

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

January 22, 2020 / 4:00 P.M.

AGENDA

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

Next Resolution #20-2
Next Ordinance #99

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. Election of Officers
2. Consideration of Resolution 20-01 Adopting Annual Statement of Investment Policy
3. Discussion of Developing an Opt-Out Policy for the District's Automated Meter Infrastructure
4. Review and Consider Accepting Proposal from NBS for Rate Study
5. Consider Ordinance 98 Amending Termination of Water Service to Meet SB998 Shutoff Mandates
6. Review and Discuss Recommendation from Ad Hoc Committee for Schedule of Fees
7. Consent Calendar

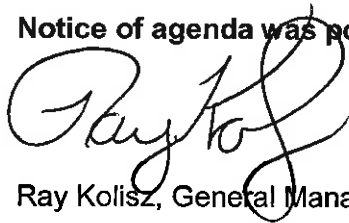
Matters under the Consent Calendar are to be considered routine and will be enacted in a single motion. There will be no separate discussion of these items unless the Board, staff or the public requests specific items be removed for separate discussion and action before the Board votes on the motion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

 - Minutes of the Regular Meeting held on December 18, 2019
 - Audit List
8. Items Removed from the Consent Calendar for Discussion or Separate Action

9. Management Reports
 - 9.1 Maintenance
 - 9.2 Water Quality
 - 9.3 Finance
 - 9.4 General Manager
10. Future Agenda Items and Staff Tasks/Directors' Comments and Reports
11. 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., January 17, 2020.



Ray Kolisz, General Manager

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

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

1

**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: JANUARY 22, 2020
FROM: RAY KOLISZ, GENERAL MANAGER
SUBJECT: CONSIDERATION TO APPROVE RESOLUTION 20-01 ADOPTING
ANNUAL STATEMENT OF INVESTMENT POLICY

BACKGROUND AND DISCUSSION

Every year the District reviews and adopts an investment policy that authorizes the District to invest funds and outlines criteria for such investments. There are no changes to the policy from prior year.

The Policy and Resolution are attached for review.

RECOMMENDATION

Approve Resolution 20-01 Adopting Annual Statement of Investment Policy

**RESOLUTION NO. 20-01
RESOLUTION OF THE BOARD OF DIRECTORS
OF TWENTYNINE PALMS WATER DISTRICT
ADOPTING ANNUAL STATEMENT OF INVESTMENT POLICY**

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

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

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

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

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

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

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

a. **Safety:** Safety of principal is the foremost objective of the Policy. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

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

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

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

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

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

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

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

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

Section 7. Authorized and Suitable Investments:

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

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

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

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

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

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

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

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

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

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

PASSED, APPROVED AND ADOPTED this 22nd day of January 2020 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 DISTRICT INVESTMENT POLICY

Ray Kolisz
General Manager

January 2020

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

TO:	BOARD OF DIRECTORS
DATE:	JANUARY 22, 2020
FROM:	RAY KOLISZ, GENERAL MANAGER
SUBJECT:	DISCUSSION OF DEVELOPING AN OPT-OUT POLICY FOR THE DISTRICT'S AUTOMATED METER INFRASTRUCTURE

BACKGROUND AND DISCUSSION

In August of 2019, the District began the implementation of the Automated Metering Infrastructure (AMI) project. This project involves the replacement of all of the meters in the District, and a conversion to a fixed radio read system. This includes all residential, commercial, and irrigation customers and currently, approximately 6,200 meters have been installed. The installation involves two components: the replacement of the meter itself and the addition of AMI, a transmission unit connected to the meter. To date, the District has received several requests from customers asking if they can opt-out from having this style of meter installed for their water service. The primary reasons that opt-outs have been requested are concerns over the radio frequency exposure from the meter communication device. AMI uses a low-powered communication device to transmit hourly water usage information over a secure network. The communication device is a battery powered radio and transmits data throughout the course of the day. All AMI devices are required to meet Federal Communications Commission (FCC) Radio Frequency limits and the equipment being used by the District meet these requirements.

Benefits of AMI technology include customer access to web-based water usage information when this component is developed, anticipated faster leak detection for homeowners that would reduce their water bill due to a leak, water conservation aspects including greater awareness of overall water usage, and decreased District costs by eliminating monthly meter reading activities.

RECOMMENDATION

Staff is seeking consensus from the Board for this matter. If the Board desires staff to draft an opt-out program, staff will develop a draft policy and bring this item back to a future Board meeting for review and or adoption.

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

TO:	BOARD OF DIRECTORS
DATE:	JANUARY 22, 2020
FROM:	RAY KOLISZ, GENERAL MANAGER
SUBJECT:	REVIEW AND CONSIDERATION TO ACCEPT THE PROPOSAL FROM NBS TO CONDUCT A RATE STUDY FOR THE DISTRICT

BACKGROUND AND DISCUSSION

In fiscal year 14/15, the District hired NBS to prepare a water rate study. As a result of that study, the District adopted Ordinances 96 and 97, establishing a five-year rate increase to allow the District to build reserves to a minimum level and to cover operating expenses. The approved rate increase was effective January 1, 2016, with an increase every January 1st thereafter until January 1, 2020.

The District is in need of a new rate study to determine if future rate adjustments are needed. NBS has submitted a proposal to prepare rate study for a cost not to exceed \$27,195. This proposal includes a full financial analysis, cost of service analysis, rate study report, and attend meetings with staff and/or the Board. The scope of work will also include the requirements under Prop 218 that rates not exceed the cost of providing the service and that they are proportionate to the cost of providing service for all customers of the District.

The District has established a positive working relationship with NBS therefore staff elected to not receive other proposals based on NBS's knowledge of the District, and their competitive proposal put forth. This is in accordance with the District's purchasing policy for professional services.

FISCAL IMPACT

The current fiscal year budget has \$40K for completion of a rate study.

RECOMMENDATION:

To accept and approve the proposal from NBS and authorize the General Manager to execute a Professional Service Agreement.

Aerial view of TPWD
via Google Earth



TWENTYNINE PALMS WATER DISTRICT

Proposal for:

Water Rate Study

January 13, 2020

Prepared by



nbsgov.com



32605 Temecula Parkway, Suite 100
Temecula, CA 92592
Toll free: 800.676.7516

nbsgov.com

January 13, 2020

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

RE: Proposal for a Water Rate Study

Dear Mr. Kolisz,

We are pleased to submit NBS' proposal to Twentynine Palms Water District (TPWD) for the Water Rate Study Update. We are excited about the possibility of working with you and your team on this study, and see three key objectives that need to be addressed:

- **Sustainable Financial Plan** – The Financial Plan developed in the 2015 Water Rate Study will be updated to reflect costs in the current operating and maintenance budget, and capital improvement planning efforts. We understand that TPWD has critical capital infrastructure that must be funded, including facilities needed to treat for Chromium VI.
- **Evaluate Funding Alternatives** – Since the current rate structure is working for the District, we plan to maintain it in this new rate setting process. Our focus will be on evaluating options for funding the necessary capital improvements and timing of expenditures. We will develop a well-conceived approach to fund these important needs.
- **Support with the New Rate Adoption Process** – We will assist TPWD in communicating the outcomes and recommendations of the study in workshops with the Board of Directors. Our goal is that any given Director, if stopped in the supermarket, will feel comfortable explaining the whys and hows of any new rate structure that is developed in this study.

The team that we will dedicate to this effort has the precise expertise and knowledge to accomplish the tasks required. Given our experience completing the 2015 Water Rate Study, our team is well-suited to address TPWD's specific needs for the project. We will work cooperatively with the District to develop water rates that are well suited to its needs. Throughout every step of the process, we will strive to provide clear reasoning and simple answers to your questions and concerns.

Our proposal lays out our approach to the TPWD's water rate study and provides background information on my team's experience. Please contact me at 800.676.7516 or via email at kboehler@nbsgov.com if you have any questions or concerns. We would genuinely like to work on this project and help Twentynine Palms Water District move forward successfully.

Sincerely,

A handwritten signature in blue ink that reads "Kim Boehler".


Kim Boehler
Director


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SECTION 1 | FIRM OVERVIEW


AT-A-GLANCE: HELPING COMMUNITIES FUND TOMORROW




22
YEARS

In Business




100%
ESOP

NBS is a 100%
employee-owned
S-Corporation




NBS HEADQUARTERS
32605 Temecula Pkwy | Suite 100
Temecula, CA 92592


SAN FRANCISCO REGIONAL OFFICE
870 Market Street | Suite 1223
San Francisco, CA 94102



CONTACT
Kim Boehler | 800.676.7516
kboehler@nbsgov.com



LEGAL NAME	DBA
NBS Government Finance Group	NBS



INDIVIDUAL AUTHORIZED TO NEGOTIATE AGREEMENT
Michael Rentner, President

Since 1996, NBS has supported California municipalities with the implementation and ongoing administration of local funding tools.

While the firm originally focused on Special Financing Districts (SFDs), specifically the formation and administration of special assessments and taxes, we have evolved with our clients' needs and now provide a full range of revenue consulting services. We focus on sustainable water and wastewater utility rate programs, cost allocation plans, cost recovery, and legally-justified fee design. Across all practice areas, we have worked with more than **400 public agencies** to date, including cities, counties, school districts, utilities, and special districts.

Demonstrated Experience

The NBS Utility Rate Group ensures your utility rates, system capacity fees, and financial plans provide an appropriate level of funding and are also justifiable in a fluid legal and regulatory environment.

500
STUDIES
PERFORMED

We act as strong advocates for our many utility clients to ensure that rates and fees address the multitude of challenges facing each community. Just ask the municipalities where we have performed over 500 studies!

**PROP
218**
COMPLIANT

Once study results are in, we support you through the Proposition 218 approval process. Working within legal and industry standards, we partner with you to study and develop implementable solutions for the most challenging financial issues.



Throughout the process, we strive to educate the public, manage community expectations, and work within the often confusing legal framework to develop the best solutions for your utility. Our analytical support and expert consultants help agency staff and legal counsel navigate the practical and legal challenges.

Our Publications

We believe in continuing education, not only for our own team, but also for our clients and municipal staff.

As industry leaders, we have a unique set of qualifications and experience in the work we perform. In that regard, we have published four booklets on related industry topics that can be downloaded at no charge at www.nbsgov.com/publications. For a hard copy, please call 800.676.7516 or email contactnbs@nbsgov.com.

- **Special Financing Districts (SFDs)** (2015) has been credited as the best publication on SFDs in a decade by prominent industry professionals.
- **Rates, Fees and Charges Compendium** (2015) has received high regard and interest from industry professionals.
- **Stormwater: A Ten-Step Funding Plan** (2018) addresses the spectrum of stormwater needs in California.
- **Community Facilities Districts (CFDs)** (2018) explains this robust funding and financing tool for local governments in California.



NBS University
Continuing Education for Public Agencies

Continuing Education Workshops

NBS keeps things fresh by periodically hosting content-rich workshops that bring industry insiders together to learn, share ideas and meet with their peers. Our topics qualify for continuing education

(CE) units for the California Board of Accountancy. For information on our upcoming seminars, please visit www.nbsgov.com/university or send an email to be added to our contact list for future workshops: contactnbs@nbsgov.com.

"MHCS D would like to express its sincere appreciation to NBS for stewarding the District through this exigent project. NBS provided world-class customer service, leadership, a commendable level of stoicism, and displayed a command of subject matter expertise throughout this project. The District is now on a financially sustainable trajectory that was developed through shared vision and a collaborative process in which NBS facilitated. A special thank you to Greg Clumpner and the project team. Their hard work and dedication to this project was admirable and irreplaceable."



EDWIN PATTISON
former general manager
current general manager,
Tuolumne Utilities District

WATER AND SEWER COST OF SERVICE RATE STUDY | 2017

Recent Relevant Experience

The following is a sampling of California municipal agencies for whom our proposed team has completed (or been recently selected to complete) projects similar to the TPWD's needs. For detailed project references and experience, please see Section 6 and our project team's resumes included in the Appendix.

- Arvin
- Azusa Light and Water
- Bellflower Mutual Water Company
- Benicia
- Beaumont
- Calaveras County Water District
- Citrus Heights Water District
- Colton
- County of Calaveras
- Cucamonga Valley Water District
- Culver City
- Davis
- Desert Water Agency
- Dixon-Solano Water Authority
- El Dorado Irrigation District
- Fort Bragg
- El Cerrito
- Greenfield
- Hidden Valley Lake Community Services District (CSD)
- Hesperia
- Humboldt CSD
- Idyllwild Water District
- Indio Water Authority
- Ironhouse Sanitation District
- Lake Dan Pedro CSD
- Lancaster
- Lemon Grove
- Lincoln
- Livermore
- Long Beach
- Los Altos
- Los Angeles Department of Water and Power
- Mill Valley
- Mission Hills CSD
- Montecito Water District
- Monterey One Water
- Morgan Hill
- Mountain House CSD
- Napa Sanitation District
- Nevada Irrigation District
- Pajaro/Sunny Mesa CSD
- Pasadena
- Rancho California Water District
- Redding
- Roseville
- Rowland Water District
- Sacramento
- San Carlos
- San Francisco Public Utilities Commission
- San Lorenzo Valley Water District
- San Luis Obispo County
- San Mateo County
- Santa Ana
- Santa Maria
- Santa Monica
- Santa Paula
- Sausalito
- Seal Beach
- Solvang
- Sonoma County
- Stanton
- Stockton
- Sunnyvale
- Taft
- Twenty-Nine Palms Water District
- Upper Valley Disposal
- Valley of the Moon Water District
- Victorville
- Waterford
- West County Wastewater District
- West Hollywood
- Winters



SECTION 2 | PROJECT UNDERSTANDING

Twentynine Palms Water District is embarking on a review and update of the water rates most recently established in 2015¹. NBS plans to work cooperatively with TPWD staff to develop an updated financial plan and water rate schedule that incorporates current and planned operating, maintenance and capital improvement costs. NBS will provide the leadership necessary to guide you through the various options, key concerns, and explain the issues involved in updating the District's Water Rates.

The following are key components that will be critical for the success of this effort:

- **Ensuring Financial Stability** – The first important task in this study will be updating the financial plan established in 2015. This will ensure the continued long-term financial health of TPWD, while also balancing the affordability of water rates. The financial plan update will incorporate all of TPWD's financial obligations, including operations, maintenance, capital improvement costs and contributions to reserve funds.
- **Update Water Rate Schedule** – Once the financial plan is updated, NBS will then update the water rate schedule for the next five years. Along with this, we will review customer bill impacts of any proposed rate alternatives, and evaluate the cost of providing water service among other retailers in the region. The key objective of this update is to provide sufficient funding for the Utility and determine the impact of potential rate adjustments on ratepayers.
- **Fostering Transparency and Communication** – NBS always strives for transparency in communicating the study methodology, assumptions, and results. Since “complexity is the enemy of understanding,” we strive to provide concise, simple, and clear explanations at every part of the study. We plan to work alongside TPWD staff in public meetings and workshops with the Board of Directors to provide the education needed to support the new rate adoption process.
- **Quality Project Delivery** – Our team offers our personal commitment to a successful completion of this study, and we have many client references to back up this commitment. We believe having a consultant with sound judgment and trustworthy quality control is essential for the success of any rate study. NBS has a proven track-record of tailoring each rate study to the TPWD's needs rather than using a boiler-plate approach.

Lastly, due to our history in working with TPWD, we are committed to and have a genuine interest in successfully completing any project we undertake for TPWD.

¹ Twentynine Palms Water District, Water Rate Study, Technical Memorandum Dated 10/22/2015. Referred to throughout this proposal as the “2015 Rate Study.”

SECTION 3 | SCOPE OF WORK

NBS follows the basic industry standards shown in Figure 1, which are intended to reflect the fundamental principles of cost-of-service ratemaking embodied in the American Water Works Association (AWWA) Principles of Water Rates, Fees, and Charges², also referred to as Manual M1. We will also address requirements under Prop 218 that rates not exceed the cost of providing the service and that they are proportionate to the cost of providing service for all customers. In terms of the chronology of the study, these three steps represent the order in which they will be performed in this Study.

Figure 1. Primary Components of a Rate Study



NBS will work cooperatively with District staff, management and stakeholders, to develop a financial plan and rate recommendations that are well suited to the District's needs, are practical and implementable. The scope of services NBS offers for completing the study is presented in this section. We will also be prepared to make adjustments during the course of the study to reflect the direction of District staff and stakeholders as the study progresses. NBS will provide the leadership necessary to guide you through the various options, key concerns, and explaining the issues involved. These tasks serve as the basis for the proposed budget for this study.

TASK 1. KICKOFF MEETING AND DATA COLLECTION

NBS will hold a kick-off meeting with TPWD staff at the beginning of the study. The kick-off meeting will be used to review and discuss the data from the billing/accounting system and data requirements in general and review study objectives, tasks, and schedule. A preliminary plan for public presentations will be discussed with TPWD during this meeting. The data that TPWD will need to provide includes customer account information including:

- Customer billing information that includes: meter sizes, customer class and monthly water consumption, for each customer.
- Financial data typically reported in financial statements.
- Capital Improvement and/or Master Plans.

² *Principles of Water Rates, Fees, and Charges, Manual of Water Supply Practices, M1, AWWA, sixth edition, 2012.*

TASK 2. FINANCIAL PLAN

NBS will prepare a detailed financial plan for the water utility that details revenue, expenditures, reserves, capital improvement costs, repair and replacement costs and net revenue requirements. Task deliverables will include:

- 20-year financial projection model that will serve as a financial “roadmap” for the water utility.
- Summary of current and projected net revenue requirements.
- Update reserve fund policies and targets potentially including reserves for operations, rate stabilization, repair and replacement, debt service and capital projects.
- Projected year-end reserve fund levels.

This financial plan will lay the groundwork for the cost-of-service and rate design analyses addressed in Tasks 3 and 4. The following subtasks are anticipated:

1. **Projected Revenues and Expenditures** – Using a cash-basis reflecting the TPWD’s system of accounts, NBS will prepare a 20-year projection of revenues, expenses, and increases in rate revenue needed to meet all obligations. This will provide TPWD with a financial planning tool to plan for rate adjustments to address operating and maintenance costs, infrastructure improvements, asset replacement and maintaining appropriate reserve fund levels. TPWD’s projected customer growth rates from capital improvement plan documents and planned cost inflation factors will be incorporated in this analysis.
2. **Evaluate Reserve Fund Sufficiency** – NBS will evaluate the sufficiency of existing reserve funds, target reserves, reserve fund policies, and related issues such as meeting debt service coverage ratios and other rate covenants. We will provide recommendations for reserve fund targets that are tailored to TPWD’s specific needs such as operating, capital rehabilitation/replacement, rate stabilization and catastrophes, etc. We will develop a phased-in approach to funding reserves to minimize the impact to ratepayers.
3. **Review Capital Improvement Program Funding** – NBS will incorporate TPWD’s plans for new facilities, infrastructure improvements, and asset replacement plans into the financial plan. We will evaluate the timing, costs, and available reserves used to fund various projects. We will work with TPWD staff to develop a well-conceived approach to funding these capital needs, which may include an appropriate balance between debt-funded and cash-funded projects. Up to three levels of capital improvement program funding will be developed in the study for comparison purposes.

Figures 2, 3, and 4 are examples of the types of charts and tables we use to summarize these results (the TPWD’s chart of accounts will serve as the basis for the actual analysis and tables).

Figure 2. Summary of 5-Year Revenue Requirements and Rate Increases

Financial Plan Summary	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
Sources of Water Funds					
Rate Revenue Under Prevailing Rates	\$3,500,000	\$3,570,000	\$3,641,400	\$3,714,228	\$3,788,513
Non-Rate Revenues	75,000	82,500	90,750	99,825	109,808
Interest Earnings	24,823	24,527	21,877	16,497	15,605
Total Sources of Funds	\$3,599,823	\$3,677,027	\$3,754,027	\$3,830,550	\$3,913,925
Uses of Water Funds					
Operating Expenses:					
Water Supply	\$1,500,000	\$1,575,000	\$1,653,750	\$1,736,438	\$1,823,259
Transmission and Distribution	1,000,000	1,050,000	1,102,500	1,157,625	1,215,506
Administration	105,000	109,200	113,568	118,111	122,835
Utility Billing	173,000	179,920	187,117	194,601	202,386
Engineering	175,000	182,000	189,280	196,851	204,725
Subtotal: Operating Expenses	\$2,953,000	\$3,096,120	\$3,246,215	\$3,403,626	\$3,568,712
Rate-Funded Capital Expenses	250,000	350,000	500,000	600,000	650,000
Total Use of Funds	\$3,203,000	\$3,446,120	\$3,746,215	\$4,003,626	\$4,218,712
Additional Revenue from Rate Increases	210,000	436,800	681,492	945,235	1,229,260
Surplus (Deficiency) after Rate Increase	\$606,823	\$667,707	\$689,304	\$772,159	\$924,473
Projected Annual Rate Revenue Increase	6.00%	6.00%	6.00%	6.00%	6.00%

Figure 3. Summary of 5-Year Reserve Fund Balances

Reserve Fund Balances and Recommended Reserve Targets	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
Operating Reserve					
Ending Balance	\$1,982,000	\$1,850,000	\$1,775,000	\$1,740,000	\$1,700,000
<i>Recommended Minimum Target</i>	<i>1,477,000</i>	<i>1,548,000</i>	<i>1,623,000</i>	<i>1,702,000</i>	<i>1,784,000</i>
Capital Rehabilitation & Replacement Reserve					
Ending Balance	\$7,397,161	\$7,397,161	\$6,397,874	\$4,266,338	\$3,934,789
<i>Recommended Minimum Target</i>	<i>2,000,000</i>	<i>2,250,000</i>	<i>2,500,000</i>	<i>2,750,000</i>	<i>3,000,000</i>
Debt Reserve					
Ending Balance	\$550,000	\$563,750	\$577,844	\$592,290	\$607,097
<i>Recommended Minimum Target</i>	<i>555,000</i>	<i>555,000</i>	<i>555,000</i>	<i>555,000</i>	<i>555,000</i>
Total Ending Balance	\$9,929,161	\$9,810,911	\$8,750,718	\$6,598,628	\$6,241,886
Total Recommended Minimum Target	\$4,032,000	\$4,353,000	\$4,678,000	\$5,007,000	\$5,339,000

Figure 4. Summary of Revenue Requirements and Existing vs. Proposed Rates

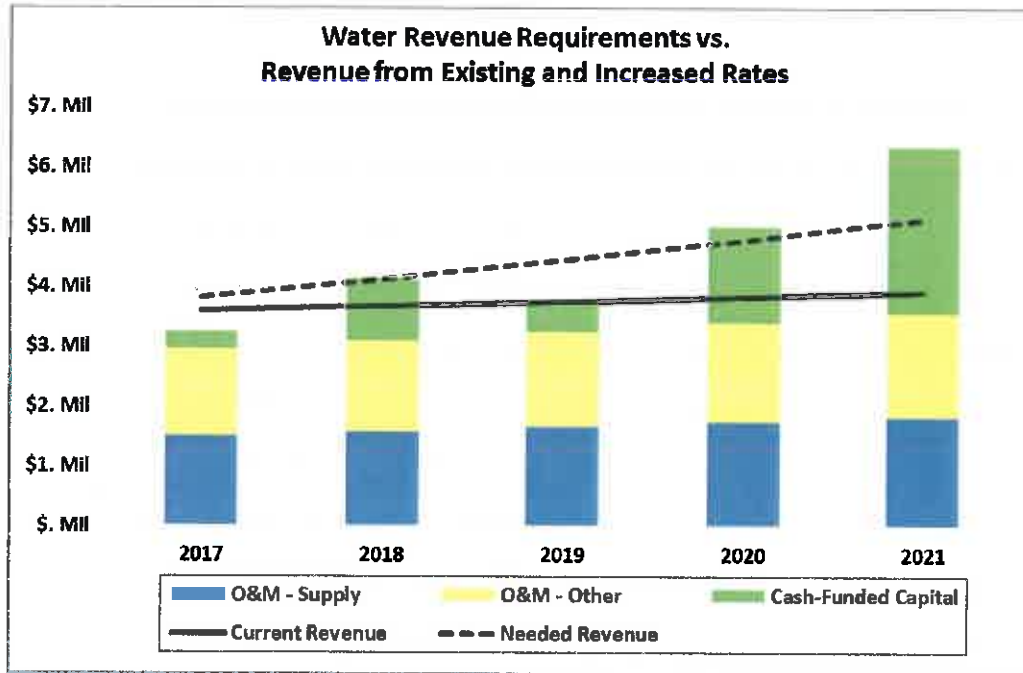


Figure 5 provides an example of a recent rate study NBS performed in which we worked with a client to define the most preferable scenarios for funding capital improvement costs. These alternatives were linked to their individual scenario number (that is, 1 through 4) so that any of these alternatives could be “plugged into” the analysis to change the rate increase outcomes linked to each option. NBS will evaluate up to three different capital improvement program-funding options for consideration in the study.

Figure 5. Summary of CIP Alternative Scenarios

Summary of Annual Rate-Increases & CIP Costs	Budget		Projected			5 Year Total FY 15/16 - FY 19/20
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	
1 Full Funding of Necessary CIP Improvements						
Annual Rate Increases to Meet Revenue Requirements	45%	40%	5%	4%	2%	-
Capital Improvement Plan Program Funding	\$5,124,250	\$23,136,638	\$26,321,062	\$27,736,476	\$23,728,601	\$106,047,027
2 Funding of Immediate CIP Needs						
Annual Rate Increases to Meet Revenue Requirements	25%	25%	15%	15%	5%	-
Capital Improvement Plan Program Funding	\$3,700,000	\$8,000,000	\$10,000,000	\$10,000,000	\$15,000,000	\$46,700,000
3 Status Quo CIP Funding						
Annual Rate Increases to Meet Revenue Requirements	25%	20%	10%	6%	3%	-
Capital Improvement Plan Program Funding	\$3,090,000	\$3,182,700	\$3,278,181	\$3,376,526	\$3,477,822	\$16,405,230
4 Pipeline Replacement & 80% of Full Funding						
Annual Rate Increases to Meet Revenue Requirements	35%	35%	8%	8%	8%	-
Capital Improvement Plan Program Funding	\$4,099,400	\$18,509,310	\$21,056,849	\$22,189,181	\$18,982,881	\$84,837,622

TASK 3. COST OF SERVICE ANALYSIS

NBS will update the cost-of-service analysis develop in the 2015 Rate Study. In this analysis, the revenue requirements will be equitably allocated to individual customer classes based on industry standard methodologies. We will review existing customer classes and analyze the historical characteristics of each customer class, but assume there will be no major changes to the customer classifications from the 2015 Rate Study. The main components of the cost-of-service analysis are as follows:

1. **Functionalization/Classification of Expenses** – Functionalizing the expenses means arranging costs into basic categories, such as source of supply, treatment, transmission, and distribution, as well as administrative and overhead costs. Once the costs have been functionalized, they are then classified to their various cost components, such as: fixed capacity, variable (commodity), or customer-related costs.
2. **Allocation of Costs to Customer Classes** – These costs are then allocated to individual customer classes based on allocation factors specific to each cost classification, producing fixed and variable revenue requirements for each customer class. These allocations will be used for the actual rate calculations.

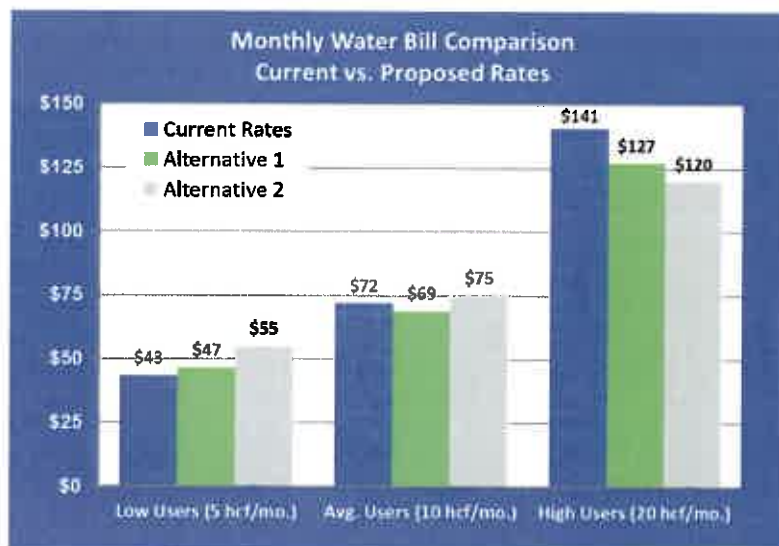
TASK 4. DEVELOP UPDATED WATER RATES

NBS will work with TPWD staff to review the current rate structure and develop new alternatives, to ensure that new rates will meet the District’s broader rate design goals and objectives. We assume the District plans to maintain the existing rate structure that consists of fixed charges based on water meter size and uniform volume rates based on the type of water consumed (i.e. potable, non-potable and pay station water). The following subtasks are anticipated:

Calculate Fixed and Volumetric Charges – Ideally, fixed charges should be used to cover fixed costs; however, due to the emphasis on using pricing signals to encourage conservation, this is rarely the case. As a result, many agencies have struggled with revenue stability during times of uncertain demands. Fixed charges will reflect the number of accounts, equivalent meters, and size of meters. In contrast, volumetric rates should cover variable costs and should be allocated in proportion to consumption. Determining the best combination of fixed and variable charges is also influenced by other factors, such as revenue stability, conservation, ease of understanding, and ease of administration. NBS will work with TPWD staff to develop an appropriate balance between fixed and variable charges in the new water rates.

Comparison of Monthly Bills – In order to compare rate alternatives, we will prepare rate tables and bill comparisons for various customer classes to illustrate how the rate adjustments will affect customer bills, as illustrated in Figure 6. These tables and charts will be used in the report, and in workshops and presentations.

Figure 6. Sample Bill Comparison



Develop Five-Year Rate Schedule – An updated five-year rate schedule will be developed for each alternative considered in the study.

TASK 5. REGIONAL BILL COMPARISON

NBS will compare current and proposed water rates to ten neighboring communities to see how TPWD's rates compare to other nearby water retailers. The results of this comparison will be presented in the rate study report and in public presentations. The comparisons will provide TPWD staff and the Board with a basis to compare the cost of delivering water service to customers in the region.

TASK 6. PREPARE RATE STUDY REPORT

NBS will prepare a rate study report that includes proposed rates for the next five years. An executive summary and introduction will present the purpose of the report and results of the study. Tables, graphs, and charts will be used as appropriate, but the emphasis will be on providing a clear, concise and understandable report that will provide TPWD with a thorough administrative record that addresses:

- Findings and recommendations.
- Overall study methodology, with reference to AWWA M1 Manual and industry standards as needed.
- Five-year financial plan, including a revenue and expense projection.
- Description of the capital improvement program, as provided by TPWD.
- Supporting justification in the form of calculation tables that are easy to understand.
- Appropriate figures and tables summarizing key aspects and results of the study.
- Proposed water rates for a five-year period.
- Customer bill comparisons.
- Regional bill comparison.

We will provide an electronic file in Microsoft Word format of the draft report for TPWD's review and comment. Once we have received TPWD's comments³, we will incorporate those comments into a final report.

TASK 7. MEETINGS AND PRESENTATIONS

NBS plans to provide support to TPWD in public meetings to support the new rate adoption process. We will also plan to meet with TPWD staff to review study results and recommendations throughout the project. The following meetings and presentations are anticipated for this study:

1. **Meetings with TPWD Staff** – NBS will hold work-in progress meetings with District staff via conference call or web meeting format. We also expect to have regular phone conversations with TPWD staff to review data, discuss how the study is proceeding, solicit input from Staff, and to review and discuss the study's initial results and work products.
2. **Public Workshops/Presentations** – NBS will provide one (1) public workshop⁴ with the Board of Directors. In this presentation, NBS will educate the Board on the rate study process, present study results, recommendations, receive input and guidance on the direction of the study and answer

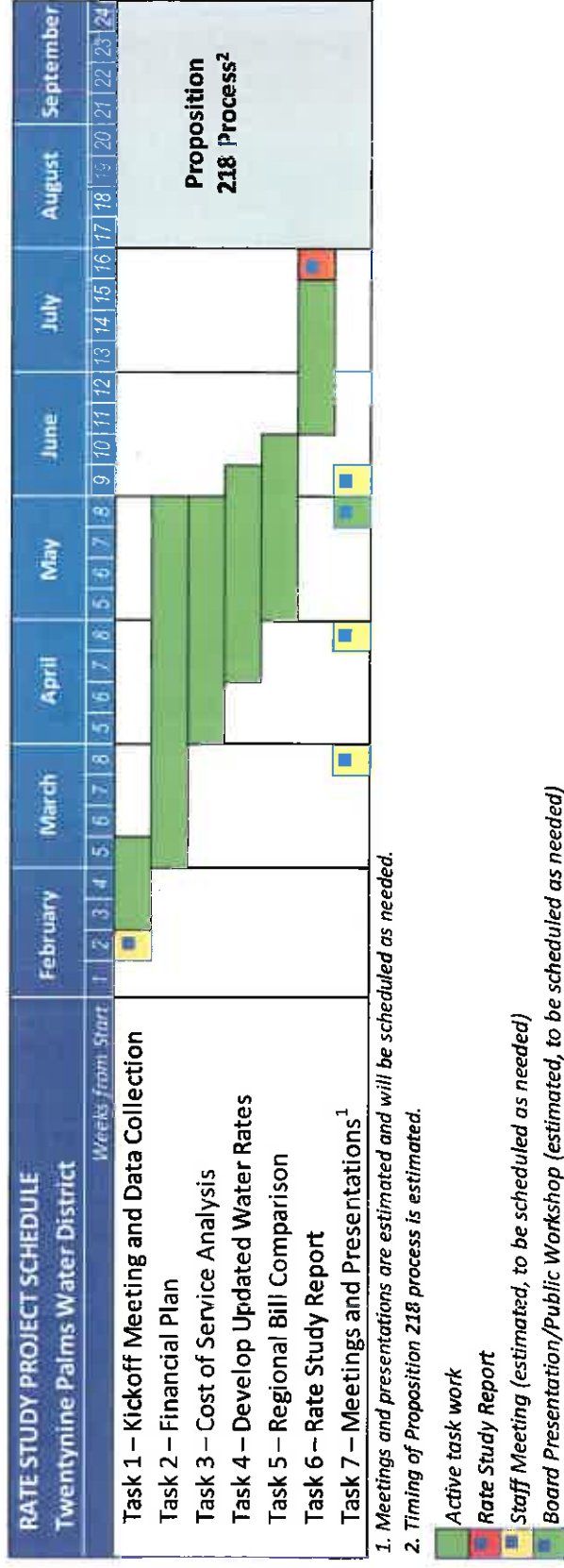
³ We assume TPWD's comments will be in an electronic Microsoft Word file using track-changes mode.

⁴ The number of meetings/presentations that NBS provides can be adjusted as necessary by TPWD staff. We plan to discuss the number of meetings and plans for presentation at the kick-off meeting and adjust throughout the process as needed.

questions. We will prepare a PowerPoint presentation for the public workshop, which will include visual aids, graphics, charts and additional worksheets or handouts.

SECTION 4 | PROJECT SCHEDULE

We understand that TPWD would like to begin the rate study sometime in the first quarter of 2020. The following is an overview of our preliminary project schedule, which assumes the study begins in February 2020. However, we can accommodate starting the project at another time, to better meet the District's needs. We will discuss a detailed schedule at the kick-off meeting, along with the expected timing for individual tasks.



SECTION 5 | PROJECT TEAM

Key Personnel

NBS' staff include 40+ professionals with extensive experience in the fields of finance, management, engineering, and local governance. The staff selected for Twentynine Palms Water District's Water Rate Study are those most qualified based on their experience and backgrounds. The following is a brief overview of NBS' proposed consulting team. Our team members work together seamlessly allowing your staff to focus on other priorities.

NBS Project Team Organization



KIM BOEHLER, PROJECT MANAGER, REGISTERED MUNICIPAL ADVISOR

Role and Responsibilities: Kim Boehler will direct the work efforts of the project team and will work closely with TPWD's project manager to discuss and review the overall approach, development of rate alternatives, and creative solutions to consider. She will design and direct analytical efforts of the project team, provide senior-level technical analysis and review, and monitor the schedule and delivery of work products to the TPWD's satisfaction. Kim will be fully conversant in all findings and will be present for progress meetings with TPWD staff and all public presentations for this project.

Work Experience: Kim Boehler is a project manager who brings more than 13 years of experience at NBS, in all three of our major consulting practice areas. She has a comprehensive understanding of agency funding needs through her work in utility financial management, special financing district administration, overhead cost allocation analysis, and user fee studies. For the past nine years, Kim's work has focused exclusively on

financial planning, cost-of-service analyses and rate design for water and wastewater utilities in California. She leads project teams on water and wastewater rate and capacity charge studies for our public agency clients. Kim has completed 100+ utility rate and fee studies, and often speaks at public workshops, industry conferences and educational seminars on related issues.

GREG CLUMPNER, TECHNICAL ADVISOR

Role and Responsibilities: Greg Clumpner will provide technical review, including the evaluation of study alternatives and results, as needed throughout the project.

Work Experience: As a director in NBS' Utility Rate Study Practice, Greg Clumpner's 35-year professional career has focused on cost-of-service rate studies for municipal water, sewer, recycled water and solid waste agencies. He regularly makes technical presentations at industry conferences and client workshops. Greg's practice includes management-consulting assignments related to utility operations, system valuations, and feasibility studies. He also created and managed Foresight Consulting where, for six years, his practice focused on water and sewer rate analyses. He has completed more than 300 similar studies during his career.

Additionally, since Greg works with Prop 218 legal counsel on an on-going basis, he knows the general legal constraints as well as when to solicit critical legal input to ensure alternatives will meet specific legal requirements.

GREG GHIRONZI, SENIOR CONSULTANT

Roles and Responsibilities: Under the direction of the project manager, Greg Ghironzi will take a key role in the day-to-day management of the technical and administrative aspects of the project by overseeing the data analysis, development of the financial plan, cost-of-service and rate design analysis. He will be a day-to-day contact for TPWD throughout this study. Greg will be fully conversant in all findings and will be present for all progress meetings and onsite for presentations to the Board of Directors, if the project manager is unavailable. Greg's affiliations with the municipal finance community enable him to bring a high level of Proposition 218 experience and expertise to this engagement.

Work Experience: Greg Ghironzi is a senior consultant with NBS. He has more than 25 years of experience working with various funding mechanisms and possesses a broad background in public finance and management. Greg is an acknowledged expert in the formation, annexation, and ongoing administration of land-based special tax and special assessment districts and various financing tools. Greg is now fully focused in utility financial management, including cost of service and rate design analyses for public water and wastewater utilities.

JORDAN TAYLOR AND ALICE BOU, UTILITY RATE CONSULTANTS

Role and Responsibilities: Jordan Taylor and Alice Bou will support the project team in performing large-scale data analysis and validation, data input and will also help develop the financial plans. As needed, they will facilitate data collection and reminders for TPWD staff in order to move projects forward on the agreed-upon timeline for completion.

Work Experience: Jordan Taylor has a Bachelor of Science degree in Chemistry and a Master's Degree in Business Administration with an emphasis in Finance. She offers more than 10 years of accounting experience along with extensive knowledge of financial analysis and budget planning.

Alice Bou has a Bachelor of Arts degree and offers more than two decades of experience working in accounting and financial management performing data analysis, variance analysis, budgeting and forecasting, financial modeling and managerial reporting.

MICHAEL RENTNER, CLIENT SERVICES DIRECTOR

Role and Responsibilities: As Client Services Director, Mike Rentner will ensure that the District's fundamental objectives are being met at all times and that the project is proceeding on a timely basis. He is included on the team as an active representative of our company's commitment to the highest level of service.

Work Experience: Serving as President and CEO, Mike Rentner possesses 26 years of experience in a wide range of public and private management and finance activities. As a founding member of NBS, he is responsible for the ongoing operations of the company including marketing strategy, strategic planning, acquisitions and mergers, new product development and the development and implementation of a delinquency management system for special districts. Mike is a registered Municipal Advisor and authorized to negotiate/sign on behalf of NBS.

Full resumes are included in the Appendix.

SECTION 6 | REFERENCES

Below is a sampling of projects and references similar in scope and magnitude to the TPWD's study.

DESERT WATER AGENCY, PALM SPRINGS, CA

WATER, RECYCLED WATER AND SEWER RATE STUDY

Project Dates: 2010 – 2016; New Rates Adopted in December 2016

DESERT WATER



Contact Information

Esther Saenz
Finance Director
1200 S. Gene Autry Trail
Palm Springs, CA 92264
P: 760.323.4971
E: Esther@dwa.org

In 2016, NBS completed a Water, Recycled Water and Sewer Rate Study for the Agency, and has been working with the Agency since 2010 on its utility rate program. The main concerns addressed in the 2016 study were providing more revenue stability for the potable water utility (rates were previously over 80% volumetric), ensuring rates are sufficient to support the \$45 million capital improvement program over the next five years, maintaining sufficient reserve funds, and retaining the Agency's uniform volumetric water rate. To address recent conservation requirements, we developed drought rates for the Agency that can be implemented, if more severe drought stages occur. For the Reclaimed Water and Wastewater utilities, the key issues addressed were developing rates that fully fund utility operations, maintenance, capital replacement costs, and establishing reserve targets for these enterprises that are separate from the Agency's main potable water operation.

"Your expertise, professionalism, insight and thoroughness places you and NBS in the highest regard with the Board of Directors and Management staff of the Desert Water Agency... you hit a grand slam for us."

DESERT WATER



Martin Krieger
former
finance director

Sewer and Water Rate Studies | 2014

ROWLAND WATER DISTRICT

WATER AND RECYCLED WATER RATE AND CAPACITY CHARGE STUDY

Service Dates: 2016 – 2017; New Rates Adopted February 2017



Contact Information

Tom Coleman
General Manager
3021 South Fullerton Road
Rowland Heights, CA 91748
P: 562.697.1726
E: tcoleman@rowlandwater.com

NBS recently completed a Water and Recycled Water Rate and Capacity Charge Study for Rowland Water District. When the study began, the District was projecting an operating loss and was not expected to meet its required debt coverage ratio without a rate increase. A key objective in this study was to develop potable water rates that collect a greater percentage of revenue from fixed charges to ensure long-term revenue stability for the District. Other objectives included developing cost-based tiered volumetric rates, drought rates to coincide with the District's Water Shortage Contingency and surcharges for customers in various elevations zones.

For the recycled water system, the main objectives were to develop a method for allocating costs in the District's budget to the potable and recycled water systems and to establish a financial plan that achieves the District's goal to have recycled water customers bear a greater percentage of their costs. NBS supported District staff in a Board workshop to obtain approval to move forward with the Proposition 218 process and at the public hearing to adopt new rates.

In this study, NBS also developed new water capacity charge, based on meter size, to replace the District's previous acreage supply fee. The main objective was bringing the charges for new development in line with industry standards.

CITY OF HESPERIA, CA
WATER, SEWER RATE AND RECYCLED WATER RATE STUDY
Service Dates: January 2017 – December 2017



Contact Information

Anne Duke
Deputy Finance Director
9700 Seventh Street
Hesperia, CA 92345
P: 760.947.1441
E: aduke@cityofhesperia.us

In 2017, NBS completed a Water and Sewer Rate Study, and has a Recycled Water Rate Study in progress for the City of Hesperia. The City has had ongoing issues with access to sufficient water rights to meet the demand of existing customers, and does not have enough to meet the needs of future development. Further, at the time the rate study began, the City completed a Cost Allocation Plan and determined that neither utility was paying their fair share of General Fund costs. In the City's rate study, NBS developed rates that will fund water right purchases and the utilities' fair share of General Fund costs, in addition to developing a cost-based tiered water rate structure, to continue encouraging conservation.

NBS also worked with the City to develop a rate structure that would collect a greater percentage of revenue from fixed water rates, to provide more revenue stability for the water utility. The City's previous water rate structure collected 45 percent of revenue from the fixed charge. The rates adopted by the Council transitioned to collecting 55 percent of revenue from fixed charges in the final year of the rate adoption period, moving the City much closer to how expenses are distributed. The City successfully adopted new water and sewer rates in November 2017.

SECTION 7 | PROJECT BUDGET

Our professional fees are based on our understanding of TPWD’s needs and the effort we believe is necessary to complete the scope of services described in our proposal. Work will be performed on a time and materials basis, at the hourly labor rates show in the budget table below with a not to exceed fee of \$27,195. **Additional services requested**, such as additional public meetings or additional rate alternatives, can be provided based on these hourly labor rates. All tasks would be mutually agreed upon by NBS and TPWD prior to proceeding.

PROJECT BUDGET - Twentynine Palms Water District: Water Rate Study						
Rate Study Tasks	Consultant Labor (Hours)				Grand Totals	
	Project Manager (Boehler)	Technical Advisor (Clumpner)	Senior Consultant (Ghironzi)	Consultants (Bou, Taylor)	Consultant Labor (Hrs.)	Consultant Costs (\$)
<i>Hourly Rates</i>	\$205	\$250	\$185	\$160		
Task 1 – Kickoff Meeting and Data Collection	4.0	-	-	10.0	14.0	\$2,420
Task 2 – Financial Plan	8.0	-	6.0	24.0	38.0	\$6,590
Task 3 – Cost of Service Analysis	6.0	1.0	6.0	14.0	27.0	\$4,830
Task 4 – Develop Updated Water Rates	6.0	1.0	4.0	12.0	23.0	\$4,140
Task 5 – Regional Bill Comparison	1.0	-	2.0	8.0	11.0	\$1,855
Task 6 – Rate Study Report	6.0	1.0	2.0	8.0	17.0	\$3,130
Task 7 – Meetings and Presentations						
7.1 - Meetings with District Staff	2.0	-	-	2.0	4.0	\$730
7.2 - Public Workshop/Presentation ¹	12.0	-	-	4.0	16.0	\$3,100
Subtotal	45.0	3.0	20.0	82.0	150.0	\$26,795
Reimbursable Expenses ²						\$400
GRAND TOTAL NOT TO EXCEED	45.0	3.0	20.0	82.0	150.0	\$27,195

1. We assume one public presentation will be provided; additional workshops or presentations can be provided at an additional cost.

2. Estimated travel expenses for on-site meetings/presentations.

APPENDIX

This appendix contains full resumes for our proposed project team.

RESUME HIGHLIGHTS

- More than 13 years of experience
- 100+ cities, counties, and special districts served
- Specialist in financial, rate and cost analysis for municipal water and sewer utilities
- American Water Works Association (AWWA), Member

EDUCATION

- Bachelor of Science, Business Administration and concentration in Finance, California State University, San Bernardino

SPEAKING ENGAGEMENTS

- “Embedded Social Justice: Are Utility Rates Really Fair and Equitable?” California League of Cities, Municipal Finance Institute, December 2017
- “How Conservation, the Drought and Legal Issues Are Changing the Landscape for Rate Setting in California,” American Water Works Association Water Education Seminar, August 2016
- “Conservation, the Drought and Social Justice,” California Water Environment Association Annual Conference, April 2016
- “Brown Lawns and the Changing Landscape of California Water Rates: Next Steps?” AWWA CA-NV Section Spring Conference, March 2016
- “Water and Sewer Rates: from Defensibility to Tailor Made Rate Design,” CSDA Annual Conference, September 2015
- “Basic Rate Making Principles and Key Issues Affecting Rates in California,” American Water Works Association Water Education Seminar, August 2015
- “Recycled Water Pricing Methodologies,” CWEA, May 2014 (co-presented with Greg Clumpner)
- “Drought Impacts and Recycled Water Pricing” and “Water and Sewer Rate Studies and Key Issues Affecting Rates in California,” American Water Works Association Water Education Seminar, August 2014
- “Water and Sewer Rate Studies and Key Issues Affecting Rates in California,” American Water Works Association Water Education Seminar, August 2013
- “Financial Viability and the “New Normal” – The Unique Challenges of California Sewer Agencies” and “Maintaining Financial Viability in the Face of the “Perfect Storm” – Meeting the Challenges in California Today,” CWEA, April 2012

“In my sixteen years as a Finance Officer, I have worked on numerous rate studies. We found that working with Kim Boehler and her team at NBS to be a great experience. They provide tremendous knowledge and experience in helping you develop water rates and fees that are in line with your objective. I would recommend NBS to any other agency.”

ROWLAND WATER DISTRICT
SEAN HENRY, FINANCE OFFICER
Water and Recycled Water Rate and Capacity Fee Study, April 2017

BIOGRAPHY

Kim Boehler is a Director in our Utility Rate Group, she brings more than 13 years of experience at NBS in all three of our major consulting practice areas. She has a comprehensive understanding of agency funding needs through her work in special financing district administration, overhead cost allocation analysis, user fee studies and utility financial management. For the past nine years, her work has focused exclusively on financial planning, cost-of-service analyses and rate design for water and wastewater utilities in California. Kim leads project teams on water and wastewater rate and capacity fee studies for our public agency clients. She has completed 100+ utility rate and fee studies, and often speaks at public workshops, industry conferences and educational seminars on related issues.

RELEVANT PROJECT EXPERIENCE

- Arvin Community Services District, *Water Rate Study*
- City of Arvin, *Sewer Rate Study*
- Avila Beach Community Services District, *Water and Sewer Rate and Connection Fee Study*
- Azusa Light and Water, *Water Rate Study*
- Bellflower Mutual Water Company, *Water Rate Study*
- Calaveras County Water District, *Water and Sewer Rate Study*
- Citrus Heights Water District, *Water Rate Study*
- City of Colton, *Water Rate and Connection Fee Study*
- City of Colton and Grand Terrace, *Sewer Rate Study*
- Cucamonga Valley Water District, *Water and Recycled Water Connection Fee Study*
- Cucamonga Valley Water District, *Water Rate Study*
- Culver City, *Sewer Rate Study*
- Desert Water Agency, *Water, Sewer and Recycled Water Rate Study*
- Desert Water Agency, *Water Rate Analysis to Address Tribal/Non-Tribal Rates*
- Dixon-Solano Water Authority, *Water Rate Study*
- East Valley Water District, *Water and Sewer Financial Plans*
- City of Fort Bragg, *Water, Sewer and Storm Drain Rate Study*
- City of Greenfield, *Water and Sewer Utility Revenue Requirement Analysis*
- Hidden Valley Lakes Community Services District, *Water and Sewer Rate Study*
- City of Livermore, *Water Rate and Connection Fee Study*
- City of Long Beach, *Stormwater Funding Analysis*
- City of Los Altos, *Storm Drain Master Plan Financing Analysis*
- City of Morgan Hill, *Water and Sewer Rate Study*
- City of Pasadena, *Water Rate Study*
- City of Redding, *Water, Sewer and Solid Waste Rate Study and Connection Fee Analysis*
- Rural North Vacaville Water District, *Water Rate Study*
- City of San Carlos, *Sewer Revenue Requirement Analysis*
- City of Santa Paula, *Water and Sewer Rate Study*
- San Mateo County, *Sewer Rate Study*
- City of Sausalito, *Sewer Rate Study*
- City of Solvang, *Water and Sewer Rate and Connection Fee Study*
- City of Seal Beach, *Water and Sewer Rate Study*
- City of Stanton, *Sewer Rate Study*
- Suisun-Solano Water Authority, *Water Rate Study*
- Sussex County, Delaware, *Water, Sewer Rate and Capacity Fee Study and Oversizing Credit Analysis*
- City of Taft, *Sewer and Solid Waste Rate Study*
- City of Thousand Oaks, *Water and Sewer Rate Study*
- Twenty-nine Palms Water District, *Water Rate Study*
- City of Vallejo, *Water Rate and Connection Fee Study*
- Victorville Water District, *Water Rate Study*
- City of Waterford, *Water and Sewer Rate and Connection Fee Study*
- West County Sewer District, *Sewer Rate and Connection Fee Study*

RESUME HIGHLIGHTS

- More than 35 years of experience in financial and economic analyses
- Consulting practice focuses on municipal water, sewer, and recycled water utilities
- Completion of 300+ rate studies in California

EDUCATION

- Master of Science, Agricultural/Managerial Economics, U.C. Davis
- Bachelor of Science, Environmental Planning, U.C. Davis

PROFESSIONAL AFFILIATIONS

- Former Vice-Chair, City of Davis Utility Rate Advisory Committee
- Former Chairman, City of Davis Planning Commission
- Past President, Sacramento Economics Roundtable

RECENT ARTICLES AND SPEAKING ENGAGEMENTS

- “Avoiding Billing Debacles Around New Water or Sewer Rates” – Journal of AWWA, March 2019, Volume 111, Number 3.
- “Changing Perspectives on Outside Surcharges: Understanding New Criteria” – Journal of AWWA, January 2019, Volume 111, Number 1.
- “Social Justice and Water Rates: Impacts of Rate Design on Low-Income Customers” – Journal of AWWA, July 2018, Volume 110, Number 7.
- “Embedded Social Justice: Are Utility Rates Really ‘Fair & Equitable’?” – League of Cities, Municipal Finance Institute Conference, December 13, 2017
- “Setting the Stage for Water Rates: Policy Direction Should Be A Priority”, CSMFO Magazine, Nov. 2016
- “Fiscal Health vs. Pricing for Conservation” – ACWA Fall Conf., Indian Wells, CA, Dec. 2015
- “What’s in Your Rates? Drought? Recycled Water? Social Justice?” – AWWA/ACE 2015 National Conference, Anaheim, CA, June 2015
- “Water Rates: Fairness, Equity and ‘Social Justice’?”, NBS Primer, 2014
- “The ‘Perfect Storm’ or the ‘New Normal’? Meeting the Challenges of Maintaining Financial Viability”, Utility Management Conference, Miami, February 2012

“You have done a great job on this project, especially with the challenges we faced. I would be happy to serve as a client reference whenever needed in the future. Please have any of your prospective clients call me.”

EL DORADO IRRIGATION DISTRICT
JIM ABERCROMBIE
GENERAL MANAGER

[Greg Clumpner served as the Project Manager in completing a Cost-of-service Study of Water, Sewer, and Recycled Water Rates for the District]

BIOGRAPHY

Greg Clumpner’s 35-year professional career has focused on financial, economic, and cost-of-service rate analyses for municipal water, sewer, recycled water and solid waste agencies. He regularly presents technical papers at industry conferences and client workshops. His practice has increasingly focused on management consulting related to municipal utility operations and capital improvements.

- **Utility Cost-of-Service Rate Studies:** Greg has prepared more than 300 multi-year financial plans, cost-of-service analyses, and rate design studies as well as conservation-oriented water rates, funding analysis for water, sewer, and solid waste utilities. These rate studies have primarily been for California clients, although he has also completed projects in Malaysia, Sri Lanka, Egypt, and Mexico.
- **Management Consulting & Strategic Planning:** His management consulting and strategic planning experience includes system operations, financial analyses, and long-term funding strategies for

municipal agencies. Greg also has an extensive background in system valuations of capital facilities and systems, facility acquisitions, and municipal versus private operations.

- **Project Financing/Bond Feasibility Studies:** Greg's financing/bond feasibility study experience includes successfully preparing bond feasibility reports resulting in the issuance of more than \$500 million in revenue bonds to finance the acquisition or construction of municipal facilities.

SAMPLE OF RELEVANT PROJECTS

City of Redding, CA – Water, Sewer, and Solid Waste Rate and Impact Fee Study. NBS completed an extensive and highly visible cost-of-service study of water, sewer, and solid waste rates and system capacity charges in 2013 addressing City policies and overall objectives in developing rate structure alternatives. A key part of this study was working with a City Council-appointed Citizens Advisory Group that reviewed rate alternatives and provided recommendations to the Council. Key tasks included preparing financial/rate setting policies, financial plans, projecting net revenue requirements, cost-of-service analyses, and alternative rate designs. NBS updated this study in 2016. *Client project manager: Chuck Aukland, Director of Public Works. Phone: 530.225.4170 caukland@ci.redding.ca.us*

Mountain House CSD, Tracy, CA – Water & Sewer Cost-of-Service Rate Study. NBS recently completed a comprehensive water and sewer rate study that re-designed rates for the District. Mountain House is a unique master-planned development that had in place the original rate structures prepared in the 1990's. Much of the water and sewer utility budgets have been subsidized from District general funds, but the Board determined that each utility should phase-out those subsidies over a 5-year period. Other key tasks included reviewing existing rate policies, restructuring rates, and customer bill impacts. Several public workshops were provided. NBS also prepared the District's Prop 218 notices. *Client project manager: Ed Pattison, Former General Manager; Current GM of Tuolumne Utilities District. Phone: 209.532.5536 | epattison@tudwater.com*

El Dorado Irrigation District, Placerville, CA – Water, Sewer, and Recycled Water Cost-of-Service and Rate Design Study. Greg completed high-visibility, full cost-of-service water, sewer, and recycled water rate study, including working with a 10-person cost-of-service study committee and regular updates with the district board. Key tasks include reviewing existing and recommending changes to financial/rate setting policies, alternative rate designs, and recommended water, sewer, and recycled water rates. *Client contact: Jim Abercrombie, EID General Manager. Phone: 530.642.4055 | jmabercrombie@eid.org*

City of Yuba City, CA – Water and Sewer Rate Study. NBS completed a Water and Wastewater Rate Study for the City of Yuba City in 2016 and is currently preparing a comprehensive update. The main concerns addressed in this study include meeting long-term revenue requirements, encouraging water conservation related to potential future supply constraints, and providing adequate funding for capital improvements. A key part of this Study was working closely with City staff to balance the financial stability with long-term capital improvement needs for the water and wastewater utilities. Study tasks included preparing a number of financial plan alternatives, projecting net revenue requirements, developing reserve fund policies, cost-of-service analyses, and alternative rate designs including water conservation rates. *Client contact: Diana Langlely, Public Works Director. Phone: 530.822.4626 | dlanglely@yubacity.net*

Valley of the Moon Water District, Sonoma, CA – Water Rate Study. This comprehensive rate study evaluated the District's rate structure along with zonal elevation charges. Water consumption data and billing records provided the basis for developing rate and cost allocation alternatives, with the intent of improving revenue stability. *Client contact: Dan Muelrath, General Manager. Phone: 916.725.6873 | dmuelrath@vomwd.org*

City of Pasadena, Expert Witness Testimony – related to litigation against the City of Pasadena by its outside water customers that has been ongoing for several years, NBS has prepared an analysis of outside surcharges for the purpose of defending the City's against this challenge.

RESUME HIGHLIGHTS

- Registered Municipal Advisor
- More than 25 years of experience
- District formation of 250+ Special Financing Districts (SFDs)
- Proposition 218 procedure expertise, often called upon by other professionals for challenging issues

BIOGRAPHY

Greg Ghironzi is a project manager with NBS. He has more than 25 years of experience working with SFDs and possesses a broad background in public finance and management. Greg is an acknowledged expert in the formation, annexation, and ongoing administration of land-based special tax and special assessment districts.

Greg is actively involved on a day-to-day basis with public agencies throughout the state; typically assisting such agencies with feasibility analysis, the selection of the appropriate financing district, and the subsequent formation, administration, and potential refinancing of SFDs. Additionally, Greg has conducted extensive parcel and property tax audits. His affiliations with the municipal finance community enable him to bring additional experience to each engagement. His experience includes:

Feasibility Analysis: Greg assists agencies in selecting the type of special district to form where several options are legally feasible. Greg applies his years of experience to most appropriately match the individual characteristics of the SFD to the particular needs of the public agency and the individual project.

District Formation: Greg has formed 250+ SFDs consisting of:

- 1913/1915 Act Assessment Districts
- Landscape Maintenance Districts
- Community Facilities Districts (CFDs or Mello-Roos)
- Benefit Assessment Districts
- Fire Assessment Districts
- Business Improvement Districts
- Multi-Family Improvement Areas
- Special Tax Districts

He has prepared the special assessment and special benefit methodologies and rate and method of special tax apportionment models. These districts have included refundings and the acquisition of prior liens of multiple quantities and types of land-based districts in addition to issuing new debt in a single transaction.

- **Proposition 218:** Greg also provides Proposition 218 consulting services related to the establishment or increase of fees, charges, and assessments. He is an acknowledged expert in the area, and is often called upon by other professionals for challenging issues. This includes public communications designed to increase the probability of success of the proposed financing.

RECENT PROJECT EXPERIENCE

- Indio Water Authority, *Water Rate Study*
- Montecito Water District, *Water Rate Study*
- County of San Luis Obispo, *Wastewater Capacity Charge Study*
- County of San Luis Obispo/Paso Robles Basin Water District, *GSA Funding and Formation*
- City of Santa Monica, *Water and Sewer Rate and Capital Facility Fee Study*
- Rosamond Community Services District, *Agency-wide revenue evaluation and recommendations on funding options*

RESUME HIGHLIGHTS

- Ten years of accounting experience for large and small businesses.
- Extensive experience in large-scale data analysis, budget management, and financial planning.

EDUCATION

- Master of Business Administration with an emphasis in Finance, University of Redlands, Redlands, California
- Bachelor of Science in Chemistry, University of Utah, Salt Lake City, Utah

BIOGRAPHY

Jordan Taylor is a Consultant at NBS in our Utility Rate Practice. She offers over ten years of experience in accounting, budget planning and system auditing. Jordan graduated with high honors in her Master's program and spent most of her time in the program focusing on large scale financial analysis and data management.

Jordan provides support to project teams completing water and sewer utility rate studies, for cities and special districts in California. Jordan performs various financial analyses, data management, and utility customer data analysis for utility rate and capacity fee studies. Jordan's diverse knowledge of managerial accounting is essential to the work performed by NBS.

RECENT PROJECT EXPERIENCE

- Costa Mesa Sanitary District, *Solid Waste Rate Study*
- Hidden Valley Lakes Community Services District, *Water & Sewer Rate and Capacity Fee Study*
- Idyllwild Water District, *Water and Sewer Rate Study*
- Ironhouse Sanitary District, *Sewer Rate and Capacity Fee Study*
- City of Lincoln, *Sewer and Solid Waste Rate Study*
- City of Santa Ana, *Prop. 218 Fees and Charges Compliance Assessment*
- City of Santa Monica, *Water and Sewer Rate and Capital Facility Fee Study*
- City of Seal Beach, *Water and Sewer Rate Study*
- City of Yuba City, *Water and Sewer Rate Study Update*

RESUME HIGHLIGHTS

- Two decades of financial, accounting and risk management experience
- Extensive experience in financial reporting, risk management analysis, budget management and development of accounting policies and procedures
- In-depth experience as a finance manager, consultant and controller in private industry
- Supports project teams completing public utility rate and fee studies in performing large-scale data analysis, financial modeling and rate analysis

EDUCATION

- Bachelor of Arts in Literature, University of California at San Diego, La Jolla

BIOGRAPHY

Alice Bou serves as a Consultant in our Utility Rate and Fee Practice. She is an accomplished finance professional with proven success in the oversight of management accounting and business analysis. Alice has two decades of experience working in accounting and financial management, performing data analysis, variance analysis, budgeting and forecasting, financial modeling and managerial reporting. She also has developed detailed procedures and systems documentation with a focus on productivity and data integrity and functionality. Alice's diverse and vast experience is essential to the work performed by NBS.

As a member of the NBS team, Alice assists in the preparation of financial plans, cost of service, rate, and fee design analysis for our public utility clients. She reviews financial statements, budgets, capital improvement plans, operational data and customer billing information for use in public utility rate and fee studies. Alice adds value to our team with her exceptional strategic financial planning and analytical skills.

RECENT PROJECT EXPERIENCE

- City of Davis, *Sewer Rate and Capacity Fee Study*
- Ironhouse Sanitary District, *Sewer Rate and Capacity Fee Study*
- City of Redding, *Water, Sewer and Solid Waste Rate Study*
- City of Santa Monica, *Water and Sewer Rate and Capital Facility Fee Study*
- City of Santa Paula, *Water and Sewer Rate and Capacity Fee Study*

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

TO: BOARD OF DIRECTORS

DATE: JANUARY 22, 2020

FROM: RAY KOLISZ, GENERAL MANAGER

SUBJECT: CONSIDERATION TO APPROVE AND ADOPT ORDINANCE 98 AMENDING THE DISTRICT'S WATER SERVICE TERMINATION POLICY IN ACCORDANCE WITH SB998

BACKGROUND AND DISCUSSION

Intended to minimize the number of Californians who lose access to water service due to their inability to pay, Senate Bill 998 ("SB 998") provides additional procedural protections before residential water service can be discontinued. These protections apply to water service provided by an "urban and community water system," a "public water system," and an "urban water supplier" as those terms are defined. Among other things, SB 998 requires specified water providers to have a written policy on discontinuation of services, prohibits discontinuance until accounts are at least 60 days delinquent, requires 7 days' notice before discontinuance, and prohibits discontinuance when doing so would pose a serious threat to the health and safety of a resident if the customer demonstrates an inability to pay and is willing to make payments via alternative methods.

The District currently has existing policy related to termination of water service but in order to meet the requirements of SB998 this policy must be amended. The proposed policy for review meets these requirements and will be approved by adoption of Ordinance 98.

Staff believes SB 998 may ultimately end up having the opposite effect of its intention. Due to the extended time period to pay a water bill, customers who struggle with the current system will find themselves with a higher dollar amount owed, as water is continued to be used increasing the amount owed after the 60 day extension. Serving a largely disadvantaged community, most vulnerable members of our community may be faced with a large outstanding water bill that may be difficult to overcome. The new policy also has other economic impacts as the District is now forced to increase the security deposit to cover 5 months of water use due to the 60 day extension which is proposed to change from \$75 to \$200.

The District is required to comply with SB 998 by February 1, 2020.

RECOMMENDATION

Approve and Adopt Ordinance 98 amending the District's termination of water service policy in accordance with SB998.

ORDINANCE 98

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE TWENTYNINE PALMS WATER DISTRICT AMENDING DISTRICT CODE CHAPTER 5.05, RETAIL WATER SERVICE RULES AND REGULATIONS, RELATING TO WATER SERVICE BILLING, PAYMENT, AND DISCONTINUATION FOR NONPAYMENT AND ADOPTION OF POLICY ON DISCONTINUATION OF DOMESTIC WATER SERVICE

WHEREAS, Chapter 5.05, Retail Water Service Rules and Regulations, of the Twentynine Palms Water District Code establishes rules and regulations for retail water service by the District; and

WHEREAS, in 2018, the California Legislature adopted Senate Bill 998 (“SB 998”) which adopted new and expanded protections regarding discontinuation of domestic water service for nonpayment and related matters; and

WHEREAS, the Board of Directors desires to amend Chapter 5.05 to ensure consistency with the requirements of SB 998, and for related purposes and to adopt a Policy on Discontinuation of Domestic Water Service as set forth in Exhibit A.

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE TWENTYNINE PALMS WATER DISTRICT DOES HEREBY ORDAIN AS FOLLOWS:

Section 1 Code Amendments Chapter 5.05 of the District Code is amended as described below.

(a) Section 5.05.355, Bills – Payment – Payment Arrangements, is hereby added to read as follows:

5.05.355 Bills – Payment – Payment Arrangements.

(1) If a domestic water service customer is unable to pay a bill during the normal payment period, the customer may request a payment arrangement, which may include an extension of the payment date for up to six months, amortization of the unpaid balance for a period not to exceed 12 months, or an alternative payment schedule allowing periodic payments that do not coincide with the district’s established payment schedule. If a customer submits his or her request within 13 days after mailing of a written notice of discontinuation of service by the district, the request will be reviewed by a district manager. Terms and conditions for a payment arrangement shall be set by the general manager or his or her designee. District decisions regarding payment arrangements are final and are not subject to appeal to the board.

(2) If a customer has been granted a payment arrangement under this section and fails to pay an amount due under the arrangement by the due date, then the district may terminate water service. The district will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the district.

(b) Section 5.05.360, Bills – Payment – Complaints, is hereby retitled and amended to read as follows:

5.05.360 Bills – Payment – Complaints and appeals.

(1) All bills are due and payable on presentation and are presumed to be received within five days of mailing. Failure to receive a bill does not relieve the customer of liability. Payment may be made at the district's office or returned through the U.S. mail.

(2) Bills of the district shall describe the procedure by which a customer may initiate a complaint or request an investigation concerning service or charges. The description shall read substantially as follows:

If you have a complaint that you are being overcharged or if you have any other complaint in connection with District billings YOU MUST PRESENT YOUR COMPLAINT to the District Manager, by mail or in person, at 72401 Hatch Road, Twentynine Palms, California 92277 or by telephone at (760) 367-7546 PRIOR TO THE DATE OF DELINQUENCY specified on the bill. The Manager is designated by the district to hear any complaint and is empowered to investigate and to rectify any District errors in connection with billing matters.

(3) The manager shall consider and resolve all complaints made in accordance with this section. Any customer whose timely complaint or request for an investigation has resulted in an adverse determination by the manager may appeal the determination to the board by filing a written notice of appeal with the board secretary within 10 business days of the manager's determination. Upon receiving the appeal, the board secretary will set the matter to be heard at an upcoming board meeting and mail the customer written notice of the time and place of the hearing at least 10 days before the meeting. The decision of the board shall be final.

(4) Any customer who has timely initiated a complaint shall be given consideration by the manager as to a payment arrangement approved in accordance with this chapter.

(c) Section 5.05.370, Bills – Delinquent – Termination procedures, is hereby amended to read as follows:

5.05.370 Bills – Delinquent – Termination procedures.

(1) Customer bills not paid within 26 days after mailing are delinquent. If customer bills become delinquent the district will commence procedures to discontinue service until all district charges are paid in full. District charges which are not paid on or before the day of delinquency shall also include an administrative penalty of 10 percent. If a bill is delinquent for at least 60 days, the district may terminate water service to the premises.

(2) At least 15 days prior to terminating water service for failure to pay delinquent charges, the district shall mail to the customer a notice of the delinquency and impending termination. This notice shall include: (a) the name and address of the customer whose account is delinquent; (b) the amount of the delinquency; (c) the date by which payment or arrangements for payment is required in order to avoid termination; (d) the procedure by which a customer may request a payment arrangement, which may include an extension, amortization or alternative payment schedule; (e) the procedure by which the customer may initiate a complaint or request an investigation or appeal concerning service or charges; (f) the procedure for the customer to obtain information on the availability of financial assistance including private, local, state or federal sources, if applicable; and (g) the telephone number of a representative of the district who can provide information or institute arrangements for payment. The proposed date of termination on this notice shall be at least 15 days after the day of mailing of the notice.

At least seven (7) business days prior to any actual termination of domestic service, the district shall make a reasonable, good faith effort to contact an adult person residing at the premises of the customer either by telephone or in person. The district will offer to provide a written copy of its discontinuation of domestic water service policy and to discuss options to avert discontinuation of water service for nonpayment, including the possibility of an extension or other payment arrangement. If the district is unable to make contact with the customer or an adult person living at the customer's address in person or by telephone, the district will make a good faith effort to leave a notice of imminent discontinuation of domestic service and a copy of its policy on discontinuation of domestic water service in a conspicuous place at the domestic service address. The notice and policy will be left at the premises at least 48 hours before discontinuation of service. The notice shall include: (a) the name and address of the customer; (b) the amount of the delinquency; (c) the date by which payment or payment arrangements must be made to avoid discontinuation of service; (d) the procedure for the customer to obtain information on financial assistance, if applicable; and (e) the telephone number where the customer may request a payment arrangement or receive additional information from the district.

In addition to the above notices, if the district furnishes domestic water through a master meter or furnishes individually metered domestic service to a single-family dwelling, multi-unit residential structure, mobile home park or farm labor camp where the owner, manager or farm labor employer is listed by the district as the customer of record of the service, or if the customer of record's mailing address is different from the domestic water service address, the district shall make every good faith effort to inform the actual users of the services when the account is in arrears, by means of a notice, that service will be terminated in 15 days. The notice shall be addressed to "Occupant" and further inform the actual users that they have the right to become customers of the district without being required to pay the amount due on the delinquent account.

The district is not required to make service available to actual users unless each actual user agrees to the terms and conditions of service and meets the requirements of the district's rules and regulations. However, if one or more actual users are willing and able to assume responsibility for the entire account to the satisfaction of the district or if there is a physical means legally available to the district of selectively terminating service to those actual users who have not met the requirements of the district's rules and regulations, the district shall make service available to the actual users who have met those requirements. To be eligible to become a customer without paying the amount due on the delinquent account, the occupant shall verify that the delinquent customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include a lease or rental agreement, rent receipts, a government document indicating the occupant is renting the property, or other documentation at the discretion of the district. Where prior service for a period of time is a condition for establishing credit with the district, residence and proof of prompt payment of rent for that period of time is a satisfactory equivalent.

(3) No termination of service by reason of delinquency in payment shall occur on any Saturday, Sunday, legal holiday or at any time during which the business offices of the district are not open to the public.

(4) The district shall not terminate domestic service for nonpayment in any of the following situations:

(a) During the pendency of an investigation by the district's manager of a timely customer dispute or complaint.

(b) During the pendency of a timely appeal to the board of directors.

(c) When the customer has been granted an extension or other payment arrangement and remains in compliance with the terms and conditions of the payment arrangement.

(d) On the certification of a licensed primary care provider that to do so will be life threatening or pose a serious threat to the health and safety of the customer or another resident of the premises and the customer is financially unable to pay for service within the normal payment period and is willing to enter into a payment arrangement with the district with respect to all delinquent charges. A customer is deemed financially unable to pay within the normal billing cycle if: (i) any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (ii) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level. The customer is responsible for demonstrating that the above requirements have been met. For customers who meet all of the above requirements, the district shall offer the customer an extension, amortization of the unpaid balance, or an alternative payment schedule, to be selected by the district in its discretion. Upon receipt of documentation from the customer, the district will review the documentation within seven days and: (i) notify the customer of the alternative payment arrangement selected by the district and request the customer's signed assent to participate in that alternative arrangement; (ii) request additional information from the customer; or (iii) notify the customer that he or she does not meet the above requirements. The district may discontinue water service if a customer who has been granted an payment arrangement under this section fails to do either of the following for 60 days or more: (i) pay an amount due under the payment arrangement; or (ii) pay current charges for water service. The district will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the district.

(5) A customer's water service at a subsequent location may be discontinued if a bill for water service furnished at a previous location is not paid by the delinquency date in accordance with the procedures set forth in this section.

(6) If a customer receives water service at more than one location and the bill for service at any one location is not paid by the delinquency date, water services at all locations may be turned off in accordance with the procedures set forth in this section. Domestic service, however, will not be turned off for nonpayment of bills for other classes of services.

(7) When a bill is delinquent, the full amount of delinquent and current bills and deposits, if any are demanded, must be paid in full before service is restored. An additional charge for restoring service, as further described in this chapter, shall be paid before the order to restore service is issued.

(8) When the district disconnects a service it may not be reconnected except by authorized personnel of the district. If service is reconnected illegally and the district determines that the meter shall be removed, an additional charge is hereby established and may be set from time to time by the board. Said fee shall be paid for the labor to remove and reinstall and must be paid before restoring service.

(9) All the rates provided by the board shall be charged against the property to which the water is furnished and both the owner and all occupants of said property may be jointly and severally responsible for the payment of all such water charges provided the property owner is notified of the delinquency.

(10) Property owners with an outstanding balance will not be able to transfer their water service to anyone, including tenant or agent, until such time that the outstanding balance and any applicable penalties are paid in full.

(11) The manager of the district or his/her designated agent is authorized to sign a complaint, file suit and prosecute to judgment and enforce collection of any charges or water rates owing to the district after such bill is delinquent for over 60 days. Said action may be filed against any or all of the following persons: the property owner, the occupant or occupants of the property or any person who agreed in writing to be responsible for said water charges.

(12) No change of ownership or occupancy shall affect the application of these rules and regulations with respect to collection of charges, water rates, deposits or water service.

(d) Chapter 5.05.460, Restoration/reconnection charges, is hereby amended to read as follows:

5.05.460 Restoration/reconnection charges.

A reconnection fee for water service is hereby established and shall be set from time to time by the board. For domestic customers who demonstrate a household income below 200 percent of the federal poverty level, the district will limit the reconnection fee to \$50 during normal operating hours and to \$150 during non-operational hours. The limits will only apply if the district's reconnection fees actually exceed these amounts. These limits are subject to an annual adjustment for changes in the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers (CPI-U) beginning January 1, 2021. The district will deem a domestic customer to have a household income below 200 percent of the federal poverty line if: (i) any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (ii) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

Section 2 Adoption of Policy on Discontinuation of Domestic Water Service The Board hereby adopts the attached Policy on Discontinuation of Residential Water Service attached hereto and incorporated herein as Exhibit A. The Board may amend the attached Policy in the future by ordinance or resolution.

Section 3 Effect of Amendment; Provisions Controlling Except as expressly set forth herein, all other provisions of Chapter 5.05 remain unchanged and in full force and effect. All ordinances, resolutions, or administrative actions by the Board, or parts thereof, that are inconsistent with any provision of this Ordinance are hereby superseded only to the extent of such inconsistency.

Section 4 Execution The President of the Board shall sign this Ordinance and the Secretary of the Board shall attest thereto. This Ordinance shall be effective upon adoption and execution as set forth below.

Section 5 Severability If any section, subsection, clause or phrase in this Ordinance is for any reason held invalid, the validity of the remainder of this Ordinance shall not be affected thereby. The Board hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof be held invalid.

Section 6 Incorporation of Recitals The Recitals set forth above are incorporated herein and made an operative part of this Ordinance.

ADOPTED this 22nd day of January, 2020, by the Board of Directors of the Twentynine Palms Water District.

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Carol Giannini, President
Board of Directors

ATTEST:

Ray Kolisz, Board Secretary
Twentynine Palms Water District

POLICY ON DISCONTINUATION OF DOMESTIC WATER SERVICE

*Adopted by Ordinance 98 of the Twentynine Palms Water District
Board of Directors on January 22, 2020.*

1. **Background and Purpose.** This Policy on Discontinuation of Domestic Water Service (this "Policy") is intended to provide District customers with certain information required by law. (Cal. Health & Safety Code § 116906.) This Policy shall be posted on the District's website and provided to customers in the manner required by law and Chapter 5.05, Retail Water Service Rules and Regulations of the District Code. A full description of District procedures relating to water service billing, payment, and discontinuation of service is provided in Chapter 5.05. To the extent of any conflict between this Policy and the District Code, the District Code shall control.

2. **Billing Complaints and Appeals.** Customers may initiate a complaint or request an investigation concerning water service or charges as follows:

If you have a complaint that you are being overcharged or if you have any other complaint in connection with District billings YOU MUST PRESENT YOUR COMPLAINT to the District Manager, by mail or in person, at 72401 Hatch Road, Twentynine Palms, California 92277 or by telephone at (760) 367-7546 PRIOR TO THE DATE OF DELINQUENCY specified on the bill. The Manager is designated by the District to hear any complaint and is empowered to investigate and to rectify any District errors in connection with billing matters.

The manager shall consider and resolve all complaints made in accordance with this section. Any customer who has timely initiated a complaint shall be given consideration by the manager as to a payment arrangement as described in this Policy.

Any customer whose timely complaint or request for an investigation has resulted in an adverse determination by the manager may appeal the determination to the Board of Directors by filing a written notice of appeal with the Board Secretary within 10 business days of the manager's determination. Upon receiving the appeal, the Board Secretary will set the matter to be heard at an upcoming Board meeting and mail the customer written notice of the time and place of the meeting at least 10 days before the meeting. The decision of the Board shall be final.

3. **Payment Arrangements Generally.** If a customer is unable to pay a bill during the normal payment period, the customer may request a payment arrangement, which may include an extension of the payment date for up to six months, amortization of the unpaid balance for a period not to exceed 12 months, or an alternative payment schedule allowing periodic payments that do not coincide with the District's established payment schedule. If a customer submits his or her request within 13 days after mailing of a written notice of discontinuation of service by the District, the request will be reviewed by a District manager. Terms and conditions for a payment arrangement shall be set by the General Manager or his or her designee. District decisions regarding payment arrangements are final and are not subject to appeal to the board.

If a customer has been granted a payment arrangement under this section and fails to pay an amount due under the arrangement by the due date, then the District may terminate water service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.

4. Payment Arrangements for Customers Experiencing Both Medical and Financial Hardships. The District will not terminate domestic service for nonpayment if all of the following requirements are met: (a) a licensed primary care provider certifies that doing so will be life threatening or pose a serious threat to the health and safety of the customer or another resident of the premises; (b) the customer is financially unable to pay for service within the normal payment period; and (c) the customer is willing to enter into a payment arrangement with the District with respect to all delinquent charges.

A customer is deemed financially unable to pay within the normal billing cycle if: (i) any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (ii) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

The customer is responsible for demonstrating that the above requirements have been met. For customers who meet all of the above requirements, the District shall offer the customer an extension, amortization of the unpaid balance, or an alternative payment schedule, to be selected by the District in its discretion. Upon receipt of documentation from the customer, the District will review the documentation within seven days and: (i) notify the customer of the alternative payment arrangement selected by the District and request the customer's signed assent to participate in that alternative arrangement; (ii) request additional information from the customer; or (iii) notify the customer that he or she does not meet the above requirements.

The District may discontinue water service if a customer who has been granted an payment arrangement under this section fails to do either of the following for 60 days or more: (i) pay an amount due under the payment arrangement; or (ii) pay current charges for water service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.

5. Contact Information. For billing questions, or for assistance regarding options to avoid discontinuation of service for nonpayment, the District's Customer Service staff can be reached at 760-367-7546. Customers may also visit a District's Customer Service Representative in person Monday through Friday, from 7:30 a.m. to 5:00 p.m., except on District holidays.

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

TO:	BOARD OF DIRECTORS
DATE:	JANUARY 22, 2020
FROM:	RAY KOLISZ, GENERAL MANAGER
SUBJECT:	DISCUSS AND REVIEW AD HOC SCHEDULE OF FEES RECOMMENDATIONS

BACKGROUND

In 2019 an Ad hoc was formed to discuss and review the current schedule of fees that the District has in place. The majority of these fees have not been adjusted for many years and do not cover the true cost of the service being provided. Through multiple meetings and discussions, the ad hoc recommends the following updated schedule of fees. These recommendations are for discussion purposes and if the Board has a consensus to move forward with these, staff will start the appropriate process to adopt the updated schedule of fees at a future Board meeting in accordance with Prop 26.

DEPOSITS

The current deposit fee for a customer is \$75. The District has a high level of renters in the community and due to this situation it causes elevated levels of bad debt when customers leave town without paying for the total amount due on a water account. The District bills on a bi-monthly schedule and many times the total amount due is greater than the amount of deposit on file. The current deposit amount is calculated by taking one-sixth (1/6) of the district wide average annual billing for all same sized meters (Section 5.05.170 District Code). The flaw in this calculation is that it does not consider the time that a bill becomes delinquent and the continued accumulation of water charges. Also, with the implementation of SB998, this allows a customer an additional 60 days to pay their water bill past the delinquent date in which water usage continues to be used. With the additional requirements of SB998 this would result in a time period of 5 months before a payment is made on a water bill. Due to these factors, staff is recommending a deposit of \$200 be required for opening a water service account and if an active account is locked off for non-payment, should the customer not have a deposit on file. Staff is recommending a \$200 deposit amount that reflects an amount equal to approximately 2 ½ billing cycles or five months of water.

Also, current language states that “Deposits shall be retained by the district for two years, and thereafter shall be directly returned” upon request. Staff desires to change language to reflect deposits will only be returned when an account is closed, minus the closing bill amount.

Current deposit amount has not been adjusted since **2011 Resolution 11-22**.

Ad Hoc Recommendations:

1. Increase required deposit to \$200
 - a. This will apply to new accounts and current accounts that are locked off for non-payment that either do not currently have a deposit on file or the current deposit is \$75 in which the account will be billed for the additional \$125 bringing the total deposit to \$200.
2. Deposits will no longer be waived for good payment history either with the District or proof from another utility.
3. Deposits can be split into two monthly payments.

NEW SERVICE INSTALLATION COSTS

The current fees for a new service installation has not changed since 2012 **Resolution 12-01**. Due to increased cost of materials, permit fees and labor the current cost for a new service installation does not cover the cost of installation.

Attachment “A” describes the current charge and proposed new charge for a new service installation.

Ad Hoc Recommendation:

1. Increase new service installation costs as proposed in Attachment “A”.

OPENING FEE

Currently the District charges a fee of \$15 to open a water service account. This fee does not cover the cost that includes responding to the account address to unlock and turn on water service. Staff recommends increasing fee to \$35.

Ad Hoc Recommendation

1. Increase opening fee to \$35.

CLEAN AND SHOW FEES

Due to the high level of rental properties in the community, the District offers rental companies to temporarily turn on the water for 12 days to allow for cleaning. The fee for

this is currently \$10 and staff must go to the water meter to turn on the service and then again to turn off the service at the end of the clean and show time period. The current fee does not cover the cost that is incurred to provide this service. Staff recommends that the clean and show fee be changed to \$35.

Ad Hoc Recommendation:

- 1. Increase clean and show fee to \$35.**

FIRE FLOW LETTER

A fire flow letter is a document that the District prepares at the request of a property owner or someone who is investigating the purchase of a property for sale. The letter gives information on the closest hydrant to the property in question and calculated flow rates that are derived from a fire flow test. This information is generally used to determine how a fire sprinkler system needs to be engineered for a structure and/or if a fire hydrant needs to be installed for property in which the current fire hydrant is at a distance not acceptable to San Bernardino County Fire Protection District. Currently there is no charge for this letter.

Staff recommends establishing a fee of \$15 for a fire flow letter.

Ad Hoc Recommendation:

- 1. Establish a fee to provide a fire flow letter of \$15.**

AFTER HOURS FEE

If a customer requests that water service be turned on after 3:00 p.m. during normal business hours it typically involves a field staff member working past the 3:30 p.m. time that they normally end their work day. Since the time it takes to complete this task usually goes past the 3:30 time overtime is incurred. Current fee is \$35 and staff recommends increasing to \$70.

Ad Hoc Recommendation:

- 1. Increase after hours fee to \$70.**

TERMINATION NOTICE FEE

The District hand delivers a termination notice (commonly referred to as green door hanger) 48 hours prior to termination of service due to non-payment of water bill. This door hanger is after the customer already has a received a delinquent bill in the mail. At times the District distributes as many as 624 of these door hangers in a given month. New requirements related to SB 998 will require the District to provide a copy of the

discontinuation of residential water service policy (multiple pages) which will increase printing and material costs.

Staff recommends to charge a \$10 fee when a termination notice is distributed.

RECONNECT FEES

Current fee for a water service that needs to be reconnected after being shut off for non-payment is \$30. Staff recommends this fee be increased to \$50.

Ad Hoc Recommendation:

- 1. Increase reconnect fee to \$50.**

CREDIT CARD PAYMENTS

When a credit card payment is made to the District, the merchant fees are deducted from the amount paid and the District does not receive the total amount. For example, if a water bill is \$100 the District only receives \$97.05. Staff recommends that credit card payments be charged the additional merchant fees and outsource the payments to a third party.

Ad Hoc Recommendation:

- 1. Direct staff to explore outsourcing credit card payments to a third party vendor if making payment over the phone. If customer is paying by credit card in person a fee will be charged to offset the merchant fees or a kiosk can be explored to determine feasibility that would be set up in the lobby.**

TAMPERING FEE

This fee is charged when a District lock is installed on the angle meter stop as a result of a service being locked off for non-payment. If the lock is determined to be damaged a fee of \$35 is charged to the customer. If damage is caused beyond the lock (damage to the angle meter stop) fees will be charged based on actual damage. Staff recommends to change fee to \$45.

Ad Hoc Recommendation:

- 1. Increase Tampering Fee to \$45.**

RETURNED CHECK FEE

Current fee for a returned check is \$25, staff recommends increasing this to \$35.

Ad Hoc Recommendation:

- 1. Increase returned check fee to \$35.**

INACTIVE READY TO SERVE

All **active** water service connections are charged a Ready to Serve (RTS) fee. These fees are based on the meter size of the service. When an account becomes **inactive** due to the water service being shut off due to non-payment or when a customer closes the account, the District does not charge any RTS fees and the water service remains dormant until it requested to be turned back on.

RTS fees cover the fixed cost of the District such as utilities, equipment cost, customer service, meter reading, water sampling, etc.

When an account is inactive the owner of the property is not sharing the daily operating costs of the District even though they are connected to the water system. For example, staff continues to read the meter to check the status of the service to determine there is no unauthorized use of water while the service is inactive. This entails a cost that is no longer charged and is subsidized by the other rate payers of the District.

There are also cases where a water service is installed on a vacant lot and the service is in the inactive state. Again, the customer is not being charged any RTS fee even though they are connected to the water system. If the District begins to charge a RTS to these inactive service connections and if a customer would like to discontinue that connection, a policy will need to be developed to address what fees would be owed if the customer re-connects to the water system.

Many years ago the District did charge the inactive meters anywhere from the full RTS to half of the monthly RTS. For reasons unknown this procedure was stopped.

Ad Hoc Recommendation:

- 1. Direct staff to further explore this item and bring information and or start the process of developing a draft policy for consideration.**

Attachment "A"

Service Size/Type	Material	Labor	Equipment	Permit		Asphalt	Proposed	Current Meter Fees
				Fees	Fees			
5/8"								
Short Side	\$ 800.00	\$ 401.10	\$ 120.00	\$ 175.00	\$ -	\$ 1,496.10	\$ 783.00	
Bore Side	\$ 975.00	\$ 691.28	\$ 180.00	\$ 175.00	\$ -	\$ 2,021.28	\$ 1,192.00	
Open Cut 3/4 "	\$ 975.00	\$ 691.28	\$ 180.00	\$ 175.00	\$ 3,500.00	\$ 5,521.28	\$ 1,646.00	
1"								
Short Side	\$ 810.00	\$ 401.10	\$ 120.00	\$ 175.00	\$ -	\$ 1,506.10	\$ 796.00	
Bore Side	\$ 985.00	\$ 691.28	\$ 180.00	\$ 175.00	\$ -	\$ 2,031.28	\$ 1,205.00	
Open Cut 1"	\$ 985.00	\$ 691.28	\$ 180.00	\$ 175.00	\$ 3,500.00	\$ 5,531.48	\$ 1,658.00	
1 1/2"								
Short Side	\$ 875.00	\$ 401.10	\$ 120.00	\$ 175.00	\$ -	\$ 1,571.10	\$ 853.00	
Bore Side	\$ 1,050.00	\$ 691.28	\$ 180.00	\$ 175.00	\$ -	\$ 2,096.28	\$ 1,262.00	
Open Cut 1 1/2"	\$ 1,050.00	\$ 691.28	\$ 180.00	\$ 175.00	\$ 3,500.00	\$ 5,596.28	\$ 1,715.00	
2"								
Short Side	\$ 2,000.00	\$ 401.10	\$ 120.00	\$ 175.00	\$ -	\$ 2,696.10	\$ 1,603.00	
Open Cut 2"	\$ 2,510.00	\$ 691.28	\$ 180.00	\$ 175.00	\$ 3,500.00	\$ 7,056.28	\$ 2,527.00	
3"								
Short Side Regular Meter	\$ 2,505.00	\$ 401.10	\$ 120.00	\$ 175.00	\$ -	\$ 3,201.10	\$ 1,753.00	
Short Side Compound Meter	\$ 3,833.56	\$ 401.10	\$ 120.00	\$ 175.00	\$ -	\$ 4,529.66	\$ 2,677.00	
Open Cut Regular Meter	\$ 3,016.00	\$ 691.28	\$ 180.00	\$ 175.00	\$ 3,500.00	\$ 7,562.28	\$ 2,677.00	
Open Cut Compound Meter	\$ 4,344.56	\$ 691.28	\$ 180.00	\$ 175.00	\$ 3,500.00	\$ 8,890.84	\$ 2,677.00	

*Material fees include AMI equipment

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

December 18, 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, and Randy Leazer. Directors Suzi Horn and Michael Arthur were absent. 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

Adan Ortega led the pledge.

Additions/Deletions to the Agenda

Gary Sturdivan will update the Board on Grant opportunities after Agenda Item 4.

Public Comments

Craya Caron, of Desert Heights, would like the Board to consider installing a closer water station or a possible property tax assessment on Desert Heights' residents so they can hook up to the District's water system.

1. Presentation of Audit Report for Fiscal year 2018/2019 by Eadie and Payne
Brandon Ferrell with Eadie and Payne presented the audit. The District had no deficiencies with internal control, and the financial statements present fairly. Staff recommends the Board receive and file the 2018/2019 audited financial statements.

Director Leazer made a motion to receive and file the 2018/2019 audited financial statements, seconded by Director Coghill, and approved unanimously by those present.

2. Update from Ortega Strategies Group
Mr. Ortega provided the Board with an update of the Smart Plan, reviewing the plan's four major issues and progress made: Thwarting Threats of Groundwater Quality; Maintaining Affordability; Updating Water Conservation Efforts; and Bolster the State's Policy.
3. Consideration to Approve Resolution 19-15 Declaring Certain Water District Property as Surplus and Authorizing Disposal of Same
Director Coghill made a motion to approve Resolution 19-15 declaring certain Water District property as surplus and authorizing disposal of same, seconded by Director Leazer, and approved by the following roll call vote:

Ayes:	Directors Coghill, Leazer, and Giannini
Noes:	None
Abstain:	None
Absent:	Directors Horn and Arthur

4. Election of Officer
The Board tabled the election until all Board members are present in January.
- 4.A Cambell Reservoir Grant Update
Mr. Gary Sturdivan updated the Board on the grant application for the hazard mitigation of Cambell reservoir. The grant is under review by Cal OES.
5. Consent Calendar
 - Minutes of a Regular Meeting held on November 21, 2019
 - Audit List

Director Leazer, moved to approve the Minutes and Audit List, seconded by Director Coghill, and approved unanimously by all those present.
6. Items Removed from the Consent Calendar for Discussion or Separate Action
None
7. Management Reports
 - 7.1 Maintenance
Matt Shragge reported that the District responded to 45 Underground Service Alerts, had 2 water main leaks, 1 water meter leak, 0 service line leaks, 4 fire hydrant repairs/maintenance, performed 1 customer pressure check, replaced 7 meters, replaced 5 customer gate valves, and installed 4 new services. 0 water waste inquiries were received. 376 work orders were generated and performed during the month. 758 AMI/AMR meters were installed in November, bringing the total to 5,515.
 - 7.2 Water Quality
Mike Minatrea reported Water production was down 9.03% as compared to the same month in 2013. 38 routine and 7 special water were taken. All samples tested negative for Colilert. The fluoride variance of 3.0 mg/L will expire in 2023. All current wells meet the 2.0 mg/L standard variance set by the State Water Resource Control Board. Approximately 55,500,000 gallons of water was produced in the month of November.
 - 7.3 Finance
Ms. Byerrum, reported that the District is slightly ahead of revenues and on target with expenditures. NBS has provided a quote for the upcoming rate study, which will be brought to the Board next month.
 - 7.4 General Manager
Mr. Kolisz recognized Irene Hull for 30 years of service. Ray wished the Board, staff, and public a Merry Christmas.
8. Future Agenda Items and Staff Tasks/Directors' Comments and Reports
Director Giannini read a letter of appreciation from a ratepayer who recognized Matt Shragge and Austin Meyers for their professionalism and assistance.

9. Adjournment

On motion by Director Coghill, seconded by Director Leazer, and approved by the Board, the meeting was adjourned at: 5:07 p.m.

Carol Giannini, President
Board of Directors

Attest:

Ray Kolisz, Board Secretary
Twentynine Palms Water District

Twentynine Palms Water District

Check Date Range: 12/1/2019 thru 12/31/2019

Ck No	Ck Date	Payable To	Ck Amt	Ck Detail	GL Acct No	Description
13908	12/11/2019	Accela, Inc. #774375	1,245.00	1,245.00	100-600-0000-5408	CivicPay Transaction Fees Nov. 2019
13909	12/11/2019	ACWA/JPIA	34,791.85	32,235.76	100-310-0000-5140	Health Benefits January 2020
				2,021.31	100-310-0000-5141	Health Benefits January 2020
				534.78	100-310-0000-5142	Health Benefits January 2020
13910	12/11/2019	Customer Refund	32.46	32.46	100-000-0000-2000	Refund Check
13911	12/11/2019	Alternative Hose Inc.	321.81	321.81	100-130-0000-5222	Veh. #40-Hydraulic Hose.
13912	12/11/2019	Customer Refund	5.29	5.29	100-000-0000-2000	Refund Check
13913	12/11/2019	Ansafone Contact Centers	157.98	157.98	100-160-0000-5406	Answering Service
13914	12/11/2019	Customer Refund	60.45	60.45	100-000-0000-2000	Refund Check
13915	12/11/2019	Autozone Inc.	1,036.70	93.68	100-130-0000-5222	Veh. #76-Engine Oil.
				9.04	100-130-0000-5222	Veh. #5- Air Filter.
				16.15	100-130-0000-5222	Veh. #11- Fuel Cap.
				72.08	100-130-0000-5222	Veh. #5- Hitch Ball.
				48.48	100-130-0000-5220	Shop Supplies-Oil Can.
				53.86	100-130-0000-5330	Training- Fuel Injection Class.
				743.41	100-130-0000-5220	Shop Supplies-Pintle Hook Balls.
13916	12/11/2019	Axens	37,631.88	37,631.88	100-150-0000-5211	Actiguard AA400G 0.25-0.75 (28x48) Mesh 26 Super Sack Net Wt Per
13917	12/11/2019	Customer Refund	63.81	63.81	100-000-0000-2000	Refund Check
13918	12/11/2019	Best Best & Krieger	1,920.00	1,920.00	100-600-0000-5403	Professional Services November 2019
13919	12/11/2019	Beyond Software Solutions	1,650.00	1,650.00	100-600-0000-5406	IT Consulting
13920	12/11/2019	Customer Refund	57.05	57.05	100-000-0000-2000	Refund Check
13921	12/11/2019	Burrtec Waste & Recycling Svcs	217.40	147.85	100-600-0000-5406	Hatch
				69.55	100-150-0000-5406	Amboy
13922	12/11/2019	Ca-Nv Section Awwa	80.00	80.00	100-130-0000-5242	Cross-connection Specialist renewal - Minatrea
13923	12/11/2019	Centro Print Solutions	77.91	77.91	100-600-0000-5301	Tax forms/envelopes
13924	12/11/2019	Chem-Tech International Inc.	11,592.00	11,592.00	100-150-0000-5211	Load of Sodium Hydroxide Caustic (Treatment Plant)
13925	12/11/2019	City of Twentynine Palms	159.00	159.00	100-130-0000-5303	Permit #505 Emergency repair 6136 Adobe Road
13926	12/11/2019	Clinical Lab of San Bern.	4,628.50	4,628.50	100-140-0000-5405	Water Samples
13927	12/11/2019	Copy Center Plus, Inc.	17.30	17.30	100-150-0000-5406	Shipping
13928	12/11/2019	Customer Refund	42.77	42.77	100-000-0000-2000	Refund Check

Twentynine Palms Water District

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13929	12/11/2019	Desert Hardware	159.56	5.00	100-130-0000-5220	Shop Supplies-Sealant.
				27.02	100-130-0000-5220	Ties Cable, Extension cord
				19.02	100-130-0000-5220	Fence Latch, Insect Killer
				8.00	100-150-0000-5220	Paint
				0.72	100-130-0000-5220	coupling 1/2" pvc
				4.02	100-130-0000-5220	pvc sch 40 1/2" x 20
				1.10	100-130-0000-5220	3/4" coupling pvc
				36.72	100-130-0000-5220	stanley staple gun
				8.54	100-130-0000-5220	staples 3/8 and 5/16"
				37.42	100-130-0000-5220	brown rolled roof
				12.00	100-130-0000-5220	Shop Supplies- Spray Paint
13930	12/11/2019	Dlt Solutions Inc.	1,705.07	1,705.07	100-600-0000-5303	AutoCAD renewal
13931	12/11/2019	E.H. Wachs	530.07	530.07	100-130-0000-5222	Veh. #40- Air Filters.
13932	12/11/2019	Customer Refund	6.49	6.49	100-000-0000-2000	Refund Check
13933	12/11/2019	Frontier Communications	163.06	163.06	100-150-0000-5203	Plant
13934	12/11/2019	Customer Refund	44.76	44.76	100-000-0000-2000	Refund Check
13935	12/11/2019	Harrington Industrial	172.44	172.44	100-130-0000-5222	T.P Transfer Pump Pilot Valves.
13936	12/11/2019	HASA, INC.	1,916.66	1,453.34	100-140-0000-5211	Carboys of Sodium Hypochlorite 12.5% 5 gallon Multi-Chlor NSF 6
				28.32	100-140-0000-5211	California Pesticide Assessment
				435.00	100-140-0000-5211	Container Deposits:
13937	12/11/2019	Customer Refund	146.84	146.84	100-100-0000-4040	Refund aqualoader balance
13938	12/11/2019	Customer Refund	15.09	15.09	100-000-0000-2000	Refund Check
13939	12/11/2019	Inland Water Works	8,575.21	44.39	100-130-0000-5220	3/4" pvc 40 pvc pipe
				159.47	100-000-0000-1499	4" full circle clamp 495-535
				301.70	100-000-0000-1499	6" full circle clamp 595-635
				294.89	100-130-0000-5220	Shop Supplies- Tapper Parts.
				2,687.50	100-000-0000-1499	3/4" Gate Valve brass
				536.60	100-000-0000-1499	8" Hymax coupling
				105.60	100-000-0000-1499	4" X 2" BRASS SADDLE
				652.15	100-000-0000-1499	3/4" BRASS CHECK VLV
				1,074.91	100-000-0000-1499	3/4" BRASS GATE VLV
				299.81	100-000-0000-1499	3/4" x 1.5" BRASS METER TAIL

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				193.95	100-000-0000-1499	3/4" x 2.5" BRASS METER TAIL
				35.56	100-000-0000-1499	3/4" x 2" BRASS NIPPLE
				38.79	100-000-0000-1499	3/4" x CLOSE BRASS NIPPLE
				668.32	100-000-0000-1499	3/4" AMS
				193.95	100-000-0000-1499	3/4" X 1" METER BUSHING
				426.69	100-000-0000-1499	2" BRASS GATE VLV
				720.85	100-000-0000-1499	2" AMS COMP X FLG
				140.08	100-130-0000-5220	Shop Supplies- Flush Valve
13940	12/11/2019	Inland Kenworth	342.46	342.46	100-130-0000-5222	Veh. #76- Filters.
13941	12/11/2019	Customer Refund	5.53	5.53	100-000-0000-2000	Refund Check
13942	12/11/2019	Customer Refund	21.14	21.14	100-000-0000-2000	Refund Check
13943	12/11/2019	Customer Refund	63.08	63.08	100-000-0000-2000	Refund Check
13944	12/11/2019	Customer Refund	46.92	46.92	100-000-0000-2000	Refund Check
13945	12/11/2019	Customer Refund	32.46	32.46	100-000-0000-2000	Refund Check
13946	12/11/2019	Mcmaster-Carr Supply Co.	22.55	22.55	100-130-0000-5220	Shop Supplies-Hose Fittings.
				949.72	100-150-0000-5220	Day Tank Float Valve
				(949.72)	100-150-0000-5220	Day Tank Float Valve Credit
13947	12/11/2019	Minolta Business Systems	274.81	274.81	100-600-0000-5223	10/23/2019 - 11/22/2019
13948	12/11/2019	Customer Refund	60.00	60.00	100-000-0000-2000	Refund Check
13949	12/11/2019	Napa Auto Parts	55.89	125.06	100-130-0000-5222	Veh. #76 Air Brake Hose.
				(40.24)	100-130-0000-5222	Veh. #23 Core Credit.
				130.39	100-130-0000-5220	Shop Supplies-Wiper Blades
				(210.17)	100-130-0000-5222	Veh. #12 A/C Compressor Kit. CREDIT.
				3.01	100-130-0000-5220	Shop Supplies
				41.31	100-130-0000-5222	Veh. #4B-Electrical Adapter.
				6.53	100-130-0000-5222	Veh. #4B-Electrical Adapter.
13950	12/11/2019	Customer Refund	31.52	31.52	100-000-0000-2000	Refund Check
13951	12/11/2019	Customer Refund	28.47	28.47	100-000-0000-2000	Refund Check
13952	12/11/2019	Ortega Strategies Group	5,000.00	5,000.00	100-600-0000-5350	Consulting November 2019
13953	12/11/2019	Pacific Western Bank	5,292.90	33.45	100-600-0000-5330	Charges
				10.01	100-600-0000-5330	Charges
				84.00	100-600-0000-5330	Charges

Twentynine Palms Water District

Check Date Range: 12/1/2019 thru 12/31/2019

				55.33	100-130-0000-5220	Charges
				14.26	100-600-0000-5330	Charges
				29.99	100-130-0000-5222	Charges
				27.00	100-600-0000-5330	Charges
				185.99	100-600-0000-5330	Charges
				35.01	100-600-0000-5330	Charges
				8.40	100-600-0000-5330	Charges
				9.37	100-600-0000-5330	Charges
				78.51	100-600-0000-5330	Charges
				19.35	100-600-0000-5301	Charges
				81.52	100-600-0000-5350	Charges
				416.88	100-600-0000-5350	Charges
				34.91	100-130-0000-5220	Charges
				125.37	100-130-0000-5220	Charges
				24.49	100-600-0000-5330	Charges
				16.24	100-600-0000-5330	Charges
				42.00	100-600-0000-5330	Charges
				63.45	100-130-0000-5406	Charges
				37.85	100-130-0000-5222	Charges
				51.81	100-130-0000-5222	Charges
				3,287.50	100-130-0000-5228	Charges
				158.01	100-130-0000-5220	Charges
				82.00	100-600-0000-5330	Charges
				214.98	100-600-0000-5330	Charges
				25.00	100-600-0000-5330	Charges
				40.22	100-600-0000-5330	Charges
13954	12/11/2019	Palm Springs Motors Inc.	21.04	21.04	100-130-0000-5222	Veh. #13-Rocker Panel Cover.
13955	12/11/2019	Customer Refund	53.89	53.89	100-000-0000-2000	Refund Check
13956	12/11/2019	Parkhouse Tire Inc.	45.00	45.00	100-130-0000-5406	Outside Services- Pick up waste tires.
13957	12/11/2019	Pitney Bowes	474.09	474.09	100-600-0000-5223	09/30/2019 - 12/29/2019 #0040839765
13958	12/11/2019	Platinum Consulting Group	6,250.00	6,250.00	100-600-0000-5401	Monthly Accounting Services October 2019
13959	12/11/2019	Prudential Overall Supply	606.70	186.17	100-130-0000-5253	Uniforms

Twentynine Palms Water District

Check Date Range: 12/1/2019 thru 12/31/2019

				215.06	100-130-0000-5253	Uniforms
				205.47	100-130-0000-5253	Uniforms
13960	12/11/2019	Customer Refund	35.60	35.60	100-000-0000-2000	Refund Check
13961	12/11/2019	Registrar Of Voters	78,621.77	78,621.77	100-800-0000-5901	Election Services
13962	12/11/2019	S.C.E.	8,032.38	30.24	100-110-0000-5201	Donnell
				1,163.87	100-110-0000-5201	Well 16
				439.10	100-120-0000-5201	Booster H1N, H2S
				861.24	100-110-0000-5201	Well 6, 12
				2,671.57	100-110-0000-5201	Well 17
				20.33	100-110-0000-5201	Well 4
				961.58	100-600-0000-5201	Hatch
				660.39	100-120-0000-5201	Booster 11A, 11B
				17.07	100-110-0000-5201	Michel's
				1,206.99	100-150-0000-5201	Amboy
13963	12/11/2019	Customer Refund	46.56	46.56	100-000-0000-2000	Refund Check
13964	12/11/2019	San Bernardino County	4.00	4.00	100-130-0000-5301	Monthly Assessor parcel map revisions Dec. 2019
13965	12/11/2019	San Bernardino County Fire Protection District	13,393.88	8,564.08	100-000-0000-1800	Fire related property taxes from 04/01/2019 - 06/30/2019
				4,829.80	100-000-0000-1800	Fire related property taxes from 07/01/2019 -09/30/2019
13966	12/11/2019	Customer Refund	72.82	72.82	100-000-0000-2000	Refund Check
13967	12/11/2019	Satmodo LLC	149.66	149.66	100-600-0000-5203	Iridium Monthly Minute Plans
13968	12/11/2019	Customer Refund	47.72	47.72	100-000-0000-2000	Refund Check
13969	12/11/2019	Shoplet.Com	229.41	149.32	100-600-0000-5301	Office Supplies
				80.09	100-600-0000-5301	Office Supplies
13970	12/11/2019	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check
13971	12/11/2019	Spectrum Business	154.98	154.98	100-600-0000-5203	La Luna
13972	12/11/2019	Bob Stephenson	125.00	125.00	100-610-0000-5350	Video Recording Board Meeting Nov. 2019
13973	12/11/2019	Sturdivan Emergency Management Consulting	1,500.00	1,500.00	100-600-0000-5412	Services Rendered
13974	12/11/2019	Customer Refund	35.16	35.16	100-000-0000-2000	Refund Check
13975	12/11/2019	Customer Refund	14.51	14.51	100-000-0000-2000	Refund Check
13976	12/11/2019	Tops'N Barricades Inc.	675.12	675.12	100-130-0000-5220	Shop Supplies- Road Signs.
13977	12/11/2019	Tractor Supply Credit Plan	54.49	54.49	100-130-0000-5220	Charges
13978	12/11/2019	Underground Service Alert	76.00	76.00	100-130-0000-5406	40 new ticket charges

Twentynine Palms Water District

Check Date Range: 12/1/2019 thru 12/31/2019

13979	12/11/2019	United Cerebral Palsy Assoc.	328.90	328.90	100-160-0000-5406	Mail Production
13980	12/11/2019	Usa Blue Book	730.74	22.37	100-130-0000-5220	Shop Supplies- Safety Kit Supplies.
				708.37	100-130-0000-5220	Shop Supplies- Safety Kit Supplies.
13981	12/11/2019	Vagabond Welding Supply	54.81	59.81	100-130-0000-5220	tabs/propane hose
				(5.00)	100-130-0000-5220	credit
13982	12/11/2019	Customer Refund	50.50	50.50	100-000-0000-2000	Refund Check
13983	12/11/2019	Vwr Scientific Products Corp.	2,119.17	1,167.77	100-150-0000-5220	TSAB 11, Buffer PH 4, Buffer PH 7, Buffer PH 10 Treatment Plant
				951.40	100-150-0000-5220	TSAB 11, Buffer PH 4, Buffer PH 7, Buffer PH 10 Treatment Plant
13984	12/11/2019	Customer Refund	31.61	31.61	100-000-0000-2000	Refund Check
13985	12/11/2019	Customer Refund	43.47	43.47	100-108-0000-4999	Re-issue deposit refund
13986	12/11/2019	Yucca Valley Ford Center	124.00	124.00	100-130-0000-5407	Outside Repairs- Reprogram Veh. #13 Computer.
13992	12/30/2019	Ansafone Contact Centers	287.87	287.87	100-160-0000-5406	Answering Service
13993	12/30/2019	Autozone Inc.	270.81	14.00	100-130-0000-5222	Veh. #20-Oil Pressure Sensor.
				33.39	100-130-0000-5222	Veh. #20-EGR Vacuum Solenoid.
				61.90	100-130-0000-5220	Shop Supplies-Hitch Pins & Reducers.
				79.72	100-130-0000-5222	New Trailer-Lunnete Ring.
				24.23	100-130-0000-5222	Veh. #20-Fuel Cap.
				9.15	100-130-0000-5220	Shop Supplies-Primer.
				20.45	100-130-0000-5220	Shop Supplies-DEF.
				27.97	100-130-0000-5220	Shop Supplies-Hitch Pins.
13994	12/30/2019	Cdw Government	1,163.52	924.65	100-875-0000-6001	TrippLite 42U Rack Enclosure Server Cabinet Premium W Doors & Si
				73.50	100-875-0000-6001	Tripp Lite Rack Enclosure Cabinet Heavy Duty Fixed Shelf 250lb C
				165.37	100-875-0000-6001	Tripp Lite Power Strip 12-Outlet Rackmount Metal 5-20R 15ft Cor Hatch
13995	12/30/2019	Centurylink Business Services	24.49	24.49	100-600-0000-5203	
13996	12/30/2019	County Of San Bernardino	200.80	200.80	100-150-0000-5406	Treatment Plant Waste
13997	12/30/2019	Dell Marketing L.P.	8,157.41	5,298.63	100-875-0000-6001	Quote # 3000050874737.1 PowerEdge R630 Tailor Made Server (CIP C
				2,858.78	100-875-0000-6001	Quote # 3000050868403.1 PowerEdge R340 Tailor Made Server (CIP
13998	12/30/2019	Desert Hardware	67.37	12.93	100-150-0000-5220	Drill
				4.00	100-130-0000-5220	Shop Supplies-Spray Paint.
				13.02	100-130-0000-5220	Shop Supplies-Mop Handle.
				37.42	100-130-0000-5220	Brown 90# rolled roof
13999	12/30/2019	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check

Twentynine Palms Water District

Check Date Range: 12/1/2019 thru 12/31/2019

14000	12/30/2019	Eadie + Payne	19,125.00	19,125.00	100-600-0000-5402	Professional Services
14001	12/30/2019	Engineering Resources	7,303.60	7,303.60	100-825-0000-6001	Professional Services through 11/24/2019
14002	12/30/2019	Fedex	5,150.00	5,150.00	100-150-0000-5211	Shipping Fee only Treatment Plant 28x48 media 26 super sacks 40.
14003	12/30/2019	Frontier Communications	149.55	149.55	100-600-0000-5203	Hatch
14004	12/30/2019	Harrington Industrial	2,833.83	2,833.83	100-150-0000-5220	Echopulse Radar Level. Caustic Building
14005	12/30/2019	Hercules Industries Inc.	732.19	732.19	100-130-0000-5220	700B locks
14006	12/30/2019	Home Depot Credit Services	1,013.83	245.51	100-130-0000-5220	Shed
				768.32	100-130-0000-5220	Supplies
14007	12/30/2019	Inland Water Works	623.87	623.87	100-000-0000-1499	12" X 1" mueller saddle for ac
14008	12/30/2019	Itron, Inc.	840.00	840.00	100-600-0000-5303	Annual AMI Subscription 1/1/2020 - 12/31/2020
14009	12/30/2019	Kennedy/Jenks Consultants	8,187.50	8,187.50	100-800-0000-6001	Professional Services Rendered through 11/22/2019
14010	12/30/2019	Konica Minolta Premier	318.03	318.03	100-600-0000-5223	12/01/2019 - 12/31/2019
14011	12/30/2019	Mark Speer Automotive	298.70	41.75	100-130-0000-5406	Outside Services-Annual Smog Inspections.
				41.75	100-130-0000-5406	Outside Services-Annual Smog Inspections.
				41.75	100-130-0000-5406	Outside Services-Annual Smog Inspections.
				41.75	100-130-0000-5406	Outside Services-Annual Smog Inspections.
				41.75	100-130-0000-5406	Outside Services-Annual Smog Inspections.
				89.95	100-130-0000-5406	Outside Services-Annual Smog Inspections.
14012	12/30/2019	Mcmaster-Carr Supply Co.	543.69	543.69	100-150-0000-5220	Desicant, Filter Element, Replacement Filter.
14013	12/30/2019	Merit Oil Company	9,475.51	1,950.18	100-000-0000-1401	clear diesel 500 gal
				7,498.33	100-000-0000-1401	reg 87 gas 2400 gal
				27.00	100-000-0000-1401	surcharge fee
14014	12/30/2019	O'Reilly Automotive Inc.	83.61	83.61	100-130-0000-5220	Shop Supplies-Hose Clamps.
14015	12/30/2019	Palm Springs Motors Inc.	26.40	26.40	100-130-0000-5222	Veh. #12-Coolant Bypass Hose.
14016	12/30/2019	Platinum Consulting Group	6,250.00	6,250.00	100-600-0000-5401	Monthly Retainer November 2019
14017	12/30/2019	Powers Electric Products Co.	230.50	230.50	100-130-0000-5220	Shop Supplies-Jewels for Well Sounder.
14018	12/30/2019	Pro Security Systems	432.00	144.00	100-600-0000-5406	Quarterly Monitoring Fees
				144.00	100-130-0000-5406	Quarterly Monitoring Fees
				144.00	100-150-0000-5406	Quarterly Monitoring Fees
14019	12/30/2019	Prudential Overall Supply	1,043.22	92.64	100-130-0000-5253	Uniforms
				315.98	100-130-0000-5253	Uniforms
				92.64	100-130-0000-5253	Uniforms

Twentynine Palms Water District

Check Date Range: 12/1/2019 thru 12/31/2019

				92.64	100-130-0000-5253	Uniforms
				144.34	100-130-0000-5253	Uniforms
				92.64	100-130-0000-5253	Uniforms
				212.34	100-130-0000-5253	Uniforms
14020	12/30/2019	Powerplan OIB Rdo Trust #80-5800	21.38	21.38	100-130-0000-5222	Veh. #35-Touch Up Paint.
14021	12/30/2019	S.C.E.	11,494.01	1,285.24	100-120-0000-5201	Booster Lupine
				851.44	100-120-0000-5201	Booster Sullivan
				206.32	100-110-0000-5201	Well 15
				610.09	100-120-0000-5201	Booster 11A, 11B
				38.15	100-110-0000-5201	Well 9 Booster 6A, 6B
				730.53	100-110-0000-5201	Well 6, 12
				498.18	100-110-0000-5201	Well 11
				38.99	100-120-0000-5201	Desert Heights Resv. & Hydro
				1,370.83	100-110-0000-5201	Well 14
				1,294.34	100-110-0000-5201	Well 1
				38.15	100-110-0000-5201	Well 9 Booster 6A, 6B
				3,896.28	100-120-0000-5201	Booster TP-1
				635.47	100-120-0000-5201	Booster Two Mile
14022	12/30/2019	Satmodo LLC	149.66	149.66	100-600-0000-5203	Iridium Monthly Minute Plans
14023	12/30/2019	Shoplet.Com	118.56	118.56	100-600-0000-5301	Office Supplies
14024	12/30/2019	Susan L. Simmons	1,425.00	1,425.00	100-600-0000-5406	Janitorial Services Jan 2020
14025	12/30/2019	Southern Calif. Gas Co.	189.07	189.07	100-600-0000-5202	Hatch
14026	12/30/2019	Spectrum Business	149.99	149.99	100-150-0000-5203	Joe Davis
14027	12/30/2019	TPX Communications	773.41	773.41	100-600-0000-5203	Hatch
14028	12/30/2019	U.S. Postal Service	150.00	150.00	100-600-0000-5302	Postage Due Account
14029	12/30/2019	United Cerebral Palsy Assoc.	253.96	253.96	100-160-0000-5406	Mail Production Services
14030	12/30/2019	UPS	214.54	214.54	100-160-0000-5302	Shipping
14031	12/30/2019	Usa Blue Book	542.90	542.90	100-130-0000-5220	Shop Supplies-Haz Mat Over Pack Drums.
14032	12/30/2019	Vagabond Welding Supply	448.80	118.19	100-130-0000-5220	Shop Supplies-Welding Supplies.
				17.00	100-130-0000-5220	Shop Supplies-Metal Stock.
				313.61	100-130-0000-5220	Shop Supplies-Welding Supplies.
14033	12/30/2019	Van Dyke Corp.	75.00	75.00	100-130-0000-5223	Tapping Tool Rental

Twentynine Palms Water District

Check Date Range: 12/1/2019 thru 12/31/2019

14034	12/30/2019	Verizon Wireless	1,178.70	1,178.70	100-600-0000-5203	Wireless
14035	12/30/2019	Customer Refund	38.74	38.74	100-000-0000-2000	Refund Check
14036	12/30/2019	Customer Refund	59.76	59.76	100-000-0000-2000	Refund Check
14037	12/30/2019	Customer Refund	22.74	22.74	100-000-0000-2000	Refund Check
14038	12/30/2019	Customer Refund	16.60	16.60	100-000-0000-2000	Refund Check
14039	12/30/2019	Customer Refund	52.86	52.86	100-000-0000-2000	Refund Check
14040	12/30/2019	Customer Refund	19.74	19.74	100-000-0000-2000	Refund Check
14041	12/30/2019	Customer Refund	37.34	37.34	100-000-0000-2000	Refund Check
14042	12/30/2019	Customer Refund	47.91	47.91	100-000-0000-2000	Refund Check
14043	12/30/2019	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check
14044	12/30/2019	Customer Refund	21.03	21.03	100-000-0000-2000	Refund Check
14045	12/30/2019	Customer Refund	33.10	33.10	100-000-0000-2000	Refund Check
14046	12/30/2019	Customer Refund	62.71	62.71	100-000-0000-2000	Refund Check
14047	12/30/2019	Customer Refund	1.61	1.61	100-000-0000-2000	Refund Check
14048	12/30/2019	Customer Refund	44.06	44.06	100-000-0000-2000	Refund Check
14049	12/30/2019	Customer Refund	3.95	3.95	100-000-0000-2000	Refund Check
14050	12/30/2019	Customer Refund	7.74	7.74	100-000-0000-2000	Refund Check
14051	12/30/2019	Customer Refund	52.79	52.79	100-000-0000-2000	Refund Check
14052	12/30/2019	Customer Refund	75.00	75.00	100-000-0000-2000	Refund Check
14053	12/30/2019	Customer Refund	20.61	20.61	100-000-0000-2000	Refund Check
14054	12/30/2019	Customer Refund	35.44	35.44	100-000-0000-2000	Refund Check
14055	12/30/2019	Customer Refund	51.64	51.64	100-000-0000-2000	Refund Check
14056	12/30/2019	Customer Refund	28.54	28.54	100-000-0000-2000	Refund Check
14057	12/30/2019	Customer Refund	241.24	241.24	100-000-0000-2000	AR Refund
14058	12/30/2019	Customer Refund	10.32	10.32	100-000-0000-2000	Refund Check
14059	12/30/2019	Customer Refund	46.76	46.76	100-000-0000-2000	Refund Check
14060	12/30/2019	Customer Refund	61.91	61.91	100-000-0000-2000	Refund Check
14061	12/30/2019	Customer Refund	18.14	18.14	100-000-0000-2000	Refund Check
14062	12/30/2019	Customer Refund	26.47	26.47	100-000-0000-2000	Refund Check
14063	12/30/2019	Customer Refund	10.23	10.23	100-000-0000-2000	Refund Check
14064	12/30/2019	Customer Refund	71.86	71.86	100-000-0000-2000	Refund Check
14065	12/30/2019	Customer Refund	59.14	59.14	100-000-0000-2000	Refund Check

Twentynine Palms Water District

Check Date Range: 12/1/2019 thru 12/31/2019

14066	12/30/2019	Customer Refund	41.10	41.10	100-000-0000-2000	Refund Check
14067	12/30/2019	Customer Refund	38.92	38.92	100-000-0000-2000	Refund Check
14068	12/30/2019	Customer Refund	29.14	29.14	100-000-0000-2000	Refund Check
14069	12/30/2019	Customer Refund	13.61	13.61	100-000-0000-2000	Refund Check
14070	12/30/2019	Customer Refund	153.38	153.38	100-000-0000-2000	Refund Check
14071	12/30/2019	Customer Refund	54.78	54.78	100-000-0000-2000	Refund Check
14072	12/30/2019	Customer Refund	43.62	43.62	100-000-0000-2000	Refund Check
14073	12/30/2019	Customer Refund	14.60	14.60	100-000-0000-2000	Refund Check
14074	12/30/2019	Customer Refund	26.03	26.03	100-000-0000-2000	Refund Check
14075	12/30/2019	Customer Refund	26.55	26.55	100-000-0000-2000	Refund Check
14076	12/30/2019	Customer Refund	47.45	47.45	100-000-0000-2000	Refund Check
14077	12/30/2019	Customer Refund	66.29	66.29	100-000-0000-2000	Refund Check
14078	12/30/2019	Customer Refund	35.55	35.55	100-000-0000-2000	Refund Check
14079	12/30/2019	Customer Refund	42.83	42.83	100-000-0000-2000	Refund Check
14080	12/30/2019	Customer Refund	62.37	62.37	100-000-0000-2000	Refund Check
			Total	\$328,924.60		

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9.1

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: January 10, 2020

SUBJECT: Management Report

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

1. Responded to 23 Underground Service Alerts
2. Responded to and repaired
 - a. 0 water main leaks
 - b. 0 water meter leaks
 - c. 0 service line leaks
 - d. 1 fire hydrant repair/maintenance
3. Installed 5 new services
4. Replaced 10 customer gate valves
5. Performed 5 leak audits
6. Painted 0 fire hydrants
7. Performed 3 customer pressure checks
8. Replaced 5 water meters
9. Tested and exercised emergency generators
10. Sounded wells for December
11. 0 water waste inquiries were reported
12. Replaced 922 AMI/AMR meters

B. The following customer service tasks were performed:

1. 83 work orders were generated from reading meters
2. 6 work orders were generated from billing variance list
3. 244 work orders were generated for turn on or turn off
4. 346 termination notices were distributed
5. 44 non-pay turn offs were performed
6. 74 extensions were granted
7. 10 extensions were shut off for non-payment
8. 6 payment schedules have been granted
9. 0 payment schedules failed, total outstanding \$0
10. 11 customer requests and 3 inquiries were logged and investigated

C. Valve and Hydrant Maintenance Update

	Valves Exercised (Began 07/19)	Dead Ends Flushed (Began 7/19)
Current Month	0	21
Year to Date	*393	108
*Triennial cycle		

D. Status of Cross-Connection Control Program (Quarterly)

	In District	2019 Test/Surveys
Cross-Connection Devices	339	94

**Twentynine Palms Water District
Maintenance Report
FY 2019/2020**

	USA	Leak Audits	Fire Hydrant Painting	Shut Offs	Total Work Orders Completed	Valves Exercised	AMR/AMI Meter Exchange	New Service	Active Account	Prior Year	% Increase (Decrease)	Main
July	58	1	43	78	713	83	548	1				0
August	37	6	29	49	626	77	1,015	0	7,875	7,776	1.27%	0
Sept.	31	6	23	82	455	74	843	0				0
October	46	4	0	54	423	81	1,013	1	N/A	N/A		0
Nov.	45	7	0	96	376	78	758	4				2
Dec.	23	5	0	54	347	0	922	5	7,708	7,660	0.63%	0
Jan.												
Feb.									N/A	N/A		
March												
April										7,739		
May												
June												
Totals	240	29	95	413	2940	393	5099	11				2

Total Connections in District= 8,132

9.2

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: January 15, 2020

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 0.05 mg/L to a high of 0.45 mg/L. Chlorination point (the point where chlorine is introduced into the distribution system) averages ranged from 0.18 mg/L to 0.66 mg/L.

B. Bacteria Samples: A total of 47 routine bacteria samples were collected at test points for the storage and distribution system during this past month. In addition 6 special bacteria samples were collected. All routine and special samples indicated ABSENT for Colilert.

C. Fluoride Samples: A total of 14 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 .94 mg/L to a high of 1.6 mg/L. Fluoride measurements collected at the wells ranged from a low of 0.27 to a high of 1.8 mg/L.

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

D. General Physical: A total of 14 general physical samples were collected from established locations as a part of routine testing requirements. Levels reported for color are <3.0, 1 for threshold odor and <0.1-0.1 for turbidity.

TWENTYNINE PALMS WATER DISTRICT
Water Production Report
FY 2019/2020

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		
July	133.027	84.554	27.996	14.200	259.777	274.305	-5.30%	-16.18%		
August	131.666	90.607	29.445	16.347	268.065	280.666	-4.49%	-8.27%		
Sept.	114.494	79.769	24.735	12.703	231.701	244.489	-5.23%	-5.34%		
October	112.62	64.693	20.331	9.913	207.557	214.089	-3.05%	-3.86%		
Nov.	99.787	45.311	17.177	7.932	170.207	175.348	-2.93%	-9.03%		
Dec.	91.658	48.338	15.397	5.952	161.345	168.811	-4.42%	-2.04%		
Jan.					0.000					
Feb.					0.000					
March					0.000					
April					0.000					
May					0.000					
June					0.000					
Totals	683.252	413.272	135.081	67.047	1298.652	1357.708	-4.35%			

Production Totals Expressed in Acre Feet

NOTE: Year to Date Mesquite Springs Basin regeneration production of

8.809

acre feet =

1.27%

9.3

TWENTYNINE PALMS WATER DEPARTMENT

FINANCIAL REPORT

For The Month Of

Nov 2019

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

**TWENTYNINE PALMS WATER DEPARTMENT
STATEMENT OF INVESTMENTS AND RESERVES
For the Period Ending November 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	\$ 5,121,348	\$ -	\$ (3,530)	\$ 5,117,818	\$ 5,126,225
Election Fund Reserve - LAIF	21,054	-	-	21,054	21,088
Capital Reserve - LAIF	886,327	-	-	886,327	887,783
Capital Funds for Primary Infrastructure - LAIF	93,191	-	2,600	95,791	95,948
Capital Funds for Secondary Infrastructure - LAIF	64,590	-	930	65,520	65,627
Total Investments	\$ 6,186,508	\$ -	\$ -	\$ 6,186,508	\$ 6,196,672

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 November 30, 2019
(Unaudited)**

	Nov 2019	Oct 2019	YTD	Budget	YTD 42%	Prior YTD
1 Operating Revenues	\$ 365,179	\$ 424,155	\$ 2,058,051	\$ 4,511,800	46%	\$ 1,973,507
2 Non-Operating Revenues	67,923	96,675	331,136	780,300	42%	320,580
Total Revenue Available to						
3 Fund Operations & Capital/R&R	433,102	520,830	2,389,187	5,292,100	45%	2,294,086
4 Operating Expenses	339,235	301,519	1,829,408	4,406,800	42%	1,579,239
5 Non-Operating Expenses	30,386	30,386	139,267	346,700	40%	124,545
6 Total Debt Service	-	-	125,917	249,200	51%	-
7 Total Expenses	369,621	331,905	2,094,592	5,002,700	42%	1,703,785
Net Revenues Available to Fund						
8 Capital Related Expenditures	63,481	188,925	294,594	289,400	102%	590,302
9 Debt Proceeds	-	-	2,000,000	2,000,000	100%	- *
10 District Projects	(8,188)	(10,728)	(33,175)	(205,000)	16%	(12,157)
11 CIP Projects	(12,331)	(653,318)	(1,905,316)	(3,000,000)	64%	(59,857) **
12 Repairs & Replacement	(11,700)	-	(12,501)	(795,000)	2%	(119,103)
13 Capital Outlay	-	(9,102)	(101,063)	(295,000)	34%	(206,462)
14 Election Expense	(78,622)	-	(78,622)	(20,000)	393%	-
Sub-Total	(110,841)	(673,149)	(130,676)	(2,315,000)		(397,579)
15 Transfers in from SRF for Election	6,000	10,491	38,984	95,100	41%	39,258
16 Increase (Decrease) in Fund Balance	\$ (41,359)	\$ (473,733)	\$ 202,902	\$ (1,930,500)	-11%	\$ 231,981

*Debt proceeds received in June 2019 are included here for project tracking purposes.

**AMI Expenditures from June 2019 totaling \$1.121M included in YTD for project tracking purposes.

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 November 30, 2019
(Unaudited)**

	Nov 2019	Oct 2019	YTD	Budget	YTD 42%	Prior YTD
1 Operating Revenues						
2 Water Sales	\$ 241,857	\$ 301,723	\$ 1,452,313	\$ 3,055,500	48%	\$ 1,394,078
3 RTS	109,338	107,883	544,898	1,342,300	41%	511,444
4 Other Operating Revenue	13,984	14,549	60,840	114,000	53%	67,985
5 Total Operating Revenues	365,179	424,155	2,058,051	4,511,800	46%	1,973,507
6 Non-Operating Revenues						
7 Capital Impact Fees	3,530	5,680	9,930	-	0%	15,000
8 Water Availability Assessment	49,258	49,258	246,292	591,100	42%	246,292
9 Interest Revenue	-	41,546	42,970	124,300	35%	34,466
10 Other Penalties	13,277	-	13,277	34,900	38%	16,522
11 Reimbursed Expenses	1,596	46	11,506	5,000	230%	7,060
12 Other Non-Operating Revenue	261	145	7,161	25,000	29%	1,240
13 Total Non-Operating Revenues	67,923	96,675	331,136	780,300	42%	320,580
14 Total Revenues	433,102	520,830	2,389,187	5,292,100	45%	2,294,086
15 Operating Expenditures						
16 Source of Supply						
17 Labor & Benefits	908	667	3,550	19,400	18%	7,998
18 Direct Expenses	37,006	11,880	143,377	362,200	40%	106,333
19 Total Source of Supply	37,914	12,547	146,926	381,600	39%	114,331
20 Pumping						
21 Labor & Benefits	54	804	1,428	5,800	25%	1,901
22 Direct Expenses	12,235	11,216	55,183	125,000	44%	62,434
23 Total Pumping	12,289	12,020	56,611	130,800	43%	64,334
24 Transmission & Distribution						
25 Labor & Benefits	75,643	81,539	424,082	993,900	43%	373,815
26 Direct Expenses	24,045	33,380	156,639	353,500	44%	147,234
27 Total Transmission & Distribution	99,688	114,918	580,722	1,347,400	43%	521,049
28 Treatment Wells						
29 Labor & Benefits	4,376	4,490	27,790	67,200	41%	24,070
30 Direct Expenses	6,545	4,220	15,022	41,400	36%	13,440
31 Total Treatment Wells	10,921	8,710	42,812	108,600	39%	37,510
32 Treatment Facility						
33 Labor & Benefits	21,041	17,073	105,617	261,400	40%	108,532
34 Direct Expenses	50,593	29,803	328,862	514,700	64%	152,852
35 Total Treatment Facility	71,633	46,876	434,479	776,100	56%	261,384
36 Customer Accounts						
37 Labor & Benefits	17,829	19,530	108,364	256,500	42%	103,464
38 AMI Temporary Labor	5,418	5,418	20,960	55,000	38%	-
39 Direct Expenses	534	12,151	14,400	58,300	25%	13,879
40 Total Customer Accounts	23,781	37,099	143,725	369,800	39%	117,343
41 General Administration						
42 Outside Services	27,782	14,993	109,159	412,400	26%	137,283
43 Direct Expenses	19,573	20,016	108,429	306,500	35%	106,595
44 Total General Admin.	47,355	35,008	217,589	718,900	30%	243,879

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

	Nov 2019	Oct 2019	YTD	Budget	YTD 42%	Prior YTD
45 Employee Salaries						
46 Direct Labor	109,515	112,198	631,113	1,451,900	43%	571,153
47 Less Transfer to Operations	(86,625)	(89,275)	(495,165)	(1,142,900)	43%	(437,771)
48 Total General & Admin. Salaries	22,891	22,923	135,948	309,000	44%	133,383
49 District Benefits / G&A Benefits						
50 District Benefits - (H/D/V)	29,870	31,523	144,961	380,600	38%	138,969
51 District Benefits - Taxes	7,403	7,862	46,553	117,500	40%	42,326
52 District Benefits - Workers Comp	4,995	4,995	24,975	52,700	47%	20,795
53 District Benefits - CalPERS	11,878	12,226	62,840	164,500	38%	62,773
54 Subtotal District Benefits	54,146	56,606	279,330	715,300	39%	264,864
55 Less: Transfer to Operations	(54,146)	(56,606)	(279,330)	(715,200)	39%	(264,864)
56 Total G&A Benefits Allocated	11,907	12,152	61,276	152,100	40%	61,375
57 Payouts & Retiree Medical						
58 Vacation / Sick Payouts	-	-	2,337	58,000	4%	6,682
59 Retiree Medical	-	(1,720)	3,271	22,500	15%	9,779
60 Total Payouts & Retiree Medical	-	(1,720)	5,608	80,500	7%	16,461
61 Board of Directors						
62 Directors' Fees	825	825	3,425	17,000	20%	3,500
63 Direct Expenses	30	161	288	15,000	2%	4,692
64 Total Board of Directors	855	986	3,713	32,000	12%	8,192
65 Total Operating Expenditures	339,235	301,519	1,829,408	4,406,800	42%	1,579,239
66 Non-Operating Expenditures						
67 Debt Service						
68 Principal	-	-	94,400	189,700	50%	-
69 Interest / Issuance Costs	-	-	31,517	59,500	53%	-
70 Total Debt Service	-	-	125,917	249,200	51%	-
71 PERS Unfunded						
72 Unfunded PERS Annual Payment	13,720	13,720	55,934	146,700	38%	49,545
73 Unfunded Pension & OPEB Trust Payments	16,667	16,667	83,333	200,000	42%	75,000
74 Total PERS Unfunded	30,386	30,386	139,267	346,700	40%	124,545
75 Total Non-Operating Expenditures	30,386	30,386	265,184	595,900	45%	124,545
76 Total Expenditures	369,621	331,905	2,094,592	5,002,700	42%	1,703,785
Net Revenues Available to Fund Capital						
77 Related Expenditures	\$ 63,481	\$ 188,925	\$ 294,594	289,400	102%	\$ 590,302

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
Carryover CIP/Current CIP and R&M/Capital Outlay
For the Period Ending November 30, 2019
(Unaudited)

Carryover Capital Approved in Previous Years	Budget FY 19/20	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	35,000	-	35,000
3 Standard Drawings Update	25,000	-	25,000
4 Asset Management Plan	50,000	33,175	16,825
5 Salt Nutrient Monitoring Wells\Sampling	50,000	-	50,000
6 Total Carryover Capital Approved in Previous Years	205,000	33,175	171,825
Capital Improvement Plan			
8 Chromium VI and Flouride for Well 11B	650,000	-	650,000
9 Fluoride Variance (Expiring) - TP-2, W12, W16	1,350,000	674,442	675,558
10 Well 11-B Construction/Professional Services	-	16,955	(16,955)
11 AMI / AMR Meters	1,000,000	1,213,919	(213,919) *
12 Total Capital Improvement Plan	3,000,000	1,905,316	1,094,684
Repairs, Rehabilitation, & Maintenance			
14 Plant 6 Electrical and Well Upgrade	25,000	-	25,000
15 Emergency Repairs, Unspecified	50,000	12,501	37,499
16 Repiping/Distribution System Upgrades	50,000	-	50,000
17 Reservoir Recoating / Cathodic Protection	30,000	-	30,000
18 Meter Replacement Program	20,000	-	20,000
19 Well Rehabilitation	10,000	-	10,000
20 Fluoride Plant Instrumentation\Coating	10,000	-	10,000
21 Treated Water Reservoir Coating	500,000	-	500,000
22 Campbell Reservoir Road Paving	100,000	-	100,000
23 Total Repairs & Maintenance	795,000	12,501	782,499
Capital Outlay			
25 Vehicle/Equipment Replacements	125,000	91,483	33,517
26 Computer/Technology Replacements	30,000	-	30,000
27 GIS	30,000	9,580	20,420
28 Administrative Building\Office Remodel	25,000	-	25,000
29 Energy Efficiency Projects	50,000	-	50,000
30 One-Time Existing Conditions Sampling Event	35,000	-	35,000
31 Total Capital Outlay	295,000	101,063	193,937
32 TOTAL	\$ 4,295,000	\$ 2,052,054	\$ 2,242,946

*Expenditures from June 2019 totaling \$1.121M included in current year expenditures for project tracking purposes

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

	<u>Nov 2019</u>	<u>Oct 2019</u>	<u>YTD</u>	<u>Budget</u>	<u>YTD 42%</u>	<u>Prior YTD</u>
1 Tower Revenues	\$ 9,333.65	\$ 13,824.69	\$ 55,650.33	\$ 131,100.00	42%	\$ 55,924.63
2 Less Transfers Out to Fire	-	-	-	-	N/A	-
3 Less Transfers Out To Water	(6,000.32)	(10,491.36)	(38,983.68)	(91,100.00)	43%	(39,257.98)
4 Transfer to PARS Trust	(3,333.33)	(3,333.33)	(16,666.65)	(40,000.00)	42%	(16,666.65)
Ending Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>

9.4

**NO
MATERIAL
PROVIDED**