



Cabazon Water District
14618 Broadway Street • P.O. Box 297
Cabazon, California 92230

FINANCE & AUDIT COMMITTEE MEETING

AGENDA

Meeting Location:
Cabazon Water District Office
14618 Broadway Street
Cabazon, California 92230

Teleconference:
Dial-in #: 978-990-5321
Access Code: 117188

Meeting Date:
Tuesday, August 18, 2020 – 5:00 PM

- CALL TO ORDER,
- PLEDGE OF ALLEGIANCE,
- ROLL CALL
- FINANCE & AUDIT COMMITTEE

1. Discussion: Finance & Audit Committee Report
 - Balance Sheet
 - Profit and Loss Budget Comparison
2. Finance & Audit Committee District Payables Review and Approval/Signing

PUBLIC COMMENT

Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District; however, any matter that requires action will be referred to staff for investigation and reported at a subsequent Board of Directors meeting. The Board of Directors is prohibited by law from discussing or taking immediate action on items during this public comment period. To comment on specific agenda items, please advise the Board secretary prior to the meeting. **Each public comment will be limited to three (3) minutes. Individuals may not give their time away to another spokesperson. After two (2) minutes, the speaker will be notified that he/she has one (1) minute remaining. AB 1234 ORAL REPORTS (Gov. Code Sec. 53232.3(d))**

ADJOURNMENT

ADA Compliance Issues

In compliance with the Americans with Disabilities Act & Government Code Section 54954.2, if special assistance is needed to participate in a Board meeting, please contact the Clerk of the Board at (951) 849-4442. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting.

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Cabazon Water District
14618 Broadway Street • P.O. Box 297
Cabazon, California 92230

REGULAR BOARD MEETING

AGENDA

Meeting Location:

Teleconference:

Dial-in #: 978-990-5321

Access Code: 117188

Email: info@cabazonwater.org

Meeting Date:

Tuesday, August 18, 2020 – 6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

REMEMBRANCE OF OUR SERVICE MEN AND WOMEN

ROLL CALL

CONSENT CALENDAR

All matters in this category are considered to be consistent with the Board/District goals, District Policies and Regulations adopted and/or approved by the Board of Directors, and will be enacted in one motion. There will be no separate discussion of these items. If discussion is required, items may be removed from the consent calendar and will be considered separately.

1. Approval of:

- a. Finance and Audit Committee Meeting Minutes and Warrants approved by the committee on July 21, 2020
- b. Regular Board Meeting Minutes and Warrants of July 21, 2020
- c. Special Board Meeting Minutes and Warrants of August 5, 2020

2. Warrants – None

3. Awards of Contracts – None

UPDATES

- 1. Update: **San Gorgonio Pass Regional Water Alliance Update
(by Director Israel / Director Morris)**

- 2. Update: Manager’s Operations Report
 (by GM Louie)

CLOSED SESSION

- (1) CONFERENCE WITH LEGAL COUNSEL – General Manager’s Personnel Evaluation / Annual Performance Review.

OPEN SESSION

Report to the public of action taken by the Board, if any.

NEW BUSINESS

- 1. Discussion/Action: Future/Potential Connection Reimbursement Agreement for 10 years in regards to a customer paying to extend a water main to her property, which would in turn benefit other parcel holders.

OLD BUSINESS

- 1. Discussion/Action: District Office A/C System Repair – Approval to fund the repair of the District’s current A/C system, which may or may not have a positive/negative/neutral impact on the District’s current FY budget. (By GM Louie)
 - Staff report
- 2. Discussion/Action: Recruitment & Employment – approval to fill current vacancy (which may or may not have a positive/negative/neutral impact on the District’s current FY budget). (by GM Louie)
 - Staff report
- 3. Discussion/Action: Well No. 1 Rehabilitation and Re-equipping Project – Approval to continue to fund this project (which may or may not have a positive/negative/neutral impact on the District’s current FY budget). (By GM Louie)
 - Staff report
- 4. Discussion/Action: Main St. & Pecan Ave. District Yard – Approval to continue to fund this project which may or may not have a positive/negative/neutral impact on the District’s current FY budget. (By GM Louie)
 - Staff report

PUBLIC COMMENTS

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GENERAL MANAGER/BOARD COMMENTS

1. Future Agenda Items

The Board Chair or the majority of the Board may direct staff to investigate and report back to an individual(s) and the Board on matters suggested or direct the General Manager/Board Secretary to place the matter on a future Board meeting.

- Suggested agenda items from the Public.
- Suggested agenda items from Management.
- Suggested agenda items from Board Members.

2. Management Comments

Staff members may speak on items of information not requiring comment or discussion to the Board and public. Topics which may be included on a future meeting agenda may be presented but cannot be discussed. (3 minutes)

3. Board Member Comments

Board members may speak on items of information not requiring comment or discussion to the Board and public. (3 minutes)

MISCELLANEOUS

1. Future Board Items/Next Board Meeting Date(s)

- a. Finance & Audit Workshop – Tuesday – September 15, 2020, 5:00 pm
- b. Regular Board Meeting – Tuesday – September 15, 2020, 6:00 pm
- c. Personnel Committee – None
- d. San Geronio Pass Regional Water Alliance – Alliance Meeting – Wednesday –

ADJOURNMENT

ADA Compliance Issues

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Cabazon Water District
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FINANCE & AUDIT COMMITTEE MEETING
MINUTES

Meeting Location:
Cabazon Water District Office
14618 Broadway Street
Cabazon, California 92230

Teleconference:
Dial-in #: 978-990-5321
Access Code: 117188

Meeting Date:
Tuesday, July 21, 2020 – 5:00 PM

CALL TO ORDER,
PLEDGE OF ALLEGIANCE,
ROLL CALL

Director Wargo - Present
Director Sanderson - Present

Calvin Louie (General Manager) – Present (during the end of the meeting).
Elizabeth Lemus, Board Secretary - Present
Cindy Byerrum, Financial Consultant - Absent

*Note: This meeting was recorded by the District -

FINANCE & AUDIT COMMITTEE

1. Discussion: Finance & Audit Committee Report
- Balance Sheet
 - Profit and Loss Budget Comparison

Balance Sheet:

The District's combined Cash with Chase and LAIF balance was \$1,158,811 at month end. The District's total liabilities were approximately \$1,021,759 at month end.

Profit and Loss:

- 6. Fire Sales: YTD is over budget due increased number of private fire meters.
- 11. Basic Facilities Fee: These are fees charged for new service connections, meter installations & upgrades. These fees are difficult to budget accurately due to their unexpected nature when revenue is earned. YTD fees collected include \$9.3K in October for a new service connection, \$13.4K in November for a 3/4" meter installation, \$13K in February for a new service connection, and a 3/4" meter installation in April.
- 36. Employee Health Care: YTD is over budget due to higher monthly premiums than anticipated in the budget.
- 48. Well Maintenance: Includes costs for well maintenance as well as chemical purchases for wells. YTD is over budget due to invoices from Applied Diving for Tank 1 diving inspection & cleaning (\$57.8K) & invoice from Legend Pump & Well Services relating to Well 1 Rehab (\$29.1K).
- 52. Facilities, Wells, T&D – Other: Includes generator service contract expenses, site landscaping & maintenance, chlorinators, and SCADA. YTD is over budget due to \$10K in SCADA software upgrades purchased from Byrd Industrial Electronics in June.
- 80. Website Support: YTD is over budget due to invoice for November 2018 website support expenses paid this fiscal year.
- 92. Service Trucks R&M: Includes repair & maintenance costs for district vehicles. YTD ended over budget due to increased service truck repairs.
- 100. Miscellaneous: Includes other non-operating expenses. YTD is over budget due to an invoice from Riverside County for November 2019 election costs.

As of June 30th, the fiscal year-to-date net income is \$223,391.

2. Finance & Audit Committee District Payables Review and Approval/Signing

PUBLIC COMMENT

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ADJOURNMENT

Motion to adjourn at 17:16 hr. made by Director Wargo and 2nd by Director Sanderson.

Director Wargo - Aye
Director Sanderson - Aye

Meeting adjourned at 17:16 hr. on Tuesday, July 21, 2020

Robert Lynk, Board Chair
Board of Directors
Cabazon Water District

Elizabeth Lemus, Secretary
Board of Directors
Cabazon Water District

ADA Compliance Issues

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Cabazon Water District
14618 Broadway Street • P.O. Box 297
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**REGULAR BOARD MEETING
MINUTES**

Meeting Location:

Teleconference:

Dial-in #: 978-990-5321

Access Code: 117188

Email: info@cabazonwater.org

Meeting Date:

Tuesday, July 21, 2020 – 6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

REMEMBRANCE OF OUR SERVICE MEN AND WOMEN

ROLL CALL

Director Martin Sanderson - Present

Director Diana Morris - Present

Director Sarah Wargo - Present

Director Maxine Israel - Absent

Director Robert Lynk - Present

Calvin Louie, General Manager - Present

Elizabeth Lemus, Board Secretary - Present

Cindy Byerrum, Financial Consultant - Absent

Steve Anderson, Best Best & Krieger Law Firm - Absent

Joseph Ortiz, Best Best & Krieger Law Firm – Present during Closed Session only.

Note: This meeting was recorded by the District -

CONSENT CALENDAR

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separate discussion of these items. If discussion is required, items may be removed from the consent calendar and will be considered separately.

- 1. Approval of:
 - a. Finance and Audit Committee Meeting Minutes and Warrants approved by the committee on June 16, 2020
 - b. Regular Board Meeting Minutes and Warrants of June 16, 2020

Motion to approve following consent calendar item(s) (a.) Finance and Audit Committee Meeting Minutes of June 16, 2020, (b.) Regular Board Meeting Minutes of June 16, 2020, made by Director Sanderson and 2nd by Director Wargo.

Director Sanderson - Aye
 Director Morris - Aye
 Director Wargo - Aye
 Director Israel - Absent
 Director Lynk – Aye

- 2. Warrants – None
- 3. Awards of Contracts – None

UPDATES

- 1. Update: **San Gorgonio Pass Regional Water Alliance Update (by Director Israel / Director Morris)**

Nothing to report. No meetings due to COVID.

- 2. Update: **Manager's Operations Report (by GM Louie)**

- 6/22/20 – Broadway St. – water main leak discovered and repaired.
- 6/22/20 – Theft of water reported on Mt. View Ave. – a red Ford Explorer filling up a water tank from a hose spigot and transporting water. Please keep on the lookout and report any suspicious activity.
- 6/24/20 – Vandalism and Potential Water Theft pertaining to fire hydrants on Helen and Esperanza. Someone is cutting hydrant locks and stealing water.
- Cabazon resident and former director Kerri Mariner donated a large concrete dinosaur to the water district. This dinosaur is located near the front of the District office.
- Edison – Public Safety Power Shut Off (PSPS Events) – Management working on ways to obtain alternative power (i.e. backup generators) in the event that there is an extended power shut-off.
- COVID-19 Update: District office is now closed again to the public due to the recent spike in COVID-19 cases. Many other water agencies have also closed their lobbies to the public.

CLOSED SESSION

- (1) CONFERENCE WITH LEGAL COUNSEL – General Manager’s Personnel Evaluation / Annual Performance Review.

OPEN SESSION

Report to the public of action taken by the Board, if any.

GM Evaluation approved with small change. 1st by Director Sanderson, 2nd by Director Morris.

- Director Sanderson - Aye
- Director Morris - Aye
- Director Wargo - Aye
- Director Israel - Absent
- Director Lynk – Aye

NEW BUSINESS

- 1. Discussion/Action: Approval of Cost Sharing Agreement (with non-substantive changes) between CWD, City of Banning, Banning Heights Mutual Water Co., San Gorgonio Pass Water Agency (SGPWA), Mission Springs Water District, and Desert Water Agency in regards to the SGPWA Groundwater Sustainability Plan (GSP). (by AGM Lemus)

Motion to approve Approval of Cost Sharing Agreement (with non-substantive changes) between CWD, City of Banning, Banning Heights Mutual Water Co., San Gorgonio Pass Water Agency (SGPWA), Mission Springs Water District, and Desert Water Agency in regards to the SGPWA Groundwater Sustainability Plan (GSP) made by Director Morris and 2nd by Director Wargo.

- Director Sanderson - Aye
- Director Morris - Aye
- Director Wargo - Aye
- Director Israel - Absent
- Director Lynk – Aye

- 2. Discussion/Action: Approval of 2020 Local Agency Biennial Notice – Conflict of Interest Code - No Changes (by AGM Lemus)

Motion to Approval of 2020 Local Agency Biennial Notice – Conflict of Interest Code No Changes made by Director Sanderson and 2nd by Director Morris.

- Director Sanderson - Aye
- Director Morris - Aye
- Director Wargo - Aye
- Director Israel - Absent
- Director Lynk – Aye

3. Discussion/Action: RESOLUTION 06-2020: Approving SDRMA's MOU regarding Health Insurance Plans (by AGM Lemus)

Director Wargo recused herself from participating on this agenda item to avoid any potential conflicts of interest since she works for an insurance company.

It was explained that the District wished to switch insurance carriers (which would save the District money without diminishing benefits to employees), and the Board needed to approve the Resolution and MOU before we could switch. The Union signed off on the request to switch.

Motion to approve RESOLUTION 06-2020: Approving SDRMA's MOU regarding Health Insurance Plans made by Director Morris and 2nd by Director Sanderson.

- Director Sanderson - Aye
- Director Morris - Aye
- Director Wargo – Absent (recused herself from voting).
- Director Israel - Absent
- Director Lynk - Aye

4. Discussion/Action: Approval of "Name the Water Dinosaur" youth drawing contest and donation plaque to Kerri Mariner for her donation of a dinosaur statue. (by GM Louie)

The General Manager explained that Kerri Mariner, a Cabazon resident, donated a large dinosaur statue to the water district which is placed near the front office lobby door. He would like the Board to hold a dinosaur coloring contest and a "name the water dinosaur" for youths 12 years and younger, in which the Board would determine the winners, and a plaque announcing Mrs. Mariner's donation and the winning dinosaur name to be listed on a plaque which will be located near the dinosaur.

Director Wargo and Director Lynk were named as volunteers regarding the dinosaur. The Board chair mentioned he didn't believe that any motion needed to be made regarding this agenda item, since it was the consensus of the Board that the General Manager could proceed with this.

***Note: No action was made, but it was the general consensus of the Board that this matter could move forward. No objections were voiced by either Board or public.**

OLD BUSINESS

1. Discussion/Action: District Office A/C System Repair – Quote #012320139A from Ontario Refrigeration: Install new Johnson Controls FX80 Supervisory Controller (current system is Schneider Electric) (by GM Louie)

Attempts to procure bids from multiple A/C companies have been made, but to no avail thus far. Director Lynk recommended the District try to reach out to two more A/C companies.

***Note: No action was made, but it was the general consensus of the Board that this matter would be tabled until a competitive bid was obtained. No objections to this were made by either Board or public.**

2. Discussion/Action: Board Director Lynk asked for a Staff Report in converting the existing diesel engine generator currently a permanent mounted at production well #2 (by GM Louie)

The General Manager explained that a conversion would be too costly, but that he is looking into other options, including a loaner generator if the need for one arose.

No action was taken, but this was more of an informational item.

3. Discussion/Action: Well No. 1 Rehabilitation and Re-equipping Project Bid Review and Approval (two bids received; from Layne Christensen Co. and Legend Pump and Well Service, Inc.) (by GM Louie)

Two Bids were submitted, but one bid was considered non-responsive (it was missing a couple of items), so the Board rejected the responsive bid in an effort to obtain at least one other responsive bid to compare services (they wanted two valid bids to review and compare). Legend and Layne are both encouraged to resubmit their bids, and as long as they are considered valid, responsive bids, they will be considered.

Motion to reject all currently received bids and to reopen the bidding process (accept new bids for this project) made by Director Wargo and 2nd by Director Morris.

- Director Sanderson - Aye
- Director Morris - Aye
- Director Wargo - Aye
- Director Israel - Absent
- Director Lynk - Aye

PUBLIC COMMENTS

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GENERAL MANAGER/BOARD COMMENTS

1. Future Agenda Items

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- Suggested agenda items from the Public.
- Suggested agenda items from Management.
- Suggested agenda items from Board Members.

2. Management Comments

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MISCELLANEOUS

1. Future Board Items/Next Board Meeting Date(s)

- a. Finance & Audit Workshop – Tuesday – August 18, 2020, 5:00 pm
- b. Regular Board Meeting – Tuesday – August 18, 2020, 6:00 pm
- c. Personnel Committee – None
- d. San Geronio Pass Regional Water Alliance – Alliance Meeting – Wednesday –
- e. Special Board Meeting – Wednesday, August 5, 2020, 2:30 pm

ADJOURNMENT

Motion to adjourn at 19:45 hr. made by Director Morris and 2nd by Director Sanderson.

Director Sanderson - Aye
 Director Morris - Aye
 Director Wargo - Aye
 Director Israel - Absent
 Director Lynk - Aye

Meeting adjourned at 19:45 hr. on Tuesday, July 21, 2020

Robert Lynk, Board Chair
 Board of Directors
 Cabazon Water District

Elizabeth Lemus, Secretary
 Board of Directors
 Cabazon Water District

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SPECIAL BOARD MEETING

MINUTES

Teleconference:
Dial-in #: 978-990-5321
Access Code: 117188
Email: info@cabazonwater.org

Meeting Location:
Cabazon Water District Office
14618 Broadway Street
Cabazon, California 92230

Meeting Date:
Wednesday, August 05, 2020 – 2:30 PM

CALL TO ORDER,
PLEDGE OF ALLEGIANCE,
ROLL CALL

- Director Martin Sanderson - Present
- Director Diana Morris - Present
- Director Sarah Wargo - Present
- Director Maxine Israel - Absent
- Director Robert Lynk - Present

- Calvin Louie, General Manager - Present
- Elizabeth Lemus, Board Secretary - Absent

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CONSENT CALENDAR

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1. Approval of - None
2. Warrants – None
3. Awards of Contracts – None

UPDATES

1. Update: **Manager's Operations Report
(by General Manager Louie)**

NEW BUSINESS

1. Discussion/Action: **Approval of Resolution 07-2020: Fixing water Standby Assessments for
Fiscal Year 2020-2021.**

**Motion to approve Resolution 07-2020: Fixing water Standby Assessments for
Fiscal Year 2020-2021, made by Director Wargo and 2nd by Director Morris**

Director Sanderson - Aye
Director Morris - Aye
Director Wargo - Aye
Director Israel - Absent
Director Lynk - Aye

PUBLIC COMMENT

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GENERAL MANAGER/BOARD COMMENTS

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- a. Finance & Audit Workshop – Tuesday – August 18, 2020, 5:00 pm
- b. Regular Board Meeting – Tuesday – August 18, 2020, 6:00 pm
- c. Personnel Committee – None
- d. San Geronio Pass Regional Water Alliance – Alliance Meeting – Wednesday –

ADJOURNMENT

Motion to adjourn at 14:43 hr. made by Director Morris and 2nd by Director Wargo.

*it was the consensus of the board to adjourn. No objections were voiced by either Board or Public.

Meeting adjourned at 14:43 hr. on Tuesday, July 21, 2020

Robert Lynk, Board Chair
Board of Directors
Cabazon Water District

Elizabeth Lemus, Secretary
Board of Directors
Cabazon Water District

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Cabazon Water District
Balance Sheet
July 31, 2020

		July 31, 20
1	ASSETS	
2	Current Assets	
3	Checking/Savings	
4	General Bank Account-Chase	\$ 279,185
5	Payroll Bank Account-Chase	157,255
6	Trust Account-Chase (Cust. Deposits)	3,760
7	Local Petty Cash	100
8	Total Checking/Savings	440,300
9	Accounts Receivable	219,032
10	LAIF	714,718
11	Bank of NY Trustee Accounts	64,986
12	Prepaid Expenses	34,887
13	Inventory	104,142
14	Total Current Assets	1,581,499
15	Fixed Assets	
16	Construction in Process	
17	CIP Cabazon Outlets Expansion	9,692
18	CIP Super Map	26,463
19	CIP 50100 Main St. Property	115,053
20	Total Construction in Process	151,208
21	Tools and Equipment	123,319
22	Source of Supply	1,552,226
23	Transmission & Distribution	10,316,395
24	Buildings & Structures	12,281
25	Water Treatment	8,800
26	Office Furniture and Equipment	71,808
27	Intangible Plant	11,032
28	Vehicles	114,728
29	Land	689,548
30	Accumulated Depreciation	(5,672,996)
31	Total Fixed Assets	7,378,349
32	TOTAL ASSETS	\$ 8,959,848
33	LIABILITIES & EQUITY	
34	Liabilities	
35	Current Liabilities	
36	Accounts Payable	\$ 39,347
37	Other Current Liabilities	
38	Misc Short Term Liability	6,500
39	Customer Deposits - Co 1	5,991
40	Customer Deposits - Co 2	4,186
41	Total Customer Deposits	10,176
42	Accrued Vacation Pay	13,352
43	DWR-HS Payable - Current	39,550
44	Current Portion Zion's Bank Ln	80,847

Cabazon Water District
Balance Sheet
July 31, 2020

		<u>July 31, 20</u>
45	Accrued Payroll	7,450
46	Accrued Payroll Taxes	554
47	Accrued Interest	4,449
48	Accrued Expenses	8,232
49	Total Other Current Liabilities	<u>171,111</u>
50	Total Current Liabilities	210,458
51	Long Term Liabilities	
52	DWR-H Loan Payable (Payoff '26)	278,950
53	Zion's Bank Long Term (2023)	254,898
54	RCEDA Loan Payable	300,000
55	Total Long Term Liabilities	<u>833,848</u>
56	Total Liabilities	1,044,307
57	Total Equity	7,915,542
58	TOTAL LIABILITIES & EQUITY	<u><u>\$ 8,959,848</u></u>

Cabazon Water District
Profit & Loss
 July 2020

	July 2020	FY 20/21 Budget	YTD (8%)
1 REVENUES			
2 OPERATING INCOME			
3 Base Rate - Water Bills	\$ 75,826	\$ 939,800	8%
4 Commodity Sales	36,851	329,700	11%
5 DHPO Contract	16,803	168,000	10%
6 Fire Sales - Water Bills	461	5,900	8%
7 Penalty Fees - Water Bills	277	31,000	1%
8 New Account Fees - Water Bills	275	1,600	17%
9 Incident Fee - Water Bills	-	-	0%
10 Returned Check Fees	-	500	0%
11 Basic Facilities Fee	-	-	0%
12 Stand By Fees - Tax Revenue	-	113,600	0%
13 TOTAL OPERATING INCOME	130,493	1,590,100	8%
14 NON-OPERATING INCOME			
15 Property Taxes	-	60,900	0%
16 Cell Tower Lease Income	4,258	25,600	17%
17 Misc. Non-Operating Income	-	7,300	0%
18 Interest Income	2,595	19,600	13%
19 TOTAL NON-OPERATING INCOME	6,853	113,400	6%
20 TOTAL REVENUES	137,345	1,703,500	8%
21 EXPENSES			
22 PAYROLL			
23 Directors Fees	900	15,000	6%
24 Management & Customer Service			
25 Customer Accounts	4,167	54,800	8%
26 Business Admin Manager	5,811	77,700	7%
27 Office Assistant	786	7,800	10%
28 General Manager	6,862	89,200	8%
29 Total Management & Customer Service	17,626	229,500	8%
30 Field Workers	10,053	123,000	8%
31 Employee Benefits Expense			
32 Workers Comp.	927	6,200	15%
33 Employee Health Care	7,889	94,800	8%
34 Pension	5,346	77,400	7%
35 Total Employee Benefits Expense	14,161	178,400	8%
36 Payroll Taxes	2,717	33,200	8%
37 TOTAL PAYROLL	45,457	579,100	8%

Cabazon Water District
Profit & Loss
July 2020

	July 2020	FY 20/21 Budget	YTD (8%)
38 OPERATIONAL EXPENSES			
39 Facilities, Wells, T&D			
40 Lab Fees	917	8,900	10%
41 Meters	50	4,800	1%
42 Utilities - Wells	13,728	96,600	14%
43 Line R&M Materials	3,931	72,500	5%
44 Well Maintenance	465	37,800	1%
45 Security	2,324	24,800	9%
46 Engineering Services	-	56,300	0%
47 Facilities, Wells, T&D - Other	446	12,200	4%
48 Total Facilities, Wells, T&D	21,862	313,900	7%
49 Utilities - Office			
50 Electricity	1,535	15,800	10%
51 Gas	19	1,100	2%
52 Telephone	56	10,200	1%
53 Trash Pickup & Office Cleaning	374	4,600	8%
54 Total Utilities - Office	1,984	31,700	6%
55 Office Expenses			
56 Water Billing System	177	2,100	8%
57 Supplies & Equipment	175	10,100	2%
58 Copier Lease & Printing Supplies	239	5,000	5%
59 Dues & Subscriptions	-	1,300	0%
60 Postage	1,130	8,100	14%
61 Printing & Publications	292	6,300	5%
62 Computer Services	-	36,800	0%
63 Office Storage	500	6,200	8%
64 Air Conditioning Servicing	418	5,100	8%
65 CA Water Systems Alliance	208	2,500	8%
66 Office Expenses - Other	-	2,100	0%
67 Total Office Expenses	3,140	85,600	4%
68 Support Services			
69 Temporary Labor	2,664	12,600	21%
70 Financial Audit	1,880	23,000	8%
71 Accounting	2,917	35,000	8%
72 Legal Services	-	71,000	0%
73 Bank/Payroll Service	420	5,200	8%
74 Website Support	75	900	8%
75 General Liability Insurance	2,075	26,100	8%
76 Total Support Services	10,030	173,800	6%

Cabazon Water District
Profit & Loss
July 2020

	July 2020	FY 20/21 Budget	YTD (8%)
77 Training/Travel	34	4,500	1%
78 Other Fees/SWRCB	649	8,900	7%
79 Service Tools & Equipment			
80 Shop Supplies and Small Tools	1,085	9,300	12%
81 Vehicle Fuel	268	16,300	2%
82 Employee Uniforms	-	1,800	0%
83 Safety	-	500	0%
84 Tractor Expenses	-	3,700	0%
85 Equipment Rental	1,450	2,000	73%
86 Service Trucks - R&M	492	14,500	3%
87 Water Ops Phone & Internet	293	4,800	6%
88 Total Service Tools & Equipment	3,589	52,900	7%
89 NON-OPERATING EXPENSES			
90 Grant & Loan Processing Fee	-	1,400	0%
91 DWR Interest Expense	-	7,900	0%
92 DHPO Interest Expense	-	5,800	0%
93 Bad Debt Expense	-	1,200	0%
94 Miscellaneous	192	1,100	17%
95 TOTAL NON-OPERATING EXPENSES	192	17,400	1%
96 TOTAL EXPENSES	86,937	1,267,800	7%
97 TOTAL INCOME BEFORE CAPITAL & GSA	50,408	435,700	12%
98 DHPO Capacity Credit	(1,750)	(21,000)	8%
99 CAPITAL PROJECTS			
100 Main Street Improvements (Icehouse Imp.)	(4,685)	(20,000)	23%
101 Meter Replacements & Other Capital	-	(35,000)	0%
102 Well & Tank Repairs	-	(465,000)	0%
103 TOTAL CAPITAL PROJECTS	(4,685)	(520,000)	1%
104 DEBT - PRINCIPAL			
105 Debt Service Principal - DWR	-	(40,800)	0%
106 Debt Service Principal - DHPO (Zion)	-	(82,900)	0%
107 TOTAL DEBT - PRINCIPAL	-	(123,700)	0%
108 SGMA / GSA	(1,078)	(35,000)	3%
109 NET INCOME / (LOSS)	\$ 42,895	\$ (264,000)	-16%

*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.*

New Business

Item #1 – Discussion/Action Item:

Future/Potential Connection Reimbursement Agreement for 10 years in regards to a customer paying to extend a water main to her property on Hattie Ave.

REIMBURSEMENT AGREEMENT

This Reimbursement Agreement ("Agreement") is made as of [***INSERT DATE***], 2020 by and among the CABAZON WATER DISTRICT, a public agency existing under the laws of the State of California (hereinafter referred to as "District") and ELIZABETH MIFFLETON / MIFFLETON REAL ESTATE an individual (hereinafter referred to as "Owner"). Each of District and Developer are individually referred to herein as "Party" and collectively as the "Parties".

RECITALS

- A. Owner owns certain real property currently located at 51904 Hattie Avenue Cabazon, California ("Property"). Said Property is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.
- B. Owner desires to receive water service with the District, but is currently unable to receive water service because the Property is not connected to the District's Main Line
- C. Owner is willing to pay for the costs of the construction of an extension of the Main Water Line ("Main Line Extension") and pay all applicable fees so that Owner may receive water service from the District. The Main Line Extension is more specifically described in Exhibit "B".
- D. Owner has submitted a five thousand dollar (\$5,000) deposit to the District for the construction of the Main Line Extension.
- E. The District and Owner have determined that there are **eleven (11)** parcels, excluding APN 528-092-025 (51904 Hattie Ave.) that may be improved in the future and may require water service from the District by connection to the Main Line Extension.
- F. The District has determined that the approved capital cost of the Main Line Extension is \$ [***INSERT AMOUNT***].
- G. In consideration of the funding the construction of the Main Line Extension, the District agrees to reimburse, or cause to be reimbursed, to Owner, certain costs of the Main Line Extension should other parcels receive water service from the District by connection to the Main Line Extension.

AGREEMENT

1. **Incorporation of Recitals.** The Parties agree that the recitals above are true and correct and incorporate them herein.
2. **Term.** This Agreement shall be for a term of ten (10) years following the second party's signature on this Agreement (the "Term"). If requested by Owner before the expiration

of the original ten-year Term, this Agreement may be extended by the District, at maximum five (5) year intervals, if the District's Board, in its sole discretion, determines any such extension is in the best interest of the District.

3. **Collection of Reimbursement Fees.** The District agrees to collect a pro rata amount for the reimbursement of Owner's costs to construct the Main Line Extension from each owner of any property connecting to the Main Line Extension (the "Reimbursement Fee"). The Reimbursement Fee to be paid by each owner of property connecting to the Main Line Extension shall be determined by the District on the basis of:

[**INSERT PERCENTAGE**] ([**INSERT NUMBER**]%) of the fees and charges due and payable to the District from subsequent connectors to the Main Line Extension at the time of connection.

Commented [U1]: Or could use street frontage

Notwithstanding the above, the Parties may agree in writing to waive the collection of the Reimbursement Fee, or any portion thereof, from any owner of property connecting to the Facilities for specific parcels, or for specific time periods.

4. **Payment to Owner.**

(a) District shall pay Owner all Reimbursement Fees collected pursuant to Section 2 of this Agreement. District shall pay Owner each Reimbursement Fee until either: (a) Owner has received total proportionate reimbursement for the cost of the Main Line Extension, not to exceed the sum of [**INSERT AMOUNT**] (\$#####) or (b) until ten (10) years has elapsed from the date pursuant to Section 2 of this Agreement, which ever shall occur first. Upon termination of this Agreement, the District shall pay Owner any remaining Reimbursement Fees collected prior to termination of this Agreement, in accordance with this Agreement, and the obligation of District to Owner shall thereupon cease and terminate and no further sums shall be payable or paid to Owner under this Agreement.

(b) Reimbursement to Owner shall be made only from Reimbursement Fees collected by the District pursuant to this Agreement.

(c) District shall have no duty to make any reimbursement or other payment to Owner except as specified in this Agreement and said payment shall be made only from the Reimbursement Fees collected by the District. Further, Owner shall only be entitled to receive Reimbursement Fees from future owners whose land connects or will connect to the Main Line Extension only if and when each such other owner's application to connect to the District's sewer system is granted by the District and fees have been paid. Owner understands that there are no guarantees whatsoever that District will secure any additional connections to any of the Facilities. District has no responsibility to secure future connections to all or any part of the Facilities.

5. **Other Fees by Owner.** This Agreement shall not exempt or relieve Owner from the payment of such other fees and charges as may be established by District, in accordance with its rules and regulations, for water service to the Property, including the standard capacity fees of

District. At such time as Owner requests water service to the Property or any other properties owned by Owner, Owner shall pay to District such capacity fees and charges, connection fees and charges, and any other applicable fee or charge, as may be then fixed by District in accordance with its rules and regulations. Notwithstanding any of the foregoing, if any of Owner's properties, including the Property, connects to the Main Line Extension, Owner shall be exempt from the payment of the Reimbursement Fee collected pursuant to Section 2 of this Agreement, and the total Reimbursement Amount shall be reduced accordingly.

6. **Notice.** Unless notified in writing of a change of address, all notices, payments or correspondence relating to this Agreement may be given by either: (i) hand delivery; or (ii) first class mail postage pre-paid, to the following addresses:

District:

General Manager
Cabazon Water District
14618 Broadway Street
Cabazon, CA 92230

Owner:

Elizabeth Miffleton
Miffleton Real Estate
931 2nd Street
Calimesa, CA 92320

District shall not be responsible for locating Owner, beyond providing written notices to the address supplied District by Owner. Therefore, notice shall be deemed given if provided in either manner listed above to the address supplied by the Party to whom notice is addressed.

7. **Headings.** The Headings of any paragraphs or sections of this Agreement are for convenience and reference only and shall have no effect on its interpretation.

8. **Governing Law.** The rights and obligations of the parties and the interpretation and performance of this Agreement shall be governed by the laws of the State of California and venue shall be in the County of Riverside.

9. **Entire Agreement.** This Agreement represents the complete understanding between the Parties with respect to the matters set forth herein.

10. **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the rest of this Agreement shall remain in full force and effect and shall not be affected, impaired or invalidated.

11. **Amendments.** The provisions of this Agreement may only be amended by mutual written consent of both Parties.

12. **Counterparts.** This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

13. **No Third-Party Benefit.** Nothing in this Agreement shall confer any rights upon any person or entity not party to this Agreement.

14. **Assignment.** This Agreement shall not be assigned by either Party without first obtaining the prior written consent of the other Party.

15. **Authority.** As a condition precedent to this Agreement, the Parties will obtain any and all resolutions, approvals, and/or other actions necessary for the adoption and approval of the provisions of this Agreement and shall provide the other Party with copies of such resolutions, approvals and/or actions prior to the execution of this Agreement.

16. **Integration.** This Agreement represents the entire understanding of the Parties as to those matters contained herein, and supersedes and cancels any prior oral or written understandings, promises or representation with respect to those matters covered in it. This Agreement may not be modified or altered except in writing signed by both Parties.

17. **No Waiver.** No covenant, term or condition of this Agreement shall be deemed to be waived by either Party unless such waiver is in writing and executed by the Party making the waiver. No waiver of any breach of any of the terms, covenants or conditions of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition contained herein.

18. **Construction.** The terms and conditions contained herein shall not be construed in favor of or against either Party, but shall be construed as if both Parties prepared the Agreement.

19. **Execution.** This Agreement shall not be deemed to have been accepted and shall not be binding upon either Party until duly authorized officers of both Parties have executed it.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE TO REIMBURSEMENT AGREEMENT

IN WITNESS WHEREOF, the Parties hereto have executed this Reimbursement Agreement on the date first written above.

CABAZON WATER DISTRICT

OWNER

Commented [U2]: Check ownership nomenclature

APPROVED BY:

ELIZABETH MIFFLETON

Robert Lynk
President, Board of Directors

Signature

ATTESTED BY:

Ellie Lemus
Board Secretary

EXHIBIT "A"

DESCRIPTION OF PROPERTY

[ATTACHED]

EXHIBIT "B"

DESCRIPTION OF MAIN LINE EXTENSION

[ATTACHED]

Old Business

Item #1 – Discussion/Action Item:

District Office A/C System Repair – Quote #012320139A from Ontario Refrigeration

(Multiple quotes from other vendors were sought, but no one has responded to our requests other than Ontario Refrigeration)



MEMORANDUM

DATE: August 12, 2020

TO: Board of Directors

FROM: C. Louie - GM

SUBJ: **Staff Report - District Office A/C System Repair** – Approval to fund the repair of the District’s current A/C system, which may or may not have a positive/negative/neutral impact on the District’s current FY budget.

cc:

SUMMARY

The matter of the **District Office A/C System Repair – Approval to fund the repair of the District’s current A/C system, which may or may not have a positive/negative/neutral impact on the District’s current FY budget** has been discussed and continued to be tabled by the Board.

Director Lynk suggested two (2) climate control vendors, both failed to follow through. The third vendor has responded to AGM Lemus only to report he is unable to work on the climate control system. He also stated it would be costly to convert the entire system to a traditional climate control system with each room having a separate thermostatic wall controller. This vendor has suggested the District find a vendor that can upgrade the current computer system and use the existing infrastructure as per **Ontario Refrigeration’s** (OR) original recommendation.

OR has been with the District shortly after construction of the building.

MANAGEMENT’S REQUEST

Management is respectfully requesting direction from the Board by a motion and vote to whether management will meaninglessly continue seeking out quotes, which has been unresponsive twice and third attempt has recommended the District continue to use Ontario Refrigeration for repairs.

The following motion are to:

- Drop this matter and continue contracting Ontario Refrigeration for climate control maintenance
- Commit to Ontario Refrigeration’s quote to upgrade the climate control system’s software, hardware, and parts.

Cabazon Water District
 14618 Broadway Street
 P.O. Box 297
 www.cabazonwater.org



MEMORANDUM

DATE: February 12, 2020
 TO: The Cabazon Water District Board of Directors
 FROM: Ellie Lemus, AGM
 SUBJ: District Office A/C System Repair

Dear Board of Directors,

Please see the following facts:

- The District's air conditioning (A/C) system is run on a computer-based system (the computer is configured to turn on/off the a/c and heating system during certain time-frames and at preset temperatures). This is supposed to be an energy-efficient a/c system, which the District inherited from the County of Riverside when they provided us with this building.
- Ontario Refrigeration was contacted to look at our A/C system (it was running at a time when it shouldn't have been), and they discovered the following issues:
 - a. The computer that hosts the A/C system is outdated (no longer supported by Microsoft). The Ontario Refrigeration technician was unable to work on it, since it continuously crashes.
 - b. Since the computer is no longer functioning, the A/C system is currently running on an old preset command. We cannot adjust the times it will run, the temperatures, etc.
 - c. The current control system on the old computer is proprietary (a certain brand only sold to select vendors; only select vendors may order, purchase, install items on the current control system). It is also outdated/obsolete.
 - i. Ontario Refrigeration is recommending that the current control system be replaced with a Johnson Control System, which is **not** proprietary; any HVAC contractor can purchase and repair this system, which does not limit the District to specific vendors.

Cabazon Water District
 14618 Broadway Street
 PO Box 297
 Cabazon, CA 92230
 www.cabazonwater.org

- The District currently has an Assured Service Program (ASP), which covers items that break/wear out. It does not cover items that are obsolete (which is the situation we are currently in; the control system is obsolete).
- Before the current computer/control system became unusable, the District was only able to adjust temperatures/control a/c times via the one dedicated a/c computer, by having an Ontario tech make the changes.
- If the new system is purchased and installed, the new controls do not require one specific work station. The District's IT department can provide remote access, enabling the control system to be accessed on any PC, tablet, or smart phone. Password management can restrict the ability to make changes, preventing someone from modifying the program or make adjustments that could damage the A/C units.
- Although the entire a/c system is obsolete according to Ontario, they agree to replace any failed component under the District's current ASP agreement, as they are trying to meet the District halfway and share the costs (see attached email).
- If the new controller (computer system) is installed, it would be covered under the current ASP service agreement; if it should fail, Ontario would cover the repair/replacement.

The attached quote is for replacement of the control system (A/C computer system). It is not for the A/C Component system (fans, belts, etc.), but via the email, Ontario Refrigeration will replace those items under the current contract as they fail.

Ontario Refrigeration

(909) 984-2771 Fax (909) 988-7522

PROJECT AGREEMENT FOR BUILDING ENVIRONMENTAL SYSTEMS

Proposal Date	Proposal Number	Page
January 23, 2020	012320139A	1 of 1

AGREEMENT BETWEEN:

Cabazon Water District
 14-618 Broadway Street
 Cabazon, Ca. 92230

AND

Ontario Refrigeration Service, Inc.
 635 S. Mountain Ave.
 Ontario, CA 91762

hereinafter CUSTOMER

hereinafter Ontario Refrigeration

SERVICES WILL BE PROVIDED AT THE FOLLOWING LOCATION(S):

Same as Above

ONTARIO REFRIGERATION WILL PROVIDE THE FOLLOWING TO CUSTOMER:

INSTALL NEW JOHNSON CONTROLS FX80 SUPERVISORY CONTROLLER

- Remove failed Schneider Electric Server and install new Johnson Controls FX80 Supervisory Controller
- Import existing devices from the VAV boxes
- Install BACNET cards for each rooftop units
- Import BACNET points from the rooftop units and setup writable points as needed
- Set up scheduling, VAV graphics, floor graphics and rooftop equipment graphics

Price to perform system upgrade as outlined above is \$21,803.00.

*Exclusions: Engineering, electrical, or anything not listed above

**Customer to provide remote access to building controls so programming can be performed off site

***Due to building design, controls upgrade will not eliminate all comfort issues and concerns

As a condition of performance, payments are to be made on a progress basis. Invoice payment must be made within ten (10) days of receipt. Any alteration or deviation from the above proposal involving extra cost or material or labor will become an extra charge over the sum stated above. This proposal will become a binding Agreement only after acceptance by Customer and approval by the President of Ontario Refrigeration as evidence by their signatures below. This Agreement sets forth all of the terms and conditions binding upon the parties hereto on the reverse hereof, and no person has authority to make any claim, representation, promise or condition on behalf of Ontario Refrigeration which is not expressed herein. Proposal valid for 45 days from original proposal date.

CUSTOMER

Signature (Authorized Representative)

Name (Print/Type)

Title

Date

Ontario Refrigeration

Ricardo Chavira

Signature (Sales Representative)

Approved by Contractor:

Signature Phil Talleur

President

Title

Date

SCOPED SERVICE

Additional Agreement Terms and Conditions

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1. Ontario is obligated to perform only the items of project work listed on page 1 of this Agreement and any items described in any written change order hereafter signed by Customer and Ontario. As reasonably necessary to perform the specified work, Customer shall provide Ontario access to all equipment, work areas and shall allow Ontario to start and stop any equipment. Customer shall also provide Ontario's personnel with all Material Safety Data Sheets (MSDS) applicable to Ontario's work and as required by OSHA's Hazard Communication Standard Regulations. All work shall be performed during Ontario's normal working hours unless otherwise indicated on page 1.
2. Ontario warrants its workmanship to be free from defect for a period of thirty (30) days from the date said work is performed. If Ontario's workmanship proves to be defective within said thirty days, Ontario will repair or replace its work, at Ontario's option, and at no cost to Customer, provided, Customer has given Ontario written notice of said defect within 35 days of the date the defective work was originally performed. If any replacement item, materials, or equipment listed on page 1 should prove to be defective, Ontario shall assign to Customer the benefits of any manufacturer's warranty to the fullest extent any such warranty may be assigned by Ontario. Removal and replacement of any equipment or materials covered under a manufacturer's warranty will be at Customer's expense and at Ontario's then current rates.
3. Except as set forth in paragraph 2 of this Agreement, Ontario makes **NO WARRANTIES, EXPRESS OR IMPLIED**, concerning the work, labor, materials or equipment being provided by it under this Agreement, and hereby excludes and disclaims all express and implied warranties, including the implied warranties of merchantability and fitness for any particular purpose or use.
4. The price stated on page 1 is a discounted price contingent upon Ontario's receipt of payment by cash or check. The cash discount reflected in this price is five percent. Customer agrees to pay all invoices within ten (10) days of the invoice date. If payment in full is not received by Ontario within 15 days of the invoice date, all unpaid amounts shall accrue interest at the rate of 1.5% per month from the date of the invoice until paid in full. Ontario shall have the right to stop all work, including any warranty work, to the extent any invoice concerning the work described on page 1 has not been paid in full.
5. Ontario shall only perform the work specified on page 1 and no other work shall be performed without prior written authorization from Customer that is accepted, in writing, by Ontario and which sets forth the additional cost to be paid for such extra work.
6. It is understood and agreed that Ontario has **NO** responsibility for performing, completing or paying for any of the following items:
 - a. Moving, modifying, or altering the building structure in any manner in order to carry out its obligations under this Agreement;
 - b. Identifying, abating, handling, encapsulating or removing any hazardous substance or material, except any refrigerant specially identified on page 1 for removal by Ontario;
 - c. Indemnifying Customer from any liability or damage related to Ontario's work, except for such liability or damage caused by the sole negligence of willful misconduct of Ontario or employees that is not limited or waived under paragraph 8.
 - d. All taxes or other governmental charges relating to the Services, transfer, use, ownership, servicing or possession of any equipment relating to this Agreement.
7. To the fullest extent permitted by law, Customer shall indemnify, defend and hold harmless Ontario and its agents and employees from and against all claims, damages, losses, and expenses, of every nature, including but not limited to attorney's fees, arising from or in any way related to the work, labor, equipment and materials being provided by Ontario under this Agreement, except that Customer shall not have any obligation to indemnify Ontario from such claims, damages, losses, and/or expenses that are attributable to the sole negligence of willful misconduct of Ontario or its employees.
8. In the event of any breach of contract by Ontario or damage or loss attributable to the tortious conduct of Ontario or one or more of its agents or employees, or any damage or loss for which Ontario might be held strictly liable, Ontario's liability for such damage or loss shall be limited to the dollar amount of this Agreement. Customer further agrees that Ontario does not have any liability to Customer, or Customer's agents, employees, tenants, lessees, or invitees, for any loss of use, loss of profit, delay damages, increased operating or maintenance costs, or any other special or consequential damages resulting from Ontario's performance of, or failure to perform, its obligations under this Agreement, all such damages being hereby waived and released by Customer. Customer also agrees that Ontario is not responsible for any loss or compensatory damages of Customer, or increased cost(s) for Ontario to perform this Agreement, where any such loss, damage or increased cost is attributable to Acts of God or other circumstances not reasonably foreseeable by the parties at the time they entered into this Agreement.
9. In the event of legal action or arbitration proceedings to enforce the terms of this Agreement, or any provisions herein, the successful and prevailing party shall be entitled to recover its reasonable attorney's fees and expert witness fees and expenses, in addition to any other relief to which that party may be entitled, at law or in equity. Any legal action or arbitration proceeding concerning any rights and liabilities relating to, or arising from, this Agreement or the work being performed under this Agreement, with the exception of any legal action for collection of amounts due, must be filed within one (1) year of the date of the event giving rise to any such claim under this Agreement.
10. The parties agree to resort to binding arbitration for the resolution of any claim either party may have against the other where the total value of either party's claim against the other, exclusive of interest, attorney's fees, and arbitration fees and costs, is less than \$75,000. Any arbitration under this agreement shall be conducted before the American Arbitration Association in accordance with its Fast Track Procedures in effect on the date this Agreement is signed. Under no circumstances shall any arbitrator have authority to issue any award in excess of \$75,000, exclusive of interest, attorney's fees, and arbitration fees and costs. All claims of either party in excess of \$75,000 shall be resolved through litigation within a court of competent jurisdiction in the county in which the work is performed.
11. Customer acknowledges that Ontario's employees are valuable assets to Ontario and Customer agrees that it will not hire any employee of Ontario for a period of 180 days after completion of the work described in this Agreement. In the event of a breach of this provision by Customer, Customer shall pay to Ontario the salary Ontario paid to that employee during the twelve months preceding Customer's breach of this provision, plus all expenses paid by Ontario to train that employee during the preceding two year period.
12. Any notice that is required to be given under this Agreement must be in writing and sent via certified or registered mail to the address set forth on the first page of this Agreement for the party intended to receive such notice.
13. This document represents the entire agreement between Ontario and Customer and supersedes any prior or contemporaneous oral and written communications or agreements. This Agreement can only be modified in a writing that is signed by both parties. Any purchase order or other document hereafter issued by Customer shall only be for purposes of identification and/or billing and shall not serve to modify this Agreement in any respect.

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Elizabeth Lemus

From: Dave Bunnell <DBunnell@ontref.com>
Sent: Thursday, February 6, 2020 12:33 PM
To: Elizabeth Lemus
Subject: My contact information

Follow Up Flag: Follow up
Flag Status: Flagged

Ellie,

It was very nice meeting you today. As requested, I am sending you my contact info:

David Bunnell
Office = 909-984-2771
E-mail = DBunnell@OntRef.com
Cell = 909-635-8378

If you ever call my cell, please be sure to leave a voice mail. As a rule, I do not give out my cell number, so if it rings and the number calling is not in my contacts, I do not answer because 99% it is a solicitor.

Some key points to remember about our recommendation:

- The Johnson control system is not proprietary. Any HVAC contractor can purchase the front end or any other components.
- The reason we are not covering the replacement of the front-end is due to the controls are obsolete. Our ASP service agreement does not cover obsolescence.
- Should a unitary control board or thermostat fail, I agree to replace the failed component under the ASP service agreement...even though those components are obsolete as well – this is my effort to meet the water district half way and share the costs.
- The new controls do not require a work station. As long as your IT dept can provide remote access, the control system can be accessed via any PC, tablet or smart phone. Password management can restrict the ability to make changes preventing someone from modifying the program or make adjustments that could damage the AC units.
- The graphics of the new controls will be superior to the existing graphics making navigation of, and changes to, the controls very user friendly.
- The new controller would be covered under the ASP service agreement, if it fails, Ont Ref will cover the repair/replacement under our ASP service agreement.

Please feel free to contact me if you need further assistance.

Have a great day.

David Bunnell
Service Manager
909-984-2771
909-988-7522 Fax

Old Business

Item #2 – Discussion/Action Item:

Recruitment and Employment – approval to fill current Meter Reader/Water Technician Vacancy



MEMORANDUM

DATE: August 12, 2020

TO: Board of Directors

FROM: C. Louie - GM

SUBJ: **Staff Report - Recruitment & Employment** – approval to fill current vacancy (which may or may not have a positive/negative/neutral impact on the District’s current FY budget).

cc:

SUMMARY

This Community’s water district currently has a vacancy for either an entry level Water Technician or water meter reader. Due to recent concerns over the District’s expenditures, the recruitment, testing, interviewing, peer assessments, managerial interview, background, drug screen, pre-employment medical examination has been temporarily suspended.

MANAGEMENT’S REQUEST

Management is respectfully requesting direction from the Board by a motion and vote to approve the **funding** to fill the vacancy.

STATEMENT OF FACTS

For the benefit of Board members to make an informed decision, below are the list of potential costs.

Cost of Recruitment to Hiring

- | | |
|---|---------|
| 1. Desert Sun – Advertisement for two weekends and website | \$2,440 |
| 2. Press-Enterprise - Advertisement for two weekends and website | \$1,930 |
| 3. California Rural Water Association – website | \$ 0 |
| 4. Written Examination – Material, printing, Proctor, Grading | \$ 500 |
| 5. Creighton Consulting – Appraisal Interviews | \$1,260 |
| 6. Greg Worley – Appraisal Interviews | \$ 800 |
| 7. Peer Interviews - Fully burden hour rates for 3 employees at 6.0 hours | \$ 944 |
| 8. Management Interviews – GM & AGM at 6.0 hours | \$ 784 |
| 9. Background | \$ 500 |
| 10. Drug Screen & Pre-employment medical | \$ 210 |

Cabazon Water District
 14618 Broadway Street
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11. HR	\$ 200
12. District shirts and jackets	\$ 450
13. Formal training (OJT, seminar, lodging, water boot camp)	\$3,500
Estimated Cost	\$13,318

Cabazon Water District
14618 Broadway Street
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Old Business

Item #3 – Discussion/Action Item:

Well No. 1 Rehab and re-equipping Project – approval to continue with proposed project



MEMORANDUM

DATE: August 12, 2020

TO: Board of Directors

FROM: C. Louie - GM

SUBJ: **Staff Report - Well No. 1 Rehabilitation and Re-equipping Project** – Approval to continue to fund this project (which may or may not have a positive/negative/neutral impact on the District’s current FY budget).

cc:

SUMMARY

This Community’s water district production well and tank #1 has been out of commission for over a year. Currently, this water district has only two (2) production wells which results in the deficiency of a *triple layer of redundancy*.

MANAGEMENT’S REQUEST

Management is respectfully requesting direction from the Board by a motion and vote to approve the **funding** to repair Well #1 and Tank #1.

STATEMENT OF FACTS

Production well #2 (W2) located at the Robertson Read Cement Plant in Cabazon produces up to 1,100 gallons of water per minute.

Production well #5 (W5) located on the south side of the Outlets on Seminole produces up to 850 gallons of water per minute.

During periods of high demand, both W2 and W5 are activated (ran) simultaneously. There is only an 8 to 10 hour *window of opportunity* to fill two one-million gallon tanks that are located at the end of Millard Pass Road, north of Seminole Drive. The narrow *window of opportunity* is due to Edison’s (SCE) power rates. To **save money for the District**, the 250 HP electric water pump motors operate during SCE’s *off-peak* and *super-off peak* hours.

These one million gallon tanks require 31,000 gallons for each foot. Since there are 2 one million gallon tanks, W2 and W5 must produce 62,000 gallons to fill one foot in both water tanks. This does not include serving the community and its businesses as the water travels to the 2 water tanks. With **both production wells running**, it takes **approximately 1.5 hours** to fill one (1) foot in both water tanks.

With W1 down, if W5 or W2 should fail, it would be a challenge to produce potable water to meet the demand of the community, its businesses, and the current resurfacing project of Interstate 10 where the contractor is purchasing water from the District for production of raw material and dust control. The resurfacing project begins in Calimesa and ends at White Water.

On the financial side, the rehabilitation of production well and tank #1 is **estimated about \$250,000 to \$300,000**. This would be a **tremendous negative impact** on the District's current or the following fiscal year budget.

Old Business

Item #4 – Discussion/Action Item:

Main St. and Pecan Ave. District Yard – approval to continue with project



MEMORANDUM

DATE: August 12, 2020

TO: Board of Directors

FROM: C. Louie - GM

SUBJ: **Staff Report - Main St. & Pecan Ave. District Yard** – Approval to continue to fund this project which may or may not have a positive/negative/neutral impact on the District’s current FY budget.

cc:

SUMMARY

The matter of the **Main St. & Pecan Ave. District Yard** – Approval to continue to fund this project which may or may not have a positive/negative/neutral impact on the District’s current FY budget.

The District currently pays \$500 per month to the County of Riverside Economic Development Agency (EDA) for rent. This agreement was approved by past water boards in trade for the current state of the art administrative facilities. This was a straight-across exchange of the old fruit stand on Hwy 99 for a new headquarter that is estimated at slightly over a million dollars.

Since then, the District has purchased the Hadley Fruit Orchards’ old ice house property located the northwest corner of Main Street and Pecan Avenue to develop a new District heavy equipment, material, parts, supply, and field office.

MANAGEMENT’S REQUEST

Management is respectfully requesting direction from the Board by a motion and vote to direct management in one of the below actions:

The following motion is to:

- Drop this matter and continue paying \$500 monthly rent to the EDA, knowingly either party with a thirty (30) day notice can terminate the rental agreement.
- Continue to develop the Main St./Pecan Ave. property. Currently there is chain link fence and Edison power. The power stops at the pedestal. There is no infrastructure beyond the pedestal.

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STATEMENT OF FACTS

The other expenses that have been approved by the Board is the purchase of the reconditioned CONEX (storage containers) and to relocate one (1) current Conex box.

Should the District be given the thirty (30) days' notice by EDA, the District has a place to move the current inventory of heavy equipment and supplies.

There are additional costs when moving, some are known and unknown. Management is aware that we have all experienced moving to a new home.

Management can provide a detailed staff report regarding the additional known costs of the move, including, but not limited to payroll, heavy equipment, material, parts, and equipment.