling Event	13,500	13,500	-	-	-	-	-
38 Parking Lot Sealing	-	-	-	35,000	35,000	-	-
39 Total Capital Outlay	488,500	448,500	50,000	245,000	295,000	130,000	95,000
40 TOTAL	\$ 3,063,500	\$ 1,061,000	\$ 1,812,500	\$ 2,482,500	\$ 4,295,000	\$ 1,715,000	\$ 895,000

**Twentynine Palms Water Department
Special Revenue Fund
FY 2019-20**

Schedule E

	A	B	C
	Adopted Budget 18/19	Projected 18/19	Proposed Budget 19/20
1 Tower Revenues	\$ 120,900	120,900	135,100
2 Less Transfers Out to Fire	-	-	-
3 Less Transfers Out To Water	(80,900)	(80,900)	(95,100)
4 Less Transfers Out to PARS Trust	(40,000)	(40,000)	(40,000)
5 Ending Balance	\$ -	-	-

TWENTYNINE PALMS WATER DISTRICT

COMPENSATION PLAN

FISCAL YEAR 2019/2020

POSITIONS COVERED BY MOU

	Minimum	Maximum
Leadworker	28.02	33.45
Service Worker III	23.69	28.30
Service Worker II	20.01	23.89
Service Worker I	16.93	20.20
Mechanic	23.70	28.30
Bookkeeper	23.69	28.30
Customer Service Representative 2	20.01	22.87
Customer Service Representative	16.93	20.20
Treatment Plant Operator II	28.02	33.45
Treatment Plant Operator I	23.69	28.30
Water Quality/Production Operator	20.01	23.89

MANAGEMENT/EXEMPT

Director of Operations	50.61	65.47
Maintenance Superintendent	39.23	46.83
Treatment/Production Superintendent	39.23	46.83
Office Manager	30.79	36.80
District Secretary	30.79	36.80
General Manager	Set by Board of Directors	

4

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 26, 2019
FROM: RAY KOLISZ, GENERAL MANAGER
SUBJECT: CONSIDERATION TO APPROVE RESOLUTION 19-09 ADOPTING
CHANGES TO THE RESERVE POLICY

BACKGROUND

At the May 22, 2019 Board of Directors meeting, financial consultant Cindy Byerrum presented a report with recommended changes to the current reserve policy. After discussion there was a consensus from the Board to bring the item back for approval and adoption with the recommended changes as follows:

1. Operating Reserves be increased to 180 days of District's budgeted expenses.
2. Capital Reserves be increased to 6% of capital assets.

Staff has prepared Resolution 19-09 for your review and consideration.

RECOMMENDATION

Staff recommends approving and adopting Resolution 19-09.

RESOLUTION NO. 19-09

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TWENTYNINE PALMS WATER DISTRICT AMENDING THE RESERVE POLICY

WHEREAS, the Board of Directors of the Twentynine Palms Water District recognize that prudent financial management and best practices dictate that the District maintain appropriate reserves for emergency use, capital projects, obligations accruing on a current basis that will be paid in the future, and those required as a result of legal or external requirements.

WHEREAS, the Board of Directors promote a reserve policy that establishes sound formal fiscal reserve criteria, which will be the foundation that ensures strong fiscal management and a policy that guides future District decisions, builds adequate reserves over time, helps minimize significant rate increases from year to year, promotes equity over the years, helps the District to meet its short and long-term obligations, and ensures that the District maintains the highest possible credit rating.

WHEREAS, given the District's aging infrastructure and related increase in facility maintenance needs, the District's existing reserve policy as adopted by the Board on March 25, 2015 (Resolution 15-02) must be updated to increase minimum reserve levels in order to address potential risks, be more in line with best practice reserve levels and enable the District to continue to comply with state regulations and unfunded mandates.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Twentynine Palms Water District that the following reserve levels are established and adjusted annually when the budget is adopted:

SECTION 1:

1. Operating Reserves

This reserve covers contingency funds to continue operations in the event of an unanticipated cash shortfall. This reserve provides continuity of service during an unexpected event, whether it be economic shortfall, natural disaster, or other extreme event. This reserve will be set at a minimum of 180 days of budgeted Operating and Maintenance (O&M) expenses.

2. Capital Reserves

This reserve covers unforeseen and emergency capital needs that are necessary to meet regulatory requirements, system reliability and future needs. This reserve will be set at a minimum amount of 6% of total capital assets.

3. Primary and Secondary Impact Fees

This Restricted Reserve is funded by Developer Impact Fees and can only be used to create additional capacity or distribution within the District. There are no set minimums for this reserve.

SECTION 2: This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded. This Resolution amends Resolution No. 15-02, adopted March 25, 2015, in its entirety.

PASSED, APPROVED AND ADOPTED this 26th day of June, 2019 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Carol Giannini, President
Board of Directors

Attest:

Ray Kolisz, Board Secretary
Twentynine Palms Water District

5

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 26, 2019
FROM: RAY KOLISZ, GENERAL MANAGER
SUBJECT: CONSIDERATION TO APPROVE RESOLUTION 19-10 DECLARING
CERTAIN WATER DISTRICT PROPERTY AS SURPLUS AND
AUTHORIZING DISPOSAL OF SAME

BACKGROUND AND DISCUSSION

Over the course of time the Water District accumulates items and or equipment that have been taken out of service or are no longer useful for District operations. These items need to be declared as surplus property by the Board of Directors to allow staff to proceed with the sale of such items.

With the recent acquisition of the new dump truck the previous dump truck is ready to be declared surplus and available for auction.

Exhibit "A" identifies items for consideration to be declared surplus property.

RECOMMENDED ACTION

Approve Resolution 19-10 Declaring Certain Water District Property as Surplus and Authorizing Disposal of Same.

RESOLUTION 19-10

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TWENTYNINE PALMS WATER DISTRICT
DECLARING CERTAIN WATER DISTRICT PROPERTY AS SURPLUS
AND AUTHORIZING DISPOSAL OF SAME**

WHEREAS, an inventory of certain Water District property as listed on attached Exhibit "A" has been made; and

WHEREAS, a determination to be no longer necessary for the Water District's use has become appropriate.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Twentynine Palms Water District does hereby determine and declare the attached Exhibit "A" listing of property to be no longer necessary for the Water District's use and authorizing disposal at a surplus sale.

PASSED, APPROVED AND ADOPTED this 26th day of June 2019.

Ayes:
Noes:
Abstain:
Absent:

Carol Giannini, President
Board of Directors

Attest:

Ray Kolisz, Board Secretary
Twentynine Palms Water District

EXHIBIT "A"

<u>Item No.</u>	<u>Description</u>	<u>V.I.N.</u>
1.	1993 Ford LN 8000	1FTYS85E6PVA36496

6

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 26, 2019
PREPARED BY:	RAY KOLISZ, GENERAL MANAGER
PRESENTED BY:	MATT SHRAGGE, OPERATIONS SUPERINTENDENT
SUBJECT:	REVIEW QUOTES AND AUTHORIZE THE PURCHASE OF NEW VEHICLES

BACKGROUND AND DISCUSSION

The District has requested quotes for the purchase of one (1) 2019 F-250 4x2 truck and one (1) 2019 Ford Expedition. The following is a summary of quotes provided.

2019 Ford F-250 4x2 Truck

- Sunrise Ford \$25,991.72
- Fiesta Ford \$27,249.68
- Fritts Ford No response
- Raceway Ford No response

Pricing includes all applicable fees and taxes and are “out the door” quotes. This vehicle will be ordered and built to District’s specifications as quoted.

2019 Ford Expedition

- Sunrise Ford \$56,388.77
- Gosch Ford \$57,080.99
- Perry Ford \$58,903.69

Pricing includes all applicable fees and taxes and are “out the door” quotes. This vehicle is in stock and ready for immediate delivery.

FISCAL IMPACT

There is \$125,000 in FY 19/20 budget for vehicle replacements.

RECOMMENDATION

Accept quotes from Sunrise Ford and authorize the vehicle purchases.

7

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 26, 2019
FROM: RAY KOLISZ, GENERAL MANAGER
SUBJECT: FORMATION OF AD HOC TO REVIEW THE CURRENT GENERAL
MANAGER'S JOB DESCRIPTION AND ESTABLISHMENT OF SALARY
RANGE

BACKGROUND AND DISCUSSION

Board President Carol Giannini has requested that the Board of Directors form an ad hoc to review the current General Manager's job description and establish a recommended salary range for the position.

The ad hoc would consist of two members of the Board to discuss the items and bring forth any recommendations to the full Board for consideration of approval.

8

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

May 22, 2019 / 4:00 P.M.

Call to Order and Roll Call

President Giannini called the meeting to order at 4:00 p.m., 72401 Hatch Road, Twentynine Palms, California. Those responding to roll call were Directors Bob Coghill, Carol Giannini, Suzi Horn, Randy Leazer, and Neal Stephenson. Also present were General Manager Ray Kolisz, Treatment/Production Superintendent Mike Minatrea, Maintenance Superintendent Matt Shragge, Financial Consultant Cindy Byerrum, and District Secretary Cindy Fowlkes.

Pledge of Allegiance

Matt Shragge led the pledge.

Additions/Deletions to the Agenda

None

Public Comments

Mr. Vallerand, of Twentynine Palms, commented on the possibility of pressure regulators being sold to the ratepayers at cost, connected during the AMI/AMR meter installation, and suggested the District sell the used water meters.

1. Discussion of Current Reserve Policy and Recommended Changes to the Policy to Increase Reserve Levels

Ms. Byerrum explained that the current Reserve Policy was deemed to be the minimum amounts the District could allow at the time of adoption in 2015. Due to the increasing state regulations and unfunded mandates, along with aging infrastructure and facility needs, the District has determined that the minimum reserve levels need to be increased to address the increased risk and to be more in line with best practice reserve levels. This would increase the O&M budgeted expenses from 120 days to 180 days and fixed assets from 3% to 6%. The total reserve minimum would increase from approximately \$3.1 million to approximately \$5.3 million.

The Board unanimously directed staff to amend the Reserve Policy, changing the current levels as proposed, and bring back for adoption at the next Board meeting.

2. Presentation of Draft for Fiscal Year 2019/2020 Annual Budget

The Board was presented with a draft budget for review. Ms. Byerrum explained the budget reflects a continuation of the 6% increase as adopted by the Board in 2015.

The following expenditures and capital improvement projects were noted:

- Operating and non-operating expenses, each, are projected to go up 16%.
- General administrative costs increased due in part to conservation/legislative affairs, two full time temporary employees were included in the budget for the AMI/AMR project.
- CIP projects - The District anticipates having to treat for arsenic and fluoride for Well 11B; TP2 sits in the flood plain and will require dirt work to mitigate, along

with electrical work; and the re-coating and steel removal of the distribution reservoir.

The Board was in agreement to bring back the budget for approval at next month's meeting.

3. Consent Calendar

Due to a clerical error, it was noted that the date of the minutes on the agenda did not reflect the minutes included in the agenda packet.

- Minutes of a Regular Meeting held on April 24, 2019
- Audit List

Director Horn, moved to approve the Minutes and Audit List, seconded by Director Coghill, and approved unanimously.

4. Items Removed from the Consent Calendar for Discussion or Separate Action

None

5. Management Reports

5.1 Maintenance

Matt Shragge reported that the District responded to 69 Underground Service Alerts, had 0 water main leaks, 2 water meter leaks, 0 service line leaks, 4 fire hydrant repairs and 25 painted, performed 2 customer pressure checks, replaced 10 meters, replaced 5 customer gate valves, and installed 3 new services. 0 water waste inquiries were received. 552 work orders were generated and performed during the month. The new dump truck is in service. 187 AMI/AMR meters have been installed to date. Steve Gurney was acknowledged and thanked for his help with the dump truck.

5.2 Water Quality

Mike Minatrea reported Water production was down 31.91% as compared to the same month in 2013. 48 routine and 6 special water samples were taken. All samples tested negative for Colilert. The 2018 Consumer Confidence Report has been completed with notices mailed out with the billing. There is a direct link to the website specified on the notice. Copies can be acquired at the District office.

5.3 Finance

Cindy Byerrum informed the Board the rate study will begin in December.

5.4 General Manager

Mr. Kolisz informed the Board that the mainline extension in the Lear area has been installed with samples taken. Engineer estimates for TP2 range from \$600,000 - \$800,000, stainless steel being on the higher end which has a higher life expectancy and less rust build up.

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

Title: General Manager

Director Horn moved to enter closed session at 4:43 p.m., seconded by Director Leazer, and unanimously approved. The Board returned to open session at 7:25 p.m. Director Giannini announced there was no reportable action.

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

Director Coghill read a letter from a ratepayer commending Matt Shragge for his professionalism. He also informed the Board that the Legislative Committee along with the CalMutual alliance were instrumental in the California Assembly Budget Subcommittee's rejection of Governor Newsom's water tax. The District's lobbying and letters of recommendations are being taken under advisement.

8. Adjournment

On motion by Director Cogill, seconded by Director Horn, and approved by the Board, the meeting was adjourned at: 7:30 p.m.

Carol Giannini, President
Board of Directors

Attest:

Ray Kolisz, Board Secretary
Twentynine Palms Water District

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

Ck No	Ck Date	Payable To	Ck Amt	Ck Detail	GL Acct No	Description
12615	05/01/2019	Jeff Arwick	390.00	325.00	100-110-0000-5406	Quarterly Electrical Tests
				65.00	100-120-0000-5406	Connect Lear North Booster Pump Motor.
12616	05/01/2019	Accela, Inc. #774375	6,073.00	6,073.00	100-600-0000-5408	Annual Maintenance 2020
12617	05/01/2019	Customer Refund	23.38	23.38	100-000-0000-2000	Refund Check
12618	05/01/2019	Customer Refund	24.42	24.42	100-000-0000-2000	Refund Check
12619	05/01/2019	Ansafone Contact Centers	133.43	133.43	100-160-0000-5406	Answering Service
12620	05/01/2019	Customer Refund	61.93	61.93	100-000-0000-2000	Refund Check
12621	05/01/2019	Customer Refund	53.53	53.53	100-000-0000-2000	Refund Check
12622	05/01/2019	Aw Associates Inc.	600.00	600.00	100-130-0000-5406	Annual Carb Test (Rule 461 Testing)
12623	05/01/2019	Beyond Software Solutions	540.00	540.00	100-600-0000-5406	IT Services
12624	05/01/2019	Customer Refund	32.19	32.19	100-000-0000-2000	Refund Check
12625	05/01/2019	Customer Refund	30.78	30.78	100-000-0000-2000	Refund Check
12626	05/01/2019	Burrtec Waste & Recycling Svcs	207.80	141.62	100-600-0000-5406	Hatch
				66.18	100-150-0000-5406	Amboy
12627	05/01/2019	Calolympic Safety	110.07	110.07	100-130-0000-5406	Calibration Test Gas for Repair/Service
12628	05/01/2019	Customer Refund	33.51	33.51	100-000-0000-2000	Refund Check
12629	05/01/2019	Centurylink Business Services	19.86	19.86	100-600-0000-5203	Hatch
12630	05/01/2019	Chem-Tech International Inc.	6,357.41	6,357.41	100-150-0000-5211	Load of Acid
12631	05/01/2019	County Of San Bernardino	391.81	141.46	100-150-0000-5406	Treatment plant Waste
				89.31	100-150-0000-5406	Treatment plant Waste
				14.79	100-130-0000-5406	o&m shop waste
				146.25	100-150-0000-5406	Treatment Plant Waste
12632	05/01/2019	CWEA TCP	188.00	188.00	100-600-0000-5303	CWEA Association Membership Renewal
12633	05/01/2019	Customer Refund	20.17	20.17	100-000-0000-2000	Refund Check
12634	05/01/2019	Customer Refund	630.80	630.80	100-000-0000-2000	AR Refund
12635	05/01/2019	Desert Hardware	122.66	18.40	100-130-0000-5220	Shop Supplies-Buckets.
				18.02	100-130-0000-5220	Cleaning Supplies
				1.29	100-130-0000-5220	Cleaning Supplies
				17.99	100-130-0000-5220	Rat traps
				28.63	100-130-0000-5220	Gorilla Tape, Hog Rings

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

				38.33	100-130-0000-5220	Garden Hose, Misc Parts
12636	05/01/2019	Customer Refund	21.25	21.25	100-000-0000-2000	Refund Check
12637	05/01/2019	Frontier Communications	146.72	146.72	100-600-0000-5203	Hatch
12638	05/01/2019	Customer Refund	39.36	39.36	100-000-0000-2000	Refund Check
12639	05/01/2019	Customer Refund	13.46	13.46	100-000-0000-2000	Refund Check
12640	05/01/2019	Steve Gurney	79.00	79.00	100-130-0000-5330	ASE Test Registration & Test Fees
12641	05/01/2019	Customer Refund	45.73	45.73	100-000-0000-2000	Refund Check
12642	05/01/2019	Customer Refund	40.71	40.71	100-000-0000-2000	Refund Check
12643	05/01/2019	High Desert Mtn. Water Assoc.	200.00	100.00	100-600-0000-5330	Water Treatment Exam Review Class/Siedschlag
				100.00	100-600-0000-5330	Water Treatment Exam Review Class/Meyers
12644	05/01/2019	Customer Refund	60.97	60.97	100-000-0000-2000	Refund Check
12645	05/01/2019	Home Depot Credit Services	371.75	371.75	100-130-0000-5220	BEHR PPUE
12646	05/01/2019	Inland Water Works	5,291.20	698.22	100-000-0000-1499	6" HYMAX COUPLING
				711.15	100-000-0000-1499	2" Brass Gate valve
				1,086.94	100-000-0000-1499	3/4" Brass check valve
				806.10	100-000-0000-1499	3/4" Brass gatevalve
				915.60	100-000-0000-1499	1" AMS
				35.56	100-000-0000-1499	3/4" X 2" Brass nipple
				1,037.63	100-120-0000-5220	weather proof micro switch
12647	05/01/2019	Jackson-Hirsh Inc.	72.09	72.09	100-600-0000-5301	Tag/Lettertag
12648	05/01/2019	Customer Refund	22.08	22.08	100-000-0000-2000	Refund Check
12649	05/01/2019	Customer Refund	56.53	56.53	100-000-0000-2000	Refund Check
12650	05/01/2019	Customer Refund	50.25	50.25	100-000-0000-2000	Refund Check
12651	05/01/2019	Customer Refund	59.32	59.32	100-000-0000-2000	Refund Check
12652	05/01/2019	Customer Refund	20.17	20.17	100-000-0000-2000	Refund Check
12653	05/01/2019	Konica Minolta Premier	155.97	155.97	100-150-0000-5223	Final Contract #25290943
12654	05/01/2019	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check
12655	05/01/2019	Customer Refund	51.25	51.25	100-000-0000-2000	Refund Check
12656	05/01/2019	Customer Refund	42.23	42.23	100-000-0000-2000	Refund Check
12657	05/01/2019	Customer Refund	17.20	17.20	100-000-0000-2000	Refund Check
12658	05/01/2019	Customer Refund	48.87	48.87	100-000-0000-2000	Refund Check
12659	05/01/2019	Jeremy McCool	50.00	50.00	100-130-0000-5330	Small Water System Operation & Maint

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

12660	05/01/2019	Mcmaster-Carr Supply Co.	764.59	231.86	100-150-0000-5220	Vermiculite Granular Sorbent
				532.73	100-150-0000-5220	Desiccant, Filter Element, Replacement Filter Element
12661	05/01/2019	Customer Refund	71.30	71.30	100-000-0000-2000	Refund Check
12662	05/01/2019	Minolta Business Systems	126.44	126.44	100-600-0000-5223	03/23/2019 - 04/22/2019
12663	05/01/2019	Customer Refund	9.79	9.79	100-000-0000-2000	Refund Check
12664	05/01/2019	Napa Auto Parts	262.92	262.92	100-130-0000-5222	Veh. #12 A/C parts.
12665	05/01/2019	O'Reilly Automotive Inc.	118.09	118.09	100-130-0000-5222	Veh. # 34 Battery
12666	05/01/2019	Office Supplies Plus Inc.	20.46	20.46	100-130-0000-5406	Sent of Gas Monitor for Calibration
12667	05/01/2019	Customer Refund	3.54	3.54	100-000-0000-2000	Refund Check
12668	05/01/2019	Palm Springs Motors Inc.	804.99	804.99	100-130-0000-5222	Veh. #39 Engine Parts.
12669	05/01/2019	Customer Refund	6.38	6.38	100-000-0000-2000	Refund Check
12670	05/01/2019	Customer Refund	14.86	14.86	100-000-0000-2000	Refund Check
12671	05/01/2019	Paul Associates	660.74	660.74	100-130-0000-5301	Meter Change Door Hangers
12672	05/01/2019	Customer Refund	45.46	45.46	100-000-0000-2000	Refund Check
12673	05/01/2019	Customer Refund	13.54	13.54	100-000-0000-2000	Refund Check
12674	05/01/2019	Powers Electric Products Co.	511.28	511.28	100-130-0000-5220	Well Sounder Parts.
12675	05/01/2019	Prudential Overall Supply	503.26	74.72	100-130-0000-5253	Uniforms
				142.91	100-130-0000-5253	Uniforms
				210.91	100-130-0000-5253	Uniforms
				74.72	100-130-0000-5253	Uniforms
12676	05/01/2019	Customer Refund	48.11	48.11	100-000-0000-2000	Refund Check
12677	05/01/2019	Customer Refund	30.12	30.12	100-000-0000-2000	Refund Check
12678	05/01/2019	S.C.E.	5,466.41	39.35	100-120-0000-5201	D.H. Resv. & Hydro
				551.44	100-110-0000-5201	Well 11
				628.08	100-120-0000-5201	Booster Two Mile
				210.03	100-110-0000-5201	Well 15
				232.08	100-110-0000-5201	Well 15
				965.77	100-120-0000-5201	Booster Sullivan
				1,479.59	100-120-0000-5201	Booster Lupine
				646.13	100-120-0000-5201	Booster 11A, 11B
				50.60	100-110-0000-5201	Well 9 Booster 6A, 6B
				663.34	100-110-0000-5201	Well 6, 12

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

12679	05/01/2019	Customer Refund	48.47	48.47	100-000-0000-2000	Refund Check
12680	05/01/2019	San Bernardino County Fire Protection District	5,287.51	5,287.51	100-000-0000-1800	Fire Related Property Taxes from 01/01/2019 to 03/31/2019
12681	05/01/2019	Satmodo LLC	149.66	149.66	100-600-0000-5203	Iridium Monthly Minute Plans
12682	05/01/2019	Shoplet.Com	324.16	139.48	100-600-0000-5301	Office Supplies
				184.68	100-600-0000-5301	Office Supplies
12683	05/01/2019	Matt Shragge	120.00	120.00	100-130-0000-5330	D-5 Test
12684	05/01/2019	Susan L. Simmons	1,425.00	1,425.00	100-600-0000-5406	Janitorial Services May 2019
12685	05/01/2019	Southern Calif. Gas Co.	40.95	40.95	100-600-0000-5202	Hatch
12686	05/01/2019	Spectrum Business	294.97	149.99	100-150-0000-5203	Joe Davis
				144.98	100-600-0000-5203	La Luna
12687	05/01/2019	Sturdivan Emergency Management Consulting	1,105.00	1,105.00	100-600-0000-5406	FEMA IC 100/700 training
12688	05/01/2019	Customer Refund	2.61	2.61	100-000-0000-2000	Refund Check
12689	05/01/2019	Customer Refund	55.31	55.31	100-000-0000-2000	Refund Check
12690	05/01/2019	Customer Refund	10.89	10.89	100-000-0000-2000	Refund Check
12691	05/01/2019	Customer Refund	10.89	10.89	100-000-0000-2000	Refund Check
12692	05/01/2019	Union Bank	1,322.52	421.41	100-120-0000-5220	Charges/Credits
				72.00	100-600-0000-5330	Charges/Credits
				76.01	100-600-0000-5330	Charges/Credits
				14.33	100-600-0000-5330	Charges/Credits
				53.86	100-600-0000-5301	Charges/Credits
				243.00	100-110-0000-5220	Charges/Credits
				26.73	100-600-0000-5330	Charges/Credits
				86.94	100-600-0000-5301	Charges/Credits
				(746.33)	100-120-0000-5220	Charges/Credits
				(347.74)	100-120-0000-5220	Charges/Credits
				378.44	100-120-0000-5220	Charges/Credits
				441.73	100-150-0000-5221	Charges/Credits
				86.19	100-130-0000-5228	Charges/Credits
				73.72	100-130-0000-5253	Charges/Credits
				386.10	100-150-0000-5221	Charges/Credits
14.13	100-130-0000-5220	Charges/Credits				
42.00	100-600-0000-5330	Charges/Credits				

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

12693	05/01/2019	UPS	128.92	128.92	100-600-0000-5302	Shipping
12694	05/01/2019	Usa Blue Book	371.37	173.84	100-130-0000-5220	water based marking paint caution blue case of 12
				56.95	100-130-0000-5220	water based marking paint white case of 12
				140.58	100-150-0000-5220	MidKnight Powder-Free Nitrile Gloves
12695	05/01/2019	Vagabond Welding Supply	43.50	43.50	100-130-0000-5220	Shop Supplies-MIG Welder Tips.
12696	05/01/2019	Verizon Wireless	721.42	721.42	100-600-0000-5203	Wireless
12697	05/01/2019	Customer Refund	8.00	8.00	100-000-0000-2000	Refund Check
12698	05/01/2019	Customer Refund	29.27	29.27	100-000-0000-2000	Refund Check
12699	05/01/2019	Customer Refund	7.95	7.95	100-000-0000-2000	Refund Check
12700	05/15/2019	Jeff Arwick	10,200.00	10,200.00	100-850-0000-6001	Remove existing Motor Control Panel and Wiring. Provide and inst
12701	05/15/2019	Accela, Inc. #774375	1,826.00	1,826.00	100-600-0000-5408	CivicPay Transaction Fees/Online-Bills.com April 2019
12702	05/15/2019	Ace	152.20	152.20	100-130-0000-5407	Rebuild Alternator
12703	05/15/2019	ACWA/JPIA	36,780.63	32,489.57	100-310-0000-5140	Health Benefits June 2019
				436.46	100-310-0000-5142	Health Benefits June 2019
				1,719.97	100-310-0000-5144	Health Benefits June 2019
				2,134.63	100-310-0000-5141	Health Benefits June 2019
12704	05/15/2019	Best Best & Krieger	2,646.20	2,565.20	100-600-0000-5403	Professional Services April 2019
				81.00	100-600-0000-5403	Professional Services April 2019
12705	05/15/2019	Beyond Software Solutions	800.00	800.00	100-600-0000-5406	IT Services
12706	05/15/2019	Aaron Bowe	300.00	300.00	100-110-0000-5406	Mobile Welding on Campbell Reservoir Ladder.
12707	05/15/2019	Code Publishing Company	1,978.00	1,978.00	100-600-0000-5303	Water District Code Update
12708	05/15/2019	Desert Fire Extinguisher Co. Inc.	542.02	542.02	100-130-0000-5406	Annual Fire Extinguisher Inspection. Bought four new extinguishe
12709	05/15/2019	Desert Hardware	48.61	24.59	100-130-0000-5220	Shop Supplies-Electrical Cord For Power Equipment.
				24.02	100-150-0000-5220	Filter 10 Micron
12710	05/15/2019	Eadie + Payne	810.00	810.00	100-600-0000-5402	Professional Services
12711	05/15/2019	Mike Ernst	713.40	713.40	100-600-0000-5406	Install a new panic exit device on main office east door. 3 year
12712	05/15/2019	Fedex Freight	285.99	285.99	100-120-0000-5406	Shipping
12713	05/15/2019	Frontier Communications	146.79	146.79	100-150-0000-5203	Plant
12714	05/15/2019	GoldStreet Designs	2,136.52	2,136.52	100-600-0000-5409	Water Quality Report (CCR)
12715	05/15/2019	Grainger	259.14	259.14	100-150-0000-5220	HVAC Motor
12716	05/15/2019	Home Depot Credit Services	699.40	699.40	100-150-0000-5221	Misc. paint supplies
12717	05/15/2019	Kennedy/Jenks Consultants	725.00	725.00	100-600-0000-5412	Professional Services

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

12718	05/15/2019	Mark Speer Automotive	910.80	910.80	100-130-0000-5407	Veh. #12-Rebuild A/C.
12719	05/15/2019	Mcmaster-Carr Supply Co.	63.40	63.40	100-150-0000-5220	Deionized Water
12720	05/15/2019	Morongo Basin Conservation Association	1,000.00	1,000.00	100-600-0000-5350	2019 Desert Wise Living Series
12721	05/15/2019	Pacific Western Bank	3,271.26	16.63	100-600-0000-5330	Charges
				7.79	100-600-0000-5330	Charges
				8.00	100-600-0000-5330	Charges
				9.89	100-600-0000-5330	Charges
				54.34	100-110-0000-5220	Charges
				290.91	100-600-0000-5301	Charges
				85.00	100-600-0000-5330	Charges
				9.60	100-600-0000-5301	Charges
				278.85	100-875-0000-6001	Charges
				129.24	100-875-0000-6001	Charges
				75.55	100-130-0000-5220	Charges
				19.49	100-600-0000-5301	Charges
				101.16	100-600-0000-5406	Charges
				24.01	100-600-0000-5330	Charges
				105.13	100-600-0000-5301	Charges
				58.58	100-130-0000-5301	Charges
				9.58	100-600-0000-5301	Charges
				14.00	100-600-0000-5301	Charges
				57.52	100-875-0000-6001	Charges
				21.50	100-875-0000-6001	Charges
				30.43	100-130-0000-5226	Charges
				38.23	100-600-0000-5301	Charges
				97.57	100-150-0000-5203	Charges
				61.31	100-130-0000-5220	Charges
				18.16	100-610-0000-5330	Charges
				85.00	100-610-0000-5330	Charges
				82.84	100-875-0000-6001	Charges
				64.57	100-600-0000-5203	Charges
				28.71	100-600-0000-5408	Charges

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

				283.75	100-130-0000-5406	Charges
				1,009.52	100-150-0000-5221	Charges
				94.40	100-600-0000-5406	Charges
12722	05/15/2019	Palm Springs Motors Inc.	490.45	490.45	100-130-0000-5222	Restraint Control Module
12723	05/15/2019	Parcel Quest	1,799.00	1,799.00	100-600-0000-5406	ParcelQuest Renewal
12724	05/15/2019	Parkhouse Tire Inc.	851.89	851.89	100-130-0000-5222	Veh. #15 Tires.
12725	05/15/2019	Proforma	4,026.20	4,026.20	100-160-0000-5301	Envelopes
12726	05/15/2019	Prudential Overall Supply	606.90	74.72	100-130-0000-5253	Uniforms
				314.55	100-130-0000-5253	Uniforms
				74.72	100-130-0000-5253	Uniforms
				142.91	100-130-0000-5253	Uniforms
12727	05/15/2019	Reed & Davidson, LLP	150.00	150.00	100-600-0000-5403	Professional Services
12728	05/15/2019	S.C.E.	21,837.51	4,011.19	100-120-0000-5201	Booster TP-1
				747.03	100-120-0000-5201	Booster H1N, H2S
				545.12	100-110-0000-5201	Well 1
				11,028.14	100-110-0000-5201	Well TP-1
				16.35	100-110-0000-5201	Michel's
				1,394.99	100-150-0000-5201	Plant
				2,152.39	100-110-0000-5201	Well 17
				19.25	100-110-0000-5201	Well 4
				1,097.93	100-600-0000-5201	Hatch
				30.50	100-110-0000-5201	Donnell
			794.62	100-110-0000-5201	Well 16	
12729	05/15/2019	San Bernardino County	18.00	18.00	100-130-0000-5301	Monthly Assessor parcel map revisions May 2019
12730	05/15/2019	Satmodo LLC	149.66	149.66	100-600-0000-5203	Iridium Monthly Minute Plans
12731	05/15/2019	Customer Refund	55.18	55.18	100-000-0000-2000	Re-Issue Depost Refund 020734-000
12732	05/15/2019	Shoplet.Com	135.62	80.59	100-600-0000-5301	Office Supplies
				55.03	100-600-0000-5301	Office Supplies
12733	05/15/2019	Bob Stephenson	125.00	125.00	100-610-0000-5350	Video Record Board Meeting Apr 2019
12734	05/15/2019	SWRCB-DWOCF	140.00	140.00	100-130-0000-5242	D5 Certification/Shragge
12735	05/15/2019	TPX Communications	752.94	752.94	100-600-0000-5203	Hatch
12736	05/15/2019	United Cerebral Palsy Assoc.	249.59	249.59	100-160-0000-5406	Mail Production

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

12737	05/15/2019	Usa Blue Book	145.14	145.14	100-130-0000-5226	sun x sunscreen SPF 30
12738	05/15/2019	Vwr Scientific Products Corp.	2,764.27	373.57	100-150-0000-5220	BFFR TSAB 11, Fluoride STD 1PPM, Fluoride STD 10PPM
				2,390.70	100-150-0000-5220	BFFR TSAB 11, Fluoride STD 1PPM, Fluoride STD 10PPM
12739	05/15/2019	Western Pump, Inc.	881.03	881.03	100-130-0000-5406	Shop Lift Annual Inspection.
12740	05/15/2019	Yucca Valley Ford Center	186.00	186.00	100-130-0000-5407	Diagnostics
12741	05/16/2019	Customer Refund	20.86	20.86	100-000-0000-2000	Refund Check
12742	05/16/2019	Customer Refund	8.32	8.32	100-000-0000-2000	Refund Check
12743	05/16/2019	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check
12744	05/16/2019	City of Twentynine Palms	500.00	500.00	100-600-0000-5350	City/Sponsorship
12745	05/16/2019	Customer Refund	44.58	44.58	100-000-0000-2000	Refund Check
12746	05/16/2019	Customer Refund	32.12	32.12	100-000-0000-2000	Refund Check
12747	05/16/2019	Customer Refund	39.10	39.10	100-000-0000-2000	Refund Check
12748	05/16/2019	Customer Refund	41.88	41.88	100-000-0000-2000	Refund Check
12749	05/16/2019	Customer Refund	41.88	41.88	100-000-0000-2000	Refund Check
12750	05/16/2019	Customer Refund	28.37	28.37	100-000-0000-2000	Refund Check
12751	05/16/2019	Customer Refund	41.88	41.88	100-000-0000-2000	Refund Check
12752	05/16/2019	Customer Refund	44.83	44.83	100-000-0000-2000	Refund Check
12753	05/16/2019	Customer Refund	15.31	15.31	100-000-0000-2000	Refund Check
12754	05/16/2019	Customer Refund	57.56	57.56	100-000-0000-2000	Refund Check
12755	05/16/2019	Customer Refund	342.69	342.69	100-000-0000-2000	Refund Check
12756	05/16/2019	Customer Refund	2.62	2.62	100-000-0000-2000	Refund Check
12757	05/16/2019	Customer Refund	35.97	35.97	100-000-0000-2000	Refund Check
12758	05/16/2019	Customer Refund	19.13	19.13	100-000-0000-2000	Refund Check
12759	05/16/2019	Customer Refund	36.56	36.56	100-000-0000-2000	Refund Check
12760	05/16/2019	Customer Refund	45.02	45.02	100-000-0000-2000	Refund Check
12761	05/16/2019	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check
12762	05/16/2019	Customer Refund	38.74	38.74	100-000-0000-2000	Refund Check
12763	05/16/2019	Customer Refund	68.38	68.38	100-000-0000-2000	Refund Check
12764	05/16/2019	Customer Refund	20.80	20.80	100-000-0000-2000	Refund Check
12765	05/16/2019	Customer Refund	25.36	25.36	100-000-0000-2000	Refund Check
12766	05/16/2019	Customer Refund	19.14	19.14	100-000-0000-2000	Refund Check
12767	05/16/2019	Customer Refund	45.98	45.98	100-000-0000-2000	Refund Check

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

12768	05/16/2019	Customer Refund	11.85	11.85	100-000-0000-2000	Refund Check
12769	05/16/2019	Customer Refund	57.14	57.14	100-000-0000-2000	Refund Check
12770	05/16/2019	Customer Refund	26.80	26.80	100-000-0000-2000	Refund Check
12771	05/16/2019	Customer Refund	38.30	38.30	100-000-0000-2000	Refund Check
12772	05/16/2019	Customer Refund	25.09	25.09	100-000-0000-2000	Refund Check
12773	05/16/2019	Customer Refund	36.13	36.13	100-000-0000-2000	Refund Check
12774	05/16/2019	Customer Refund	13.64	13.64	100-000-0000-2000	Refund Check
12775	05/16/2019	Customer Refund	50.39	50.39	100-000-0000-2000	Refund Check
12776	05/16/2019	Customer Refund	33.42	33.42	100-000-0000-2000	Refund Check
12777	05/16/2019	Customer Refund	8.50	8.50	100-000-0000-2000	Refund Check
12778	05/16/2019	Customer Refund	24.46	24.46	100-000-0000-2000	Refund Check
12779	05/16/2019	Customer Refund	27.14	27.14	100-000-0000-2000	Refund Check
12780	05/16/2019	Customer Refund	48.78	48.78	100-000-0000-2000	Refund Check
12781	05/16/2019	Customer Refund	54.44	54.44	100-000-0000-2000	Refund Check
12782	05/16/2019	Customer Refund	32.12	32.12	100-000-0000-2000	Refund Check
12783	05/16/2019	Customer Refund	24.00	24.00	100-000-0000-2000	Refund Check
12784	05/16/2019	Customer Refund	41.10	41.10	100-000-0000-2000	Refund Check
12785	05/16/2019	Customer Refund	50.43	50.43	100-000-0000-2000	Refund Check
12786	05/16/2019	Customer Refund	23.83	23.83	100-000-0000-2000	Refund Check
12787	05/16/2019	Customer Refund	60.00	60.00	100-000-0000-2000	Refund Check
12788	05/16/2019	Customer Refund	66.29	66.29	100-000-0000-2000	Refund Check
12789	05/16/2019	Customer Refund	54.10	54.10	100-000-0000-2000	Refund Check
12790	05/16/2019	Customer Refund	36.56	36.56	100-000-0000-2000	Refund Check
12791	05/16/2019	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check
12792	05/16/2019	Customer Refund	51.30	51.30	100-000-0000-2000	Refund Check
12793	05/16/2019	Customer Refund	52.35	52.35	100-000-0000-2000	Refund Check
12794	05/16/2019	Customer Refund	18.45	18.45	100-000-0000-2000	Refund Check
12795	05/16/2019	Customer Refund	13.28	13.28	100-000-0000-2000	Refund Check
12796	05/16/2019	Customer Refund	26.29	26.29	100-000-0000-2000	Refund Check
12797	05/16/2019	Customer Refund	21.90	21.90	100-000-0000-2000	Refund Check
12798	05/16/2019	Customer Refund	47.29	47.29	100-000-0000-2000	Refund Check
12799	05/29/2019	Richard Capelli 29 Palms Fencing	1,450.00	1,450.00	100-150-0000-5406	Installed a Double Gate on the South Side of T.P for new Well TP

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

12800	05/29/2019	ACWA/JOINT POWERS INSURANCE AUTHORITY	13,388.92	13,388.92	100-310-0000-5161	Workers Compensation Quarter 3
12801	05/29/2019	Customer Refund	10.86	10.86	100-000-0000-2000	Refund Check
12802	05/29/2019	Customer Refund	63.71	63.71	100-000-0000-2000	Refund Check
12803	05/29/2019	Ansafone Contact Centers	164.88	164.88	100-160-0000-5406	Answering Service
12804	05/29/2019	Autozone Inc.	231.31	3.22	100-130-0000-5220	Shop Supplies-Electrical Connectors.
				77.52	100-130-0000-5220	Shop Supplies-Degreaser
				8.10	100-130-0000-5222	Veh. #73-Breakaway Switch Cable.
				15.61	100-130-0000-5222	Veh. #16-Fuel Cap.
				38.78	100-130-0000-5220	Shop Supplies-Harmonic Balancer Installation Tool.
				4.30	100-130-0000-5222	Veh. #39-Radiator Drain Petcock.
				15.07	100-130-0000-5222	Veh. #42-7 Way Connector.
				31.01	100-130-0000-5220	Shop Supplies-Car Wash Supplies.
				37.70	100-130-0000-5220	Shop Supplies-Puller.
12805	05/29/2019	Customer Refund	45.80	45.80	100-000-0000-2000	Refund Check
12806	05/29/2019	Customer Refund	58.36	58.36	100-000-0000-2000	Refund Check
12807	05/29/2019	Customer Refund	48.85	48.85	100-000-0000-2000	Refund Check
12808	05/29/2019	Customer Refund	48.94	48.94	100-000-0000-2000	Refund Check
12809	05/29/2019	Customer Refund	28.37	28.37	100-000-0000-2000	Refund Check
12810	05/29/2019	Customer Refund	11.33	2.03	100-000-0000-2000	Refund Check
				9.30	100-000-0000-2000	Refund Check
12811	05/29/2019	Customer Refund	26.98	26.98	100-000-0000-2000	Refund Check
12812	05/29/2019	Centurylink Business Services	17.85	17.85	100-600-0000-5203	Hatch
12813	05/29/2019	Chem-Tech International Inc.	19,302.98	6,403.66	100-150-0000-5211	Load of Acid
				12,899.32	100-150-0000-5211	Sodium Hydroxide Load of Caustic (Treatment Plant)
12814	05/29/2019	Customer Refund	22.92	22.92	100-000-0000-2000	Refund Check
12815	05/29/2019	Clinical Lab of San Bern.	5,716.00	5,716.00	100-140-0000-5405	Water Samples
12816	05/29/2019	Core & Main LP	1,618.02	1,618.02	100-130-0000-5228	schonstedt GA-52cx Magnetic locator
12817	05/29/2019	County Of San Bernardino	146.25	146.25	100-150-0000-5406	Treatment Plant Waste
12818	05/29/2019	Customer Refund	33.21	33.21	100-000-0000-2000	Refund Check
12819	05/29/2019	Customer Refund	48.87	48.87	100-000-0000-2000	Refund Check
12820	05/29/2019	Customer Refund	13.06	13.06	100-000-0000-2000	Refund Check
12821	05/29/2019	Desert Hardware	396.48	59.98	100-130-0000-5220	Shop Supplies-Pipe Fittings.

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

				32.21	100-130-0000-5220	Shop Supplies-Plastic Buckets.
				6.97	100-130-0000-5220	masking tape 1.88" x 60 yrd
				6.04	100-130-0000-5220	masking tape 1.41" x 60 yrd
				60.09	100-130-0000-5220	Garden Hose 5/8" x 75'
				0.98	100-130-0000-5220	1/2" x 2" black malleable nipple
				6.13	100-130-0000-5220	3/4 x 1/2" hose adapter
				8.70	100-130-0000-5220	coupling brs3/4mh3/4mp1/2fp
				1.84	100-130-0000-5220	teflon thread tape 1/2" x 260
				35.32	100-130-0000-5220	Pipe cutters pvc
				115.76	100-130-0000-5220	round nose shovels
				50.20	100-130-0000-5220	trenching shovel
				12.26	100-130-0000-5220	10" Hacksaw
12822	05/29/2019	Customer Refund	38.05	38.05	100-000-0000-2000	Refund Check
12823	05/29/2019	Engineering Resources	4,470.00	4,470.00	100-825-0000-6001	Professional Services April 2019
12824	05/29/2019	Customer Refund	33.61	33.61	100-000-0000-2000	Refund Check
12825	05/29/2019	Customer Refund	46.20	46.20	100-000-0000-2000	Refund Check
12826	05/29/2019	Frontier Communications	146.72	146.72	100-600-0000-5203	Hatch
12827	05/29/2019	Customer Refund	19.21	19.21	100-000-0000-2000	Refund Check
12828	05/29/2019	Customer Refund	63.13	63.13	100-000-0000-2000	Refund Check
12829	05/29/2019	Customer Refund	21.73	21.73	100-000-0000-2000	Refund Check
12830	05/29/2019	Home Depot Credit Services	268.81	268.81	100-150-0000-5220	Supplies
12831	05/29/2019	Customer Refund	48.08	48.08	100-000-0000-2000	Refund Check
12832	05/29/2019	Customer Refund	45.64	45.64	100-000-0000-2000	Refund Check
12833	05/29/2019	Customer Refund	11.26	11.26	100-000-0000-2000	Refund Check
12834	05/29/2019	Customer Refund	15.68	15.68	100-000-0000-2000	Refund Check
12835	05/29/2019	Customer Refund	90.00	90.00	100-000-0000-2000	AR Refund
12836	05/29/2019	Kennedy/Jenks Consultants	7,404.04	4,191.54	100-130-0000-5405	Enginerring Fees/Project Phoenix
				3,212.50	100-875-0000-6001	Professional Services
12837	05/29/2019	Konica Minolta Premier	318.03	318.03	100-600-0000-5223	05/01/2019 - 05/31/2019
12838	05/29/2019	Kvac	950.00	950.00	100-130-0000-5406	Outside Services-Hazmat Pick Up.
12839	05/29/2019	Customer Refund	32.99	32.99	100-000-0000-2000	Refund Check
12840	05/29/2019	Coralyn Lawrence	240.00	240.00	100-600-0000-5406	Bee Removal

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

12841	05/29/2019	Customer Refund	7.09	7.09	100-000-0000-2000	Refund Check
12842	05/29/2019	Customer Refund	34.91	34.91	100-000-0000-2000	Refund Check
12843	05/29/2019	Mcmaster-Carr Supply Co.	499.83	324.51	100-150-0000-5220	Stainless Steel Pipe
				175.32	100-150-0000-5220	Pressure Gauge, PVC Valve
12844	05/29/2019	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check
12845	05/29/2019	Merit Oil Company	10,666.43	6,817.86	100-000-0000-1401	2200 Gallons Unleaded 87
				3,244.18	100-000-0000-1401	1100 Gallons Clear Diesel
				27.00	100-000-0000-1401	Fuel Surcharge
				577.39	100-000-0000-1401	Fuel tax
12846	05/29/2019	Customer Refund	44.57	44.57	100-000-0000-2000	Refund Check
12847	05/29/2019	Minolta Business Systems	154.51	154.51	100-600-0000-5223	04/23/2019 - 05/22/2019
12848	05/29/2019	Customer Refund	23.82	23.82	100-000-0000-2000	Refund Check
12849	05/29/2019	Customer Refund	19.89	19.89	100-000-0000-2000	Refund Check
12850	05/29/2019	Customer Refund	13.46	13.46	100-000-0000-2000	Refund Check
12851	05/29/2019	Customer Refund	21.05	21.05	100-000-0000-2000	Refund Check
12852	05/29/2019	O'Reilly Automotive Inc.	409.78	43.06	100-130-0000-5222	Veh. #12-Air Filter.
				69.89	100-130-0000-5222	Veh. #40- Filters.
				138.81	100-130-0000-5222	Veh. #69- Battery.
				126.78	100-130-0000-5222	Veh. #12- Brake Shoes and Wheel Seals..
				31.24	100-130-0000-5222	Veh. #76- Reflector Kit.
12853	05/29/2019	Customer Refund	64.55	64.55	100-000-0000-2000	Refund Check
12854	05/29/2019	Palm Springs Motors Inc.	201.36	162.32	100-130-0000-5222	Veh. #39-Engine Repair Parts.
				39.04	100-130-0000-5222	Veh. #39-Engine Repair Parts.
12855	05/29/2019	Parkhouse Tire Inc.	433.98	181.23	100-130-0000-5222	Veh. # 73-Tires
				252.75	100-130-0000-5222	Veh. # 26-Tire.
12856	05/29/2019	Customer Refund	54.39	54.39	100-000-0000-2000	Refund Check
12857	05/29/2019	Pitney Bowes Postage By Phone	501.20	501.20	100-600-0000-5302	Postage by phone
12858	05/29/2019	Platinum Consulting Group	6,250.00	6,250.00	100-600-0000-5401	Monthly Retainer April 2019
12859	05/29/2019	Prudential Overall Supply	780.22	182.57	100-130-0000-5253	Uniforms
				175.54	100-130-0000-5253	Uniforms
				347.39	100-130-0000-5253	Uniforms
				74.72	100-130-0000-5253	Uniforms

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

12860	05/29/2019	Quinn Company	1,274.10	1,274.10	100-130-0000-5222	Veh. #31-Drawbar
12861	05/29/2019	S.C.E.	5,777.33	53.35	100-120-0000-5201	D.H. Resv. & Hydro
				518.94	100-110-0000-5201	Well 11
				899.66	100-120-0000-5201	Booster Sullivan
				1,574.05	100-120-0000-5201	Booster Lupine
				246.65	100-110-0000-5201	Well 15
				1,216.83	100-110-0000-5201	Well 6, Well 12
				49.22	100-110-0000-5201	Well 9 Booster 6A, 6B
				633.94	100-120-0000-5201	Booster 11A, 11B
				584.69	100-120-0000-5201	Booster Two Mile
12862	05/29/2019	Safety-Kleen Systems Inc.	205.26	205.26	100-130-0000-5406	Outside Services-Parts Washer Service.
12863	05/29/2019	Customer Refund	72.91	72.91	100-000-0000-2000	Refund Check
12864	05/29/2019	Satmodo LLC	149.66	149.66	100-600-0000-5203	Iridium Monthly Minute Plans
12865	05/29/2019	Shoplet.Com	131.28	131.28	100-600-0000-5301	Office Supplies
12866	05/29/2019	Southern Calif. Gas Co.	2.00	2.00	100-600-0000-5202	Hatch
12867	05/29/2019	Spectrum Business	149.99	149.99	100-150-0000-5203	Joe Davis
12868	05/29/2019	Bob Stephenson	20.00	20.00	100-610-0000-5350	Transfer VHS to DVD
12869	05/29/2019	Sulzer	16,385.54	16,385.54	100-850-0000-6001	Spare 200 Hp, U.S Premium Efficient VHS, HO200V2SLH. 200Hp. 4P.
12870	05/29/2019	SWRCB-DWOCP	90.00	90.00	100-130-0000-5242	D3 Renewal/Frechette
12871	05/29/2019	Tom Dodson & Associates	450.00	450.00	100-825-0000-6001	Well TP-2 CEQA (CIP)
12872	05/29/2019	Customer Refund	15.50	15.50	100-000-0000-2000	Refund Check
12873	05/29/2019	Union Bank	2,091.10	186.00	100-130-0000-5222	Charges
				385.00	100-120-0000-5220	Charges
				50.64	100-610-0000-5301	Charges
				210.60	100-600-0000-5340	Charges
				16.32	100-600-0000-5340	Charges
				28.32	100-600-0000-5408	Charges
				77.57	100-600-0000-5301	Charges
				464.15	100-110-0000-5220	Charges
				66.56	100-600-0000-5301	Charges
				119.36	100-130-0000-5222	Charges
				53.61	100-130-0000-5222	Charges

Twentynine Palms Water District

Check Date Range: 5/1/2019 thru 5/31/2019

				23.00	100-600-0000-5330	Charges
				399.00	100-150-0000-5221	Charges
				10.97	100-600-0000-5330	Charges
12874	05/29/2019	UPS	110.46	110.46	100-600-0000-5302	Shipping
12875	05/29/2019	Usa Blue Book	427.40	121.77	100-150-0000-5221	Signs
				11.48	100-150-0000-5221	Signs
				63.11	100-150-0000-5221	Signs
				95.61	100-150-0000-5221	Signs
				135.43	100-130-0000-5226	Safety Glasses x12, Sunscreen 50/Box.
12876	05/29/2019	Verizon Wireless	427.45	427.45	100-600-0000-5203	Wireless
12877	05/29/2019	Customer Refund	42.68	42.68	100-000-0000-2000	Refund Check
			Total	\$253,879.53		

10

10.1

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: Matt Shragge, Maintenance Superintendent

DATE: June 7, 2019

SUBJECT: Management Report

A. The Operations and Maintenance Department performed the following tasks during the month of May 2019:

1. Responded to 101 Underground Service Alerts
2. Responded to and repaired
 - a. 0 water main leaks
 - b. 1 water meter leak
 - c. 0 service line leaks
 - d. 0 fire hydrant repairs/maintenance
3. Installed 4 new services
4. Replaced 6 customer gate valves
5. Performed 3 leak audits
6. Painted 70 fire hydrants
7. Performed 3 customer pressure checks
8. Replaced 2 water meters
9. Tested and exercised emergency generators
10. Sounded wells for May
11. 0 water waste inquiries were reported

B. The following customer service tasks were performed:

1. 232 work orders were generated from reading meters
2. 44 work orders were generated from billing variance list
3. 340 work orders were generated for turn on or turn off
4. 525 termination notices were distributed
5. 57 non-pay turn offs were performed
6. 76 extensions were granted
7. 3 extensions were shut off for non-payment
8. 2 payment schedules have been granted
9. 0 payment schedules failed, total outstanding \$0
10. 7 customer requests and 3 inquiries were logged and investigated

C. Valve and Hydrant Maintenance Update

	Valves Exercised (Began 07/18)	Dead Ends Flushed (Began 7/18)
Current Month	105	11
Year to Date	* 1,362	219

*Triennial cycle

10.2

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, Treatment/Production Superintendent
DATE: June 11, 2019
SUBJECT: Management 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 0.02 mg/L to a high of 0.36 mg/L. Chlorination point (the point where chlorine is introduced into the distribution system) averages ranged from 0.18 mg/L to 0.94 mg/L.

B. **Bacteria Samples:** A total of 38 routine bacteria samples were collected at test points for the storage and distribution system during this past month. In addition 8 special bacteria samples were collected. All routine and special samples indicated ABSENT for Colilert.

C. **Fluoride Samples:** A total of 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 .73 mg/L to a high of 2.0 mg/L. Fluoride measurements collected at the wells ranged from a low of 0.32 to a high of 1.6 mg/L.

*Current fluoride variance of 3.0 mg/L expires in 2023.

D. **General Physical:** A total of 12 general physical samples were collected from established locations as a part of routine testing requirements. Levels reported for color are <3.0, 1 for threshold odor and <0.1 – 0.3 for turbidity.

TWENTYNINE PALMS WATER DISTRICT
Water Production Report
FY 2018/2019

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	140.59	77.374	32.165	24.176	274.305	292.785	-6.31%	-11.50%	3			1	
August	161.772	56.956	37.467	24.471	280.666	269.139	4.28%	-3.95%	5	7,776	7,703	0.93%	1
Sept.	132.623	53.667	33.600	24.591	244.481	232.006	5.37%	0.11%	0				1
October	131.134	45.084	22.702	14.670	213.590	213.888	-0.14%	1.06%	4	N/A	N/A		0
Nov.	109.264	45.486	11.048	11.581	177.379	189.941	-6.61%	-5.19%	2				1
Dec.	85.796	58.458	11.053	13.503	168.810	175.841	-3.99%	2.49%	1	7,660	7,660	0.00%	1
Jan.	118.915	29.388	5.993	6.166	160.462	167.824	-4.38%	-15.60%	1				0
Feb.	102.669	24.017	7.542	3.111	137.339	162.839	-15.65%	-27.94%	2	N/A	N/A		0
March	124.634	20.678	4.112	3.532	152.956	177.865	-14.00%	-29.90%	1				0
April	130.671	40.460	7.675	12.442	191.248	204.263	-6.37%	-31.91%	3	7,739	7,664	0.97%	0
May	134.057	56.339	7.583	10.456	208.435	229.429	-9.15%	-24.22%	4				
June					0.000								
Totals	1372.125	507.907	180.940	148.699	2209.671	2315.820	-4.58%		26				5

Production Totals Expressed in Acre Feet

NOTE: Year to Date Mesquite Springs Basin regeneration production of

19,899

acre feet =

1.43%

treatment loss.

Total Connections in District = 8,120

10.3

TWENTYNINE PALMS WATER DISTRICT

FINANCIAL REPORT

Year to Date for the Month Ending

April 2019

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

**TWENTYNINE PALMS WATER DEPARTMENT
STATEMENT OF INVESTMENTS AND RESERVES
For the Period Ending April 30, 2019
(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	\$ 5,461,712	\$ 283,999	\$ (650)	\$ 5,745,061	\$ 5,745,905
Election Fund Reserve - LAIF	20,925	-	-	20,925	20,928
Capital Reserve - LAIF	870,000	5,395	-	875,395	875,524
Capital Funds for Primary Infrastructure - LAIF	83,431	517	-	83,949	83,961
Capital Funds for Secondary Infrastructure - LAIF	61,569	1,032	-	62,601	62,610
Total Investments	\$ 6,497,637	\$ 290,943	\$ (650)	\$ 6,787,930	\$ 6,788,927

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, 2019
(Unaudited)**

	Apr 2019	Mar 2019	YTD	Budget	YTD 83%	Prior YTD
1 Operating Revenues	\$ 315,176	\$ 295,578	\$ 3,509,641	\$ 4,212,800	83%	\$ 3,383,449
2 Non-Operating Revenues	93,732	50,634	678,597	704,700	96%	690,199
Total Revenue Available to						
3 Fund Operations & Capital/R&R	408,908	346,211	4,188,239	4,917,500	85%	4,073,648
4 Operating Expenses	299,874	275,012	3,172,059	3,962,500	80%	2,971,147
5 Non-Operating Expenses	24,909	24,909	249,091	298,700	83%	173,585
Net Revenues Available to Fund						
6 Capital Related Expenditures	84,125	46,290	767,089	656,300	117%	928,915

No assurance is provided on these financial statements.

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

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

Twentynine Palms Water Department
Detail Statement of Revenues and Expenses
For the Period Ending April 30, 2019
(Unaudited)

	Apr 2019	Mar 2019	YTD	Budget	YTD 83%	Prior YTD
1 Operating Revenues						
2 Water Sales	\$ 195,028	\$ 175,014	\$ 2,352,354	\$ 2,861,200	82%	\$ 2,311,410
3 RTS	108,374	109,364	1,035,551	1,242,500	83%	968,675
4 Other Operating Revenue	11,775	11,199	121,737	109,100	112%	103,364
5 Total Operating Revenues	315,176	295,578	3,509,641	4,212,800	83%	3,383,449
6 Non-Operating Revenues						
7 Capital Impact Fees	650	1,950	22,391	-	0%	3,375
8 Water Availability Assessment	49,258	49,258	492,583	591,100	83%	492,583
9 Interest Revenue	40,293	-	108,256	73,700	147%	57,663
10 Other Penalties	987	907	21,642	34,900	62%	34,896
11 Reimbursed Expenses	1	(1,579)	5,582	5,000	112%	82,744
12 Other Non-Operating Revenue	2,543	97	28,143	-	0%	18,939
13 Total Non-Operating Revenues	93,732	50,634	678,597	704,700	96%	690,199
14 Total Revenues	408,908	346,211	4,188,239	4,917,500	85%	4,073,648
15 Operating Expenditures						
16 Source of Supply						
17 Labor & Benefits	877	841	15,482	8,600	180%	6,698
18 Direct Expenses	17,141	19,995	252,848	325,200	78%	251,837
19 Total Source of Supply	18,017	20,837	268,330	333,800	80%	258,535
20 Pumping						
21 Labor & Benefits	596	35	4,716	4,900	96%	3,880
22 Direct Expenses	12,110	9,845	113,231	117,900	96%	110,196
23 Total Pumping	12,706	9,880	117,947	122,800	96%	114,076
24 Transmission & Distribution						
25 Labor & Benefits	71,933	68,118	762,571	1,121,100	68%	637,819
26 Direct Expenses	29,591	20,651	266,641	265,400	100%	212,933
27 Total Transmission & Distribution	101,524	88,769	1,029,212	1,386,500	74%	850,752
28 Treatment Wells						
29 Labor & Benefits	6,020	6,510	52,954	48,400	109%	37,622
30 Direct Expenses	-	3,414	29,098	31,900	91%	22,897
31 Total Treatment Wells	6,020	9,924	82,052	80,300	102%	60,518
32 Treatment Facility						
33 Labor & Benefits	22,163	22,513	206,911	224,800	92%	174,414
34 Direct Expenses	33,617	14,176	312,504	382,600	82%	431,556
35 Total Treatment Facility	55,780	36,689	519,415	607,400	86%	605,970
36 Customer Accounts						
37 Labor & Benefits	18,373	20,497	203,519	197,700	103%	162,628
38 Direct Expenses	7,396	567	26,244	55,400	47%	23,425
39 Total Customer Accounts	25,769	21,065	229,764	253,100	91%	186,052

Twentynine Palms Water Department
Detail Statement of Revenues and Expenses
For the Period Ending April 30, 2019
(Unaudited)

	Apr 2019	Mar 2019	YTD	Budget	YTD 83%	Prior YTD
40 General Administration						
41 Outside Services	27,711	26,980	258,825	293,700	88%	275,082
42 Direct Expenses	12,913	21,928	210,084	313,900	67%	190,902
43 Total General Admin.	40,624	48,908	468,909	607,600	77%	465,983
44 Employee Salaries						
45 Direct Labor	104,160	103,702	1,132,817	1,357,200	83%	955,388
46 Less Transfer to Operations	81,722	80,830	873,963	1,057,400	83%	716,772
47 Total General & Admin. Salaries	22,439	22,872	258,855	299,800	86%	238,616
48 Employee Benefits						
48 Health Benefits	11,318	11,526	120,703	166,600	72%	111,617
49 Vacation / Sick Payouts	2,872	1,238	43,954	45,700	96%	40,546
50 Retirement Expenses	1,419	1,419	16,874	28,900	58%	22,455
51 Total Employee Benefits	15,610	14,183	181,531	241,200	75%	174,618
52 Board of Directors						
53 Directors' Fees	1,225	725	8,325	15,000	56%	8,875
54 Direct Expenses	160	1,160	7,720	15,000	51%	7,150
55 Total Board of Directors	1,385	1,885	16,045	30,000	53%	16,025
56 Total Operating Expenditures	299,874	275,012	3,172,059	3,962,500	80%	2,971,147
57 Non-Operating Expenditures						
58 Unfunded PERS	9,909	9,909	99,091	118,700	83%	78,241
59 Unfunded OPEB Liability	15,000	15,000	150,000	180,000	83%	85,333
60 Total Non-Operating Expenditures	24,909	24,909	249,091	298,700	83%	173,585
61 Total Expenditures	324,783	299,921	3,421,150	4,261,200	80%	3,144,733
Net Revenues Available to Fund Capital						
62 Related Expenditures	84,125	46,290	767,089	656,300	117%	928,915
63 Carryover Projects	-	-	(12,157)	(495,000)	2%	(77,963)
64 Capital Improvement Projects	1,420	(2,840)	(89,218)	(1,700,000)	5%	(484,538)
65 Repair, Rehabilitation, & Maintenance	-	(5,200)	(159,251)	(380,000)	42%	(114,292)
66 Capital Outlay	(570)	(156,892)	(401,904)	(488,500)	82%	(115,987)
67 Transfer From Special Revenue	10,491	6,000	109,326	91,100	120%	75,475
68 Increase (Decrease) In Fund Balance	\$ 95,466	\$ (112,641)	\$ 213,884	\$ (2,316,100)	-9%	\$ 211,611

No assurance is provided on these financial statements.

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

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

**Twentynine Palms Water Department
Special Revenue Fund
For the Period Ending April 30, 2019
(Unaudited)**

	<u>Apr 2019</u>	<u>Mar 2019</u>	<u>YTD</u>	<u>Budget</u>	<u>YTD 83%</u>	<u>Prior YTD</u>
1 Tower Revenues	\$ 13,824.69	\$ 9,333.65	\$ 142,659.48	\$ 131,100.00	109%	\$ 108,808.76
2 Less Transfers Out to Fire	-	-	-	-	N/A	-
3 Less Transfers Out To Water	(10,491.36)	(6,000.32)	(109,326.18)	(91,100.00)	120%	(75,475.46)
4 Transfer to PARS Trust	(3,333.33)	(3,333.33)	(33,333.30)	(40,000.00)	83%	(33,333.30)
Ending Balance	<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, 2019
(Unaudited)

Carryover Capital Approved in Previous Years	Budget FY 18/19	Current Year Expenditures	Remaining Budget / (Over Budget)
District Projects			
1 GW Mgmt. Plan & Urban Water Mgmt. Plan	\$ 45,000	\$ -	45,000
2 Treatment Feasibility & Exploration Costs	150,000	12,157	137,843
3 Salt Nutrient Monitoring Wells	100,000	-	100,000
4 Asset Management Plan	100,000	-	100,000
5 USGS Study	100,000	-	100,000
6 Total Carryover Capital Approved in Previous Years	495,000	12,157	482,843
Capital Improvement Plan			
8 Chromium VI and Flouride for Well 11B	500,000	-	500,000
9 Fluoride Variance (Expiring) - TP-2, W12, W16	1,200,000	20,800	1,179,200
10 Well 11-B	-	68,418	(68,418)
11 Total Capital Improvement Plan	1,700,000	89,218	1,610,782
Repairs, Rehabilitation, & Maintenance			
13 Plant 6 Electrical and Well Upgrade	75,000	21,337	
14 Emergency Repairs, Unspecified	50,000	7,954	42,046
15 Repiping/Distribution System Upgrades	50,000	25,772	24,228
16 Reservoir Recoating / Cathodic Protection	20,000	-	20,000
17 Meter Replacement Program	50,000	50,742	(742)
18 Well Rehabilitation	75,000	53,446	21,554
19 Fluoride Plant Instrumentation\Coating	10,000	-	10,000
20 Treated Water Reservoir Coating	50,000	-	50,000
21 Total Repairs & Maintenance	380,000	159,251	167,086
Capital Outlay			
23 Vehicle/Equipment Replacements	175,000	319,596	(144,596)
24 Computer/Technology Replacements	30,000	27,669	2,331
25 GIS	25,000	3,000	22,000
26 Administrative Building\Office Remodel	75,000	34,480	40,520
27 Fencing Upgrade	20,000	10,850	9,150
28 Energy Efficiency Projects	150,000	-	150,000
29 One-Time Existing Conditions Sampling Event	13,500	6,310	7,190
30 Total Capital Outlay	488,500	401,904	86,596
31 TOTAL	\$ 3,063,500	\$ 662,531	\$ 2,347,306

10.4

**NO
MATERIAL
PROVIDED**

11

**CLOSED
SESSION**