



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

Meeting Date:

Tuesday, June 18, 2019 – 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
 - Fiscal Year 2018-2019 Proposed Budget
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.



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

REGULAR BOARD MEETING

AGENDA

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

Meeting Date:
June 18, 2019 – 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 May 21, 2019
 - b. Regular Board Meeting Minutes and Warrants of May 21, 2019
2. **Warrants – None**
3. **Awards of Contracts – None**

UPDATES

1. **Update:** **San Gorgonio Pass Regional Water Alliance Update**
(by Director Davis)
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: Cost share for Grant Application/Implementation – City of Banning (by GM Louie & BM Lemus)
2. Discussion/Action: RESOLUTION 2019-01: Approving an Isolation Valve Improvement Project Provided that Grant Funding is Made Available, and with the Understanding that the Grant Funding will cover 100% of project cost. (by BM Lemus)
3. Discussion/Action: Transfer of funds from District’s General Account to the District’s LAIF (“Savings”) Account. (by BM Lemus)
4. Discussion/Action: Adoption of regulations regarding payment of the cost of Registrar of Voters County of Riverside Director Election candidate statement(s) (by Board Secretary Lemus)

Directors to determine whether the District or each individual candidate will pay for Director Election candidate statements through the County Registrar of Voters Office.

Estimated cost: \$350 per candidate statement
Recommendation: each individual candidate to pay for their own candidate statement.

5. Discussion/Action: Approval of Creating the Assistant General Manager (AGM) position. (by GM Louie)

OLD BUSINESS

1. Discussion/Action: Carol’s Kitchen – Corporate Sponsorship Petition (by Carol Allbaugh; Board of Director/Strategic Advisor or designated representative)
2. Discussion/Action: Adoption of the Fiscal Year (FY) 2019-2020 Budget (by GM Louie, BM Lemus, Byerrum CPA)
3. Discussion: Sustainable Groundwater Management Act (SGMA) Update (by General Manager Louie)
4. Discussion/Action: Fire Suppression System Installation and Meter Charges (by Director Lynk)

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 – July 16, 2019, 5:00 pm
- b. Regular Board Meeting – Tuesday – July 16, 2019, 6:00 pm
- c. Personnel Committee – None
- d. San Geronio Pass Regional Water Alliance – Alliance Meeting – Wednesday – June 25, 2019

ADJOURNMENT

ADA Compliance Issues

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Cabazon Water District
14618 Broadway Street • P.O. Box 297
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FINANCE & AUDIT COMMITTEE MEETING

Minutes

Meeting Location:

Cabazon Water District Office
14618 Broadway Street
Cabazon, California 92230

Meeting Date:

Tuesday, May 21, 2019 – 5:00 PM

CALL TO ORDER,
PLEDGE OF ALLEGIANCE,
ROLL CALL

Director Wargo - Present
Director Israel - Present

Calvin Louie (General Manager) - Present
Elizabeth Lemus, Board Secretary - Present
Cindy Byerrum, Financial Consultant - Present

*Note: This meeting was recorded by the District -

FINANCE & AUDIT COMMITTEE

1. Discussion: Finance & Audit Committee Report

Balance Sheet

The District's combined Cash with Chase and LAIF balance was \$822,081 at month end. The District's total liabilities were approximately \$1.122 million at month end.

Profit and Loss

- Line 3 Base Rate: This is the flat, fixed monthly charge to all residents for water service. YTD is trending at 86%.

- Line 4 Commodity Sales: This is the variable income from charges linked to the consumption of water. YTD is trending below budget at 76% due to lower consumption than anticipated.
- Line 19 Interest Income YTD is over budget due to higher interest revenues than anticipated.
- Line 44 Generator Service Contract: YTD is overbudget due to higher than expected maintenance costs for the Apache Generator.
- Line 49 Well Maintenance: YTD is over budget due to \$83K in invoices from Legend Pump & Well Services for Well 5 Rehabilitation. Rehabilitation included pulling the pump to perform maintenance & restore water flow.
- As of April 30th, the fiscal year-to-date net loss is \$(179,989).

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

PUBLIC COMMENT

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ADJOURNMENT

Motion to adjourn at 17:30 hr. made by Director Israel and 2nd by Director Wargo.

Meeting adjourned at 17:30 hr. on Tuesday, May 21, 2019

Robert Lynk, Board Chair
Board of Directors
Cabazon Water District

Elizabeth Lemus, Secretary
Board of Directors
Cabazon Water District

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REGULAR BOARD MEETING

Minutes

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

Meeting Date:
May 21, 2019 – 6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

REMEMBRANCE OF OUR SERVICE MEN AND WOMEN

ROLL CALL

Director Martin Sanderson - Present
Director Maxine Israel – Present @ 19:08 hr.
Director Sarah Wargo - Present
Director Alan Davis - Present
Director Robert Lynk - Absent

Calvin Louie, General Manager - Present
Elizabeth Lemus, Board Secretary - Present
Cindy Byerrum, Financial Consultant - Present (Left/absent at 19:08 hr.)
Steve Anderson, Best Best & Krieger Law Firm - Absent
Joseph Ortiz, Best Best & Krieger Law Firm - Absent

Note: This meeting was recorded by the District -

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 April 16, 2019
- b. Regular Board Meeting Minutes and Warrants of April 16, 2019

Motion to approve following consent calendar item(s) (a.) Finance and Audit Committee Meeting Minutes of (a) April 16, 2019, and (b.) Regular Board Meeting Minutes of April 16, 2019, made by Director Wargo and 2nd by Director Sanderson.

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

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

UPDATES

1. Update: **San Gorgonio Pass Regional Water Alliance Update (by Director Davis)**
2. Update: **Manager's Operations Report (by General Manager Louie)**
 - Main/Pecan St. Property: County recently approved land survey. Next step: obtain fencing bid (since previous bid is over a year old due to the County's delay in survey approval.
 - Tank #4: base to be caulked and painted next week.
 - Recent Theft: stolen meter near Robertson's plant.

NEW BUSINESS

1. Discussion/Action: **Carol's Kitchen – Corporate Sponsorship Petition (by Carol Allbaugh; Board of Director/Strategic Advisor)**
 - "Grass Roots" non-profit organization. Requesting sponsorships; can make a lump sum payment, monthly payments, etc.

Motion to table a decision regarding contributing a donation to Carol's Kitchen for the June 18, 2019 Regular Board Meeting made by Director Sanderson and 2nd by Director Wargo.

***Note: It was the consensus of the Board to table this item for further discussion and action for the June meeting, since Director Lynk and Director Israel were not present.**

***Note:** Next, the Board went to “Old Business Item 1: Discussion/Action: CalMutuals - Adan Ortega, Executive Director is forming the Community Water System Alliance (CWSA) – Prevent “Smaller & Poorer” agencies from being unnecessarily taxed by the State and form a “mutual aid, well-functioning water systems and those that may be at the brink of failing.” (by GM Louie & Board)”.

***Note:** The Board took a break from 18:58 hr. to 19:08 hr., right before discussing New Business Discussion/Action item #2; at this point, Director Israel was present, and Ms. Cindy Byerrum left:

2. Discussion/Action: Adoption of the Fiscal Year (FY) 2019-2020 Budget

Motion to table the adoption of the FY 2019-2020 Budget until the June Board Meeting made by Director Wargo and 2nd by Director Israel.

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

OLD BUSINESS

1. Discussion/Action: CalMutuals - Adan Ortega, Executive Director is forming the Community Water System Alliance (CWSA) – Prevent “Smaller & Poorer” agencies from being unnecessarily taxed by the State and form a “mutual aid, well-functioning water systems and those that may be at the brink of failing.” (by GM Louie & Board)

- The proposed minimum contribution from the Cabazon Water District (based on its size and budget) is \$2,500 (Tier 4) to join CWSA. This would be a one-time fee; not a monthly or annual fee. In September 2019, it is anticipated that the CWSA group will assess what remains in the reserve fund, and whether the group would like to continue to contribute, how to continue forward, etc.

Motion to approve the one-time commitment/payment of the Tier 4 payment of \$2,500 to the Community Water System Alliance (CWSA) made by Director Sanderson and 2nd by Director Davis.

Amended motion to approve the one-time commitment/payment of the Tier 4 payment of \$2,500 to the Community Water System Alliance (CWSA), and to discuss separately the District’s travel arrangements and budget for Directors (who may occasionally need to travel to represent the District before the State Elected Officials)* made by Director Wargo and 2nd by Director Davis.

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

*Note: Director Wargo voiced that she would like the District to agree on a cap of how many District Board Members, how often, and what the financial limitations would be if District representatives (e.g. Directors) are required to travel for CWSA business. Director Davis and Director Sanderson agreed with her.

*Note: Next, the Board went to "New Business Item 2: Discussion/Action: Adoption of the Fiscal Year (FY) 2019-2020 Budget".

2. Discussion: Sustainable Groundwater Management Act (SGMA) Update
(by General Manager Louie)
3. Discussion/Action: Fire Suppression System Installation and Meter Charges

Motion to table this item for further discussion during the June Board Meeting made by Director Wargo and 2nd by Director Israel.

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

4. Discussion/Action: Establish a date for Personnel Committee to meet with General Manager for Annual Performance Evaluation

The General Manager will reach out to Director Wargo and Director Lynk
(who are both on the Personnel Committee) sometime next week.

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MISCELLANEOUS

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

- a. Finance & Audit Workshop – Tuesday – June 18, 2019, 5:00 pm
- b. Regular Board Meeting – Tuesday – June 18, 2019, 6:00 pm
- c. Personnel Committee – None
- d. San Gorgonio Pass Regional Water Alliance – Alliance Meeting – Wednesday – May 22, 2019

ADJOURNMENT

Motion to adjourn at 19:43 hr. made by Director Sanderson and 2nd by Director Davis.

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

Meeting adjourned at 19:43 hr. on Tuesday, May 21, 2019

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
Profit & Loss
 May 2019

	May 2019	Current YTD	FY 18/19 Amended Budget	YTD (92%)
1 REVENUES				
2 OPERATING INCOME				
3 Base Rate - Water Bills	\$ 72,729	\$ 773,759	\$ 811,800	95%
4 Commodity Sales	26,155	274,493	327,500	84%
5 DHPO Contract	16,504	181,795	225,900	80%
6 Fire Sales - Water Bills	439	3,145	2,500	126%
7 Fire Flow Income	-	-	400	0%
8 Penalty Fees - Water Bills	3,277	41,121	48,300	85%
9 New Account Fees - Water Bills	145	1,635	1,800	91%
10 Incident Fee - Water Bills	-	-	400	0%
11 Returned Check Fees	30	390	600	65%
12 Basic Facilities Fee	-	17,358	64,900	27%
13 Stand By Fees - Tax Revenue	32,892	106,676	113,600	94%
14 TOTAL OPERATING INCOME	152,172	1,400,371	1,597,700	88%
15 NON-OPERATING INCOME				
16 Property Taxes	5,962	54,402	60,900	89%
17 Cell Tower Lease Income	4,093	24,555	22,100	111%
18 Misc. Non-Operating Income	-	968	-	0%
19 Interest Income	396	15,338	11,200	137%
20 TOTAL NON-OPERATING INCOME	10,451	95,263	94,200	101%
21 TOTAL REVENUES	162,623	1,495,634	1,691,900	88%
22 EXPENSES				
23 PAYROLL				
24 Directors Fees	1,300	13,800	20,000	69%
25 Management & Customer Service				
26 Customer Accounts	3,955	48,930	51,700	95%
27 Business Admin Manager	4,920	47,555	66,800	71%
28 Office Assistant	-	22,681	-	0%
29 General Manager	6,662	83,135	84,100	99%
30 Total Management & Customer Service	15,538	202,301	202,600	100%
31 Field Workers	13,240	142,890	146,300	98%
32 Employee Benefits Expense				
33 Workers Comp.	101	4,843	8,800	55%
34 Employee Health Care	7,400	83,184	86,800	96%
35 Pension	8,855	53,682	67,800	79%
36 Total Employee Benefits Expense	16,356	141,709	163,400	87%
37 Payroll Taxes	2,354	31,721	29,300	108%
38 TOTAL PAYROLL	48,789	532,421	561,600	95%

Cabazon Water District
Profit & Loss
 May 2019

	May 2019	Current YTD	FY 18/19 Amended Budget	YTD (92%)
39 OPERATIONAL EXPENSES				
40 Facilities, Wells, T&D				
41 Lab Fees	288	6,223	8,500	73%
42 Site Landscaping & Maintenance	45	450	700	64%
43 Meters	50	2,287	4,600	50%
44 Generator Service Contractor	432	2,664	1,300	205%
45 Utilities - Wells	11,019	102,214	126,100	81%
46 SCADA	27	288	300	96%
47 Line R&M Contractor	-	-	12,500	0%
48 Line R&M Materials	11,183	51,802	60,000	86%
49 Well Maintenance	372	94,681	36,200	262%
50 Security	973	18,659	18,400	101%
51 Engineering Services	477	41,842	48,600	86%
52 Chlorinators	-	-	100	0%
53 Facilities, Wells, T&D - Other	577	7,585	10,000	76%
54 Total Facilities, Wells, T&D	25,443	328,695	327,300	100%
55 Utilities - Office				
56 Electricity	1,128	14,943	15,900	94%
57 Gas	37	719	710	101%
58 Telephone	803	8,799	9,500	93%
59 Trash Pickup & Office Cleaning	364	4,031	4,400	92%
60 Total Utilities - Office	2,332	28,492	30,510	93%
61 Office Expenses				
62 Water Billing System	177	1,950	2,100	93%
63 Supplies & Equipment	964	12,406	9,700	128%
64 Copier Lease & Printing Supplies	237	6,079	6,000	101%
65 Dues & Subscriptions	-	952	1,700	56%
66 Postage	619	6,659	7,700	86%
67 Printing & Publications	-	3,880	6,100	64%
68 Leases & Rents	86	337	300	112%
69 Computer Services	47	28,342	36,800	77%
70 Office Radio	-	-	500	0%
71 Office Storage	500	5,500	6,200	89%
72 Air Conditioning Servicing	418	4,418	4,600	96%
73 Fire Alarm System Servicing	-	312	700	45%
74 Office Expenses - Other	18	926	1,300	71%
75 Total Office Expenses	3,067	71,760	83,700	86%
76 Support Services				
77 Temporary Labor	6,683	7,390	10,000	74%
78 Financial Audit	5,220	14,625	22,100	66%
79 Accounting	-	32,208	36,000	89%
80 Legal Services	992	46,661	53,600	87%
81 Bank Service Charges	49	661	700	94%

Cabazon Water District

Profit & Loss

May 2019

		FY 18/19			
		Amended			
	May 2019	Current YTD	Budget	YTD (92%)	
82	Payroll Service	299	4,181	4,100	102%
83	Website Support	75	750	1,700	44%
84	General Liability Insurance	1,962	20,965	21,000	100%
85	Total Support Services	15,280	127,442	149,200	85%
86	Training/Travel	465	23,639	41,000	58%
87	Other Fees/SWRCB	-	6,703	6,200	108%
88	Service Tools & Equipment				
89	Shop Supplies and Small Tools	378	7,759	21,100	37%
90	Vehicle Fuel	1,532	14,910	12,800	116%
91	Employee Uniforms	-	1,394	1,500	93%
92	Safety	-	386	500	77%
93	Tractor Expenses	-	6,851	1,000	685%
94	Equipment Rental	-	394	2,100	19%
95	Service Trucks - R&M	559	13,856	13,900	100%
96	Water Ops Phone & Internet	428	1,296	900	144%
97	Total Service Tools & Equipment	2,897	48,691	53,800	91%
98	NON-OPERATING EXPENSES				
99	Grant & Loan Processing Fee	-	1,325	1,600	83%
100	DWR Interest Expense	-	10,266	10,300	100%
101	DHPO Interest Expense	-	9,833	9,800	100%
102	Bad Debt Expense	-	-	1,200	0%
103	Miscellaneous	87	421	1,600	26%
104	Depreciation Expense	22,192	244,108	266,300	92%
105	TOTAL NON-OPERATING EXPENSES	22,278	265,954	290,800	91%
106	TOTAL EXPENSES	120,550	1,433,797	1,544,110	93%
107	TOTAL INCOME BEFORE CAPITAL & GSA	42,073	61,838	147,790	42%
108	DHPO Capacity Credit	(1,750)	(19,250)	(21,000)	92%
	CAPITAL PROJECTS				
109	Main Street Improvements (Icehouse Imp.)	-	(29,593)	(60,000)	49%
110	Meter Replacements & Other Capital	(6,051)	(15,100)	(22,000)	69%
111	Vehicle Upgrades	-	(8,828)	-	0%
112	TOTAL CAPITAL PROJECTS	(6,051)	(53,521)	(82,000)	65%
113	DEBT - PRINCIPAL				
114	Debt Service Principal - DWR	-	(38,425)	(38,400)	100%
115	Debt Service Principal - DHPO (Zion)	-	(78,870)	(78,900)	100%
116	TOTAL DEBT - PRINCIPAL	-	(117,295)	(117,300)	100%
117	SGMA / GSA	(949)	(17,270)	(60,000)	29%
118	NET INCOME / (LOSS)	\$ 33,324	\$ (145,499)	\$ (132,510)	110%

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.

Cabazon Water District

Balance Sheet

May 31, 2019

May 31, 19

1	ASSETS	
2	Current Assets	
3	Checking/Savings	
4	General Bank Account-Chase	168,820
5	Payroll Bank Account-Chase	56,634
6	Trust Account-Chase (Cust. Deposits)	20,971
7	Local Petty Cash	100
8	Total Checking/Savings	<u>246,525</u>
9	Accounts Receivable	213,493
10	LAIF	633,801
11	Bank of NY Trustee Accounts	57,718
12	Prepaid Expenses	25,912.10
13	Inventory Total	93,672
14	Total Other Current Assets	<u>1,024,596</u>
15	Total Current Assets	<u>1,276,349</u>
16	Fixed Assets	
17	Construction in Process	
18	CIP Cabazon Outlets Expansion	9,692
19	CIP Super Map	19,015
20	CIP 50100 Main St. Property	85,460
21	Total Construction in Process	<u>114,167</u>
22	Tools and Equipment	123,319
23	Source of Supply	1,552,226
24	Transmission & Distribution	10,216,143
25	Buildings & Structures	12,281
26	Water Treatment	8,800
27	Office Furniture and Equipment	71,808
28	Intangible Plant	11,032
29	Vehicles	106,309
30	Land	689,548
31	Accumulated Depreciation	<u>(5,596,247)</u>
32	Total Fixed Assets	<u>7,309,385</u>
33	TOTAL ASSETS	<u><u>8,585,734</u></u>
34	LIABILITIES & EQUITY	
35	Liabilities	
36	Current Liabilities	
37	Accounts Payable	25,785
38	Other Current Liabilities	
39	Customer Deposits - Co 1	4,900
40	Customer Deposits - Co 2	6,234
41	Total Customer Deposits	<u>11,134</u>
42	Accrued Vacation Pay	10,051
43	DWR-HS Payable - Current	38,425
44	Current Portion Zion's Bank Ln	78,870
45	Accrued Payroll	7,565

Cabazon Water District

Balance Sheet

May 31, 2019

		<u>May 31, 19</u>
46	Accrued Payroll Taxes	553
47	Accrued Interest	4,734
48	Accrued Expenses	6,419
49	Employee Deductions	284
50	Total Other Current Liabilities	<u>158,035</u>
51	Total Current Liabilities	183,820
52	Long Term Liabilities	
53	DWR-H Loan Payable (Payoff '26)	318,500
54	Zion's Bank Long Term (2023)	335,745
55	RCEDA Loan Payable	300,000
56	Total Long Term Liabilities	<u>954,245</u>
57	Total Liabilities	<u>1,138,065</u>
58	Total Equity	<u>7,447,669</u>
59	TOTAL LIABILITIES & EQUITY	<u>8,585,734</u>



**Cabazon Water District
Proposed Budget
FY 2019-20**

Schedule A

	A	B	C	D	E
	FY 18/19 Budget Adopted	FY 18/19 Projected Year-End	FY 19/20 Budget Proposal	\$ Difference (C - B)	% Difference (D / B)
1 REVENUES					
2 OPERATING INCOME					
3 Base Rate - Water Bills	\$ 811,800	\$ 846,400	\$ 889,300	\$ 42,900	5.1%
4 Commodity Sales	327,500	305,400	320,600	15,200	5.0%
5 DHPO Contract	225,900	201,600	211,700	10,100	5.0%
6 Fire Sales - Water Bills	2,500	3,900	3,900	-	0.0%
7 Penalty Fees - Water Bills	48,300	44,900	44,900	-	0.0%
8 New Account Fees - Water Bills	1,800	1,800	1,800	-	0.0%
9 Returned Check Fees	600	400	400	-	0.0%
10 Basic Facilities Fee	64,900	18,900	18,900	-	0.0%
11 Stand By Fees - Tax Revenue	113,600	113,600	113,600	-	0.0%
12 TOTAL OPERATING INCOME	1,597,700	1,536,900	1,605,100	68,200	4.4%
13 NON-OPERATING INCOME					
14 Property Taxes	60,900	60,900	60,900	-	0.0%
15 Cell Tower Lease Income	22,100	24,600	25,100	500	2.0%
16 Misc. Non-Operating Income	-	1,100	-	(1,100)	-100.0%
17 Interest Income	11,200	19,300	19,300	-	0.0%
18 TOTAL NON-OPERATING INCOME	94,200	105,900	105,300	(600)	-0.6%
19 TOTAL REVENUES	1,691,900	1,642,800	1,710,400	67,600	4.1%
20 EXPENSES					
21 PAYROLL					
22 Directors Fees	20,000	14,400	20,000	5,600	38.9%
23 Management & Customer Service					
24 Customer Accounts	51,700	52,900	52,100	(800)	-1.5%
25 Business Admin Manager	66,800	52,500	74,700	22,200	42.3%
26 Office Assistant	-	22,700	-	(22,700)	-100.0%
27 General Manager	84,100	89,800	95,600	5,800	6.5%
28 Total Management & Customer Service	202,600	217,900	222,400	4,500	2.1%
29 Field Workers	146,300	153,200	168,300	15,100	9.9%
30 Employee Benefits Expense					
31 Workers Comp.	8,800	5,800	6,200	400	6.9%
32 Employee Health Care	86,800	90,600	67,000	(23,600)	-26.0%
33 Pension	67,800	58,900	78,300	19,400	32.9%
34 Total Employee Benefits Expense	163,400	155,300	151,500	(3,800)	-2.4%
35 Payroll Taxes	29,300	33,700	33,200	(500)	-1.5%
36 TOTAL PAYROLL	561,600	574,500	595,400	20,900	3.6%
37 OPERATIONAL EXPENSES					
38 Facilities, Wells, T&D					
39 Lab Fees	8,500	8,500	8,700	200	2.4%
40 Meters	4,600	4,600	4,700	100	2.2%
41 Utilities - Wells	126,100	119,800	124,000	4,200	3.5%



**Cabazon Water District
Proposed Budget
FY 2019-20**

Schedule A

	A	B	C	D	E	
	FY 18/19 Budget Adopted	FY 18/19 Projected Year-End	FY 19/20 Budget Proposal	\$ Difference (C - B)	% Difference (D / B)	
42	Line R&M Contractor	12,500	-	12,500	12,500	100.0%
43	Line R&M Materials	60,000	56,500	60,000	3,500	6.2%
44	Well Maintenance	36,200	103,100	37,000	(66,100)	-64.1%
45	Security	18,400	24,400	24,800	400	1.6%
46	Engineering Services	48,600	45,600	46,500	900	2.0%
47	Grant Writing Services	-	-	10,000	10,000	0.0%
48	Facilities, Wells, T&D - Other	12,400	11,400	12,400	1,000	8.8%
49	Total Facilities, Wells, T&D	327,300	373,900	340,600	(33,300)	-8.9%
50	Utilities - Office					
51	Electricity	15,900	18,400	19,000	600	3.3%
52	Gas	710	900	1,000	100	11.1%
53	Telephone	9,500	9,600	9,800	200	2.1%
54	Trash Pickup & Office Cleaning	4,400	4,400	4,500	100	2.3%
55	Total Utilities - Office	30,510	33,300	34,300	1,000	3.0%
56	Office Expenses					
57	Water Billing System	2,100	2,100	2,100	-	0.0%
58	Supplies & Equipment	9,700	12,000	9,900	(2,100)	-17.5%
	Copier and Supplies	6,000	7,100	6,000	(1,100)	-15.5%
60	Dues & Subscriptions	1,700	4,400	4,900	500	11.4%
61	Postage	7,700	7,700	7,900	200	2.6%
62	Printing & Publications	6,100	6,100	6,200	100	1.6%
63	Computer Services	36,800	30,900	36,800	5,900	19.1%
64	Office Storage	6,200	6,000	6,100	100	1.7%
65	Air Conditioning Servicing	4,600	4,800	4,900	100	2.1%
66	CA Water Systems Alliance (CWSA)	-	-	2,500	2,500	0.0%
67	Office Expenses - Other	2,800	2,800	2,900	100	3.6%
68	Total Office Expenses	83,700	83,900	90,200	6,300	7.5%
69	Support Services					
70	Temp. Labor/Fee Study Consultants	10,000	10,000	-	(10,000)	-100.0%
71	Financial Audit	22,100	22,100	22,500	400	1.8%
72	Accounting	36,000	34,200	35,000	800	2.3%
73	Legal Services	53,600	51,000	52,000	1,000	2.0%
74	Bank Service Charges	700	700	700	-	0.0%
75	Payroll Service	4,100	4,600	4,700	100	2.2%
76	Website Support	1,700	900	900	-	0.0%
77	General Liability Insurance	21,000	22,900	23,400	500	2.2%
78	Total Support Services	149,200	146,400	139,200	(7,200)	-4.9%
79	Training/Travel					
80	Seminars & Training	36,700	18,100	18,500	400	2.2%
	Travel and Meals	4,300	7,700	7,900	200	2.6%
82	Total Training/Travel	41,000	25,800	26,400	600	2.3%
83	Other Fees/SWRCB	6,200	7,000	7,100	100	1.4%



**Cabazon Water District
Proposed Budget
FY 2019-20**

Schedule A

	A	B	C	D	E
	FY 18/19 Budget Adopted	FY 18/19 Projected Year-End	FY 19/20 Budget Proposal	\$ Difference (C - B)	% Difference (D / B)
84	Service Tools & Equipment				
85					
86					
87					
88					
89					
90					
91					
92					
93					
94					
95	NON-OPERATING EXPENSES				
96					
97					
98					
99					
100					
101					
102					
103					
104					
105	CAPITAL PROJECTS				
106					
107					
108					
109					
110					
111					
112	DEBT - PRINCIPAL				
113					
114					
115					
116					
117					
118					
119					

118 *Projected Beginning Cash*

\$ 735,000

119 **PROJECTED ENDING CASH**

\$ 845,400



Cabazon Water District

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

PROMOTIONAL OPPORTUNITY

Assistant General Manager
(Pension/Health/Vacation/Sick)
(In-house or Open)

SALARY: Starting \$73,699 annually based on experience, education, and training:

Job Functions

Under minimal direction of the General Manager, the incumbent shall perform, but is not limited to the following duties:

- Assistant General Manager (AGM) reports directly to the General Manager (GM) and is responsible for the administrative, human resources, customer accounts, field, and water operations.
- AGM acts as a key liaison with members of the Board of Directors, District General Counsel, Engineering, and Financial Advisor.
- AGM will represent the District with the Union and all other outside agencies to ensure the District's interest and needs are effectively communicated.
- AGM under specific direction by the GM, shall follow established policies and procedures in conducting service, installation and repair of equipment to ensure proper working order.
- AGM shall also ensure the District is in compliance with local, State, and Federal laws.
- AGM shall be required to maintain a minimum of a Grade 2 Distribution certificate (D2).
- Intermediate to advanced computer and writing skills required. Experience in Excel, Word, QuickBooks Pro, report generation and compilation required.
- Required to work days, evenings, holidays, weekends, and may be the 1st responder or backup for water related emergencies occurring during non-business hours.
- AGM shall be required to establish remoted connection with the District's server, virtual desk top work station, SCADA, including data and voice communication, during the absence of the GM or a designated alternate.
- AGM shall manage the selection, training, and supervision of the entire office staff;
- Directs or follow-up on the billing department's water meter readings and field investigations;

AGM Promotional Opportunity

- Directs or follow-up on the billing department's collection activities and water service interruption on delinquent accounts.
- May take payments at the customer transaction window and answer in-coming phone calls in the absence of the billing department's staff.
- Assists in planning, directs, and coordinates services, activities, and operations of all facilities, equipment, and projects;
- Assist in preparation, evaluation, and implements District budget; capital improvement projects, develops short and long term financial strategies;
- Provides legislative direction/advice to the General Manager; works with the General Manager in developing District priorities;
- Implements Board policies and directives, and communicates them to the public as directed;
- Serves as the principal spokesperson and represents District at public and professional functions for the District in the absence of the General Manager;
- Assist in coordinating media relations as directed;
- Assist in monitoring the District's infrastructure and rehabilitation; ensures District records are maintained;
- Assist in conferring with District Counsel;
- Assist in managing contractors, vendors, and consultants ensuring District standards, policies, and directives are maintained.
- May operate District vehicles and equipment according to established safety procedures.
- May occasionally be required to briefly work in the field during all weather conditions to supervise or perform various water operations tasks, construction, inspections, and related water quality duties.
- Other duties as assigned.

Minimum Qualifications:

- High school diploma or equivalent.
- College or University degree is desirable.
- Valid California Driver's license.
- Background & Drug Screening
- May include but is not limited to standing, climbing, walking, lifting, bending, pulling and/or pushing, grasping, reaching, stooping and crouching, sitting, typing, walking, reading, writing, color determination, speaking, and listening for extended periods of time.
- This position requires a valid **CA/DWR Grade II Distribution certificate** at the time of employment or promotion.
- Extensive leadership and upper management experience of five (5) years or more. Supervisorial or managerial positions in a public water district or municipal water department or State water agency desirable.

CONDITIONS OF EMPLOYMENT: Full-time – salary exempted

BENEFITS: Employee/Dependent Health, Pension, Vacation, Sick

EXAMINATION: Candidates will be screened and qualified/successful candidates may be invited to compete in the selection process.

- Appraisal Interview with the GM and/or appointees.
- Background Check

FILING PERIOD: Open until filled.

APPLY: Applications and Resumes may be submitted to:

Cabazon Water District - Administration Facility
P.O. Box 297
14618 Broadway Street
Cabazon, CA 92230

BUS (951) 849-4442
FAX (951) 849-2519

Email: admin@cabazonwater.org

NOTE: A DISTRICT EMPLOYMENT APPLICATION MUST BE SUBMITTED ALONG WITH RESUME. INCOMPLETE APPLICATIONS WILL NOT BE CONSIDERED

NOTE: The Cabazon Water District does not reimburse candidates for any expenses incurred as a result of this recruitment.

OTHER INFORMATION: The Cabazon Water District is an Equal Opportunity Employer. Special assistance with the application and examination process is available, upon request, for persons with disabilities. Call for assistance at (951) 849-4442.

All employment offers are conditional based upon the successful completion of a medical examination (which will include a drug screening), police record and reference check. All new employees are required to take a loyalty oath.

(rev. 06/11/19)

RESOLUTION NO. 2019-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CABAZON WATER DISTRICT APPROVING THE
ISOLATION VALVE IMPROVEMENT PROJECT
PROVIDING GRANT FUNDING IS MADE AVAILABLE**

WHEREAS, for the purpose of improving system reliability and decreasing water usage during pipeline maintenance activities, the Cabazon Water District (“District”) proposes to replace existing isolation valves that are no longer working and install new isolation valves (“Isolation Valve Improvement Project” or “Project”); and

WHEREAS, the isolation valves would be installed on existing water distribution pipelines within the District’s distribution system; and

WHEREAS, the beneficiaries of the Project include those who benefit from or are concerned with water conservation in the Cabazon area, including the District’s customers, the District itself, and all others who extract groundwater from the same groundwater basin from which the District obtains its water supply; and

WHEREAS, the District is in the process of applying for and anticipates State Grant Funding in the near future to 100% fund the Isolation Valve Improvement Project.

NOW THEREFORE, the Board of Directors of the Cabazon Water District does hereby **RESOLVE, DETERMINE, and ORDER** as follows:

1. CEQA Compliance.

The Board of Directors hereby finds that approval of the Project is not subject to environmental review under the California Environmental Quality Act (Pub. Resources Code, § 21000 et seq.) (“CEQA”) and the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.), on grounds that the Project is categorically exempt. Specifically, the Board of Directors finds that the Project is categorically exempt pursuant to the Class 1, Existing Facilities exemption (State CEQA Guidelines, § 15301) and the Class 2, Replacement or Reconstruction exemption (State CEQA Guidelines, § 15302). The Board of Directors further finds that none of the exceptions to the application of these exemptions apply. (See State CEQA Guidelines, § 15300.2.)

2. Approval of the Project.

The Board of Directors hereby approves the Isolation Valve Improvement Project with the understanding that grant money will be applied for and used to fund this project. If the funding is not made available, this project will go before the Board during another Board Meeting for further discussion/action.

3. Notice of Exemption.

The Board of Directors hereby directs Staff to file a Notice of Exemption (“NOE”) for the Project within five working days of the approval of the Isolation Valve Improvement

Project.

Adopted at a regular meeting of the Board of Directors held _____, 2019
by the following roll call vote:

Ayes:

Noes:

Absent:

Abstain:

Robert Lynk, Chair

ATTEST:

Elizabeth Lemus, Secretary

NOTICE OF EXEMPTION

TO: Riverside County Clerk 2720 Gateway Drive Riverside, CA 92507	FROM: Cabazon Water District 14618 Broadway Street Cabazon, CA 92230
1. Project Title:	Isolation Valve Improvement Project
2. Project Location – Identify street address and cross streets or attach a map showing project site (preferably a USGS 15' or 7 1/2' topographical map identified by quadrangle name):	The project is located within existing paved road rights-of-way throughout the Cabazon Water District service area, in the community of Cabazon, Riverside County, California. Refer to attached Figure 1.
3. (a) Project Location – City:	Cabazon
(b) Project Location – County:	Riverside County
4. Description of nature, purpose, and beneficiaries of Project:	The Project consists of the replacement of existing isolation valves that are no longer working and the installation of new isolation valves. The isolation valves will be installed on existing water distribution pipelines within Cabazon Water District's (the District's) distribution system. The purpose of the Project is to improve system reliability and decrease water usage during pipeline maintenance activities. The beneficiaries of the Project are those who benefit from or are concerned with water conservation in the Cabazon area, including the District's customers, the District, and others who extract groundwater from the same groundwater basin from which the District obtains its water supply.
5. Name of Public Agency approving project:	Cabazon Water District
6. Name of Person or Agency undertaking the project, including any person undertaking an activity that receives financial assistance from the Public Agency as part of the activity or the person receiving a lease, permit, license, certificate, or other entitlement of use from the Public Agency as part of the activity:	Cabazon Water District
7. Exempt status: (check one)	
(a) <input type="checkbox"/> Ministerial project.	
(b) <input type="checkbox"/> Not a project.	
(c) <input type="checkbox"/> Emergency Project.	

<p>(d) <input checked="" type="checkbox"/> Categorical Exemption. State type and class number:</p>	<p>Class 1: Existing Facilities. The Project includes the repair and minor alteration of existing water distribution facilities. (CEQA Guidelines Section 15301.)</p> <p>Class 2: Replacement or Reconstruction. The Project replaces existing water isolation valves, with valves of the same purpose and capacity. (CEQA Guidelines Section 15032.)</p> <p>None of the exceptions to the application of the Class 1 exemption apply. Specifically, no cumulative impacts will occur, no unusual circumstances are present, the project will not damage scenic or historic resources, and the project will not be located on any designated hazardous waste sites. (CEQA Guidelines Section 15300.2.)</p>
<p>(e) <input type="checkbox"/> Declared Emergency.</p>	
<p>(f) <input type="checkbox"/> Statutory Exemption. State Code section number:</p>	
<p>(g) <input type="checkbox"/> Other. Explanation:</p>	
<p>8. Reason why project was exempt:</p>	<p>No possibility of significant environmental impact. (CEQA Guidelines Section 15061(b)(3).)</p>
<p>9. Contact Person:</p>	<p>Calvin Louie, General Manager</p>
<p>Telephone:</p>	<p>(951) 849-4442</p>
<p>10. Attach Preliminary Exemption Assessment (Form "A") before filing.</p>	

Date Received for Filing: _____

Signature (Lead Agency Representative)

(Clerk Stamp Here)

PRELIMINARY EXEMPTION ASSESSMENT

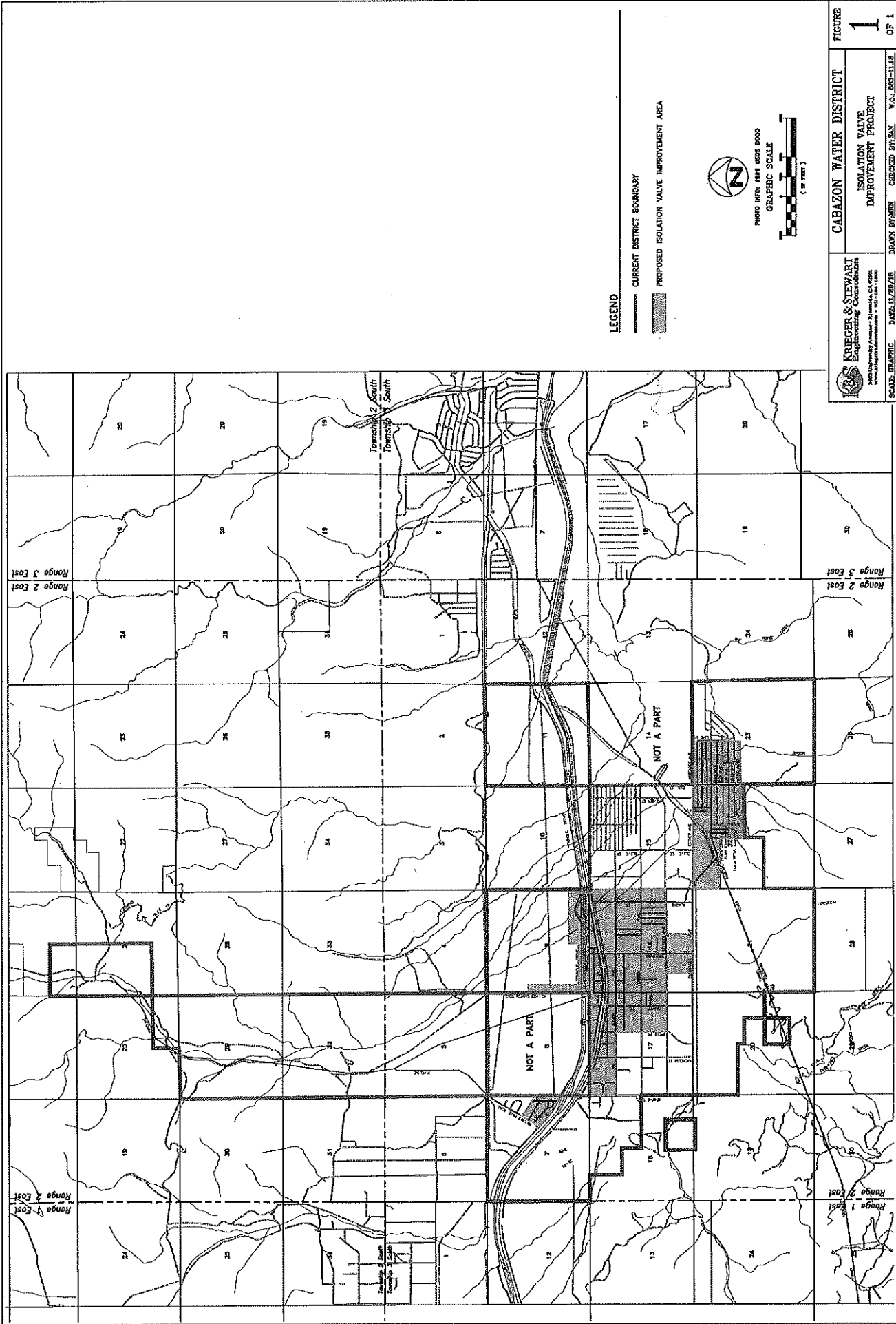
(Certificate of Determination
When Attached to Notice of Exemption)

1. Name or description of project:	Isolation Valve Improvement Project	
2. Project Location – Identify street address and cross streets or attach a map showing project site (preferably a USGS 15' or 7 1/2' topographical map identified by quadrangle name):	The project is located within existing paved road rights-of-way throughout the Cabazon Water District service area, in the community of Cabazon, Riverside County, California. Refer to the attached Figure 1.	
3. Entity or person undertaking project:	A. Cabazon Water District	
	B. Other (Private)	
	(1) Name	
	(2) Address	
4. Staff Determination:	<p>The Lead Agency's Staff, having undertaken and completed a preliminary review of this project in accordance with the State "Guidelines for Implementation of the California Environmental Quality Act (CEQA)" has concluded that this project does not require further environmental assessment because:</p>	
a. <input type="checkbox"/>	The proposed action does not constitute a project under CEQA.	
b. <input type="checkbox"/>	The project is a Ministerial Project.	
c. <input type="checkbox"/>	The project is an Emergency Project.	
d. <input type="checkbox"/>	The project constitutes a feasibility or planning study.	
e. <input checked="" type="checkbox"/>	The project is categorically exempt.	
	Applicable Exemption Class:	<p>Class 1: Existing Facilities. The Project includes the repair and minor alteration of existing water distribution facilities. (CEQA Guidelines Section 15301.)</p> <p>Class 2: Replacement or Reconstruction. The Project replaces existing water isolation valves, with valves of the same purpose and capacity. (CEQA Guidelines Section 15032.)</p> <p>None of the exceptions to the application of the Class 1 exemption apply. Specifically, no cumulative impacts will occur, no unusual circumstances are present, the project will not damage scenic or historic resources, and the project will not be located on any designated hazardous waste sites. (CEQA Guidelines Section 15300.2.)</p>
f. <input type="checkbox"/>	The project is statutorily exempt.	
	Applicable Exemption:	
g. <input checked="" type="checkbox"/>	The project is otherwise exempt on the following basis:	There is no possibility of adverse environmental effects, as the Project is located at existing water distribution pipelines within existing paved street rights-of-way. (CEQA

		Guidelines Section 15061(b)(3.)
h.	<input type="checkbox"/>	The project involves another public agency which constitutes the Lead Agency.
		Name of Lead Agency:

Date: _____

Staff: _____



CRUEGER & STEWART
 Engineering & Construction
 10000 Highway 100, Suite 100
 Phoenix, Arizona 85024
 Phone: (602) 998-1111
 Fax: (602) 998-1112
 www.cruegerandstewart.com

SCALE: GRAPHIC DATE: 11/28/18 DRAWN BY: JRM CHECKED BY: SAN W.A. BR-1118

CABAZON WATER DISTRICT
 ISOLATION VALVE
 IMPROVEMENT PROJECT

FIGURE **1**
 OF 1



REBECCA SPENCER
Registrar of Voters

ART TINOCO
Assistant Registrar of Voters

REGISTRAR OF VOTERS
COUNTY OF RIVERSIDE

June 7, 2019

Ellie Lemus
Cabazon Water District
P.O. Box 297
Cabazon, CA 92230

Dear Ms. Lemus:

In preparation for your upcoming November 5, 2019 Consolidated UDEL Election, we are providing the following information:

- **ELECTION CALENDAR**: For your review. We will be having a seminar on **June 27, 2019** to answer your questions and to coordinate the procedures involved in the conduct of the election.
- **NOTICE OF GENERAL DISTRICT ELECTION FORM**: Complete and return this form to us as soon as it is approved at your board meeting. You **must** adopt regulations regarding payment of the cost of the candidate's statement. This form **must** be returned to us by **July 3, 2019**. Remember also that a map of your district showing the current boundaries **must** be included.
- **ESTIMATED COST OF THE CANDIDATE STATEMENT**: The estimated cost of the candidate statement for your jurisdiction is **\$350**. Please note that this is only an estimate. Candidates may receive a bill or refund for the difference depending on how many candidates actually file a candidate statement. Electronic Distribution of Candidate Statement cost is **\$260**.

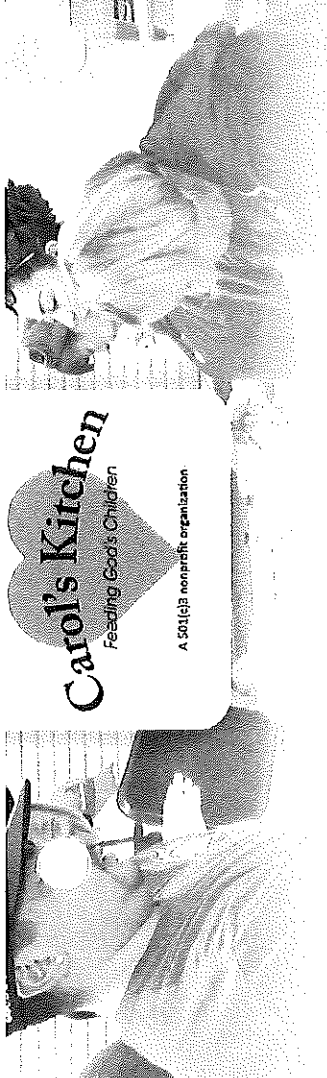
Please note the date of the nomination seminar and mark your calendar. At the seminar, we will issue the nomination material and review the procedures for issuing the documents. We will also discuss new legislation which concerns consolidated UDEL elections. If you have any questions, please feel free to call Leticia Flores at (951) 486-7212.

Sincerely,

REBECCA SPENCER
Registrar of Voters

By 
Art Tinoco
Assistant Registrar of Voters

Enclosures



Carol's Kitchen
Feeding God's Children
A 501(c)(3) nonprofit organization

"A nation's greatness is measured by how it treats its weakest members."

--Mahatma Gandhi

"I depend on the weekly lunches and produce to feed my family."

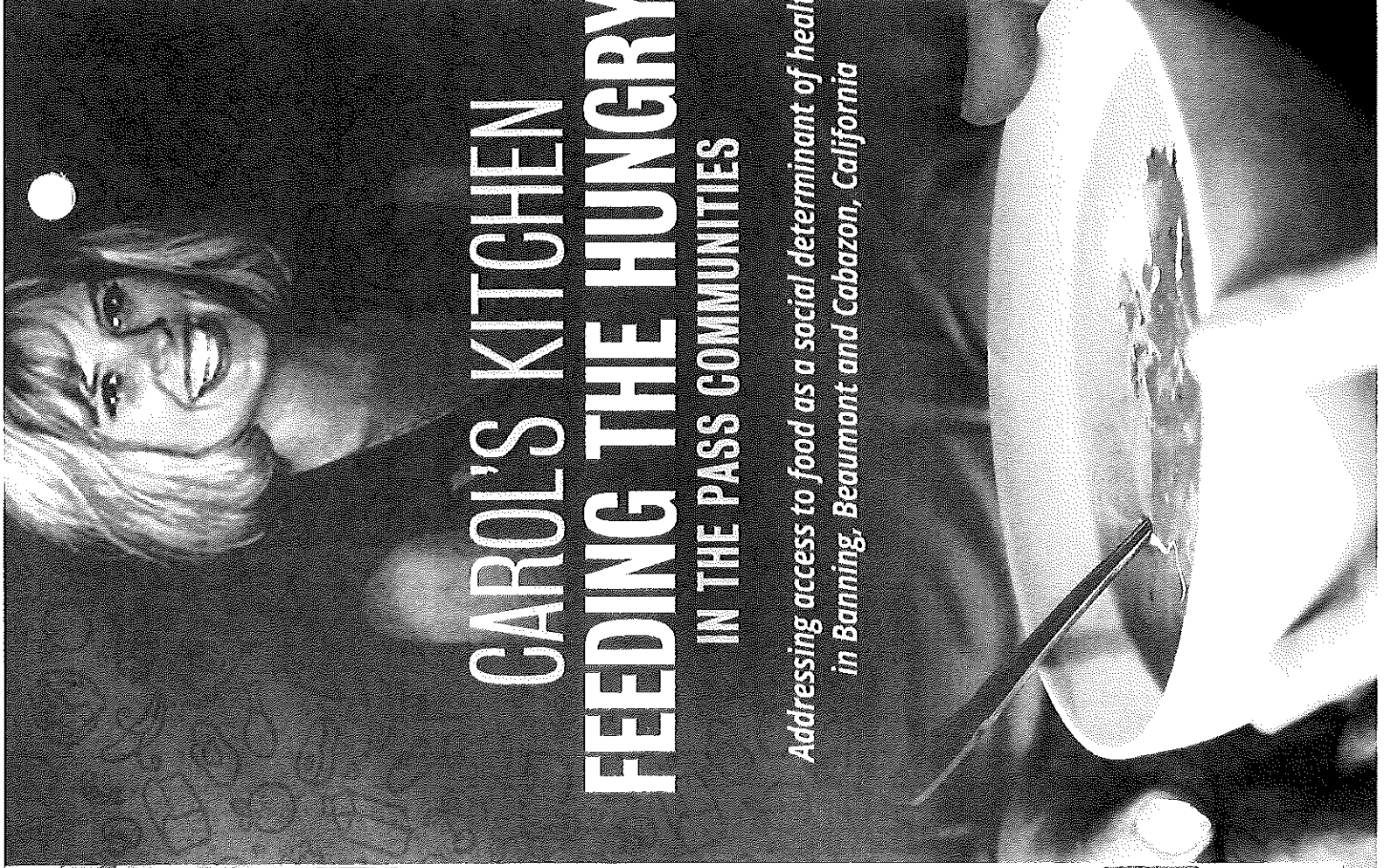
"My kids wouldn't have a Christmas without Carol's Kitchen."

"I couldn't afford a winter coat, and the closet here was the answer."

"We lost our home and had nothing until we came here."

"As a senior, I live on a fixed income and this helps me get through the month."

Printing donated by Lithopass, Banning, CA



CAROL'S KITCHEN FEEDING THE HUNGRY IN THE PASS COMMUNITIES

Addressing access to food as a social determinant of health in Banning, Beaumont and Cabazon, California



KEEPING THE KITCHENS OPEN TO SERVE THE HUNGRY

Carol's Kitchen serves 3,000 free hot meals per month to people with nowhere else to turn. We treat them as guests. We don't ask questions or make judgements. We try to make them comfortable during their visit.

Food deprivation and hunger are facts of life in Southern California. It is estimated 20 percent of Pass area residents live at or under the poverty line. The economic consequences impact businesses, healthcare providers and social services.

BUILDING A FOUNDATION TO MOVE FORWARD IN LIFE

SELF-FULFILLMENT NEEDS

**SELF-
ACTUALIZATION:**
achieving one's
full potential, including
creative activities

ESTEEM NEEDS:
prestige and feeling of accomplishment

PSYCHOLOGICAL NEEDS

BELONGINGNESS AND LOVE NEEDS:
intimate relationships, friends

SAFETY NEEDS:
security, safety

PHYSIOLOGICAL NEEDS:
food, water, warmth, rest

BASIC NEEDS

HERE IS WHERE CAROL'S KITCHEN PROVIDES A FOUNDATION

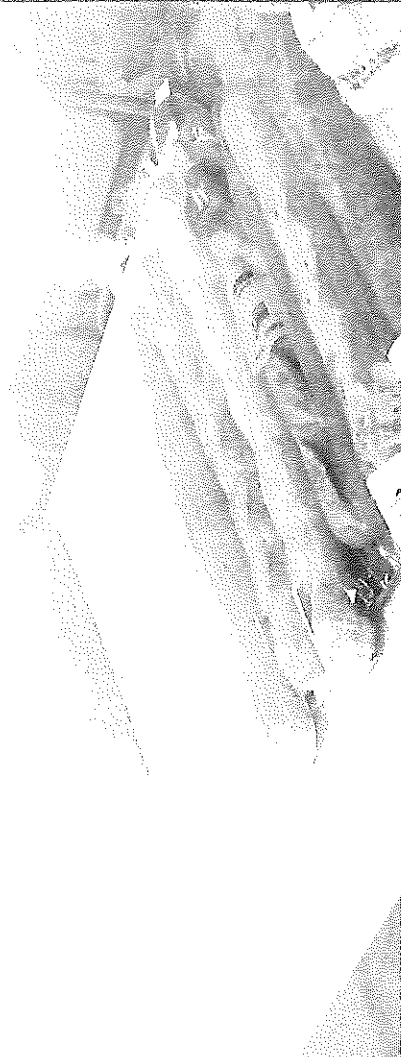
Hunger and malnutrition in turn impair individuals' performance in school or at work, making it harder for them to break out of the poverty cycle. www.concern.net

When people experiencing homelessness can depend on **consistent, reliable**

food-sharing programs, they can at least be sure that their most basic need will be met.

Programs that **meet homeless individuals where they are**, generally in public spaces, are paramount. Not only are people generally more comfortable accepting help, but they save time and energy, which they may use to address their other needs. nationalhomeless.org

Food security is important as it can **save people from various diseases**. It takes great

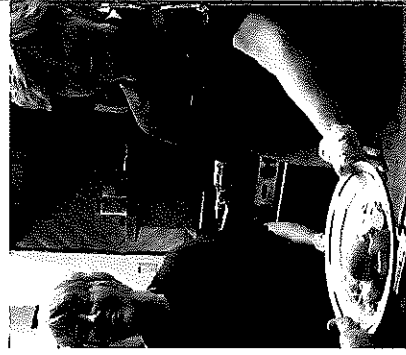




TURNING A TRAGEDY INTO A GIFT FOR THE COMMUNITY

Carol was only 29 and already known for her service in the community. She was the victim of a drunk driver in 1996. Her journal's last entry said, "Ask your heart what is right and follow it."

Carol's parents Jim and Arlene Ragan founded Carol's Kitchen in 1998 to honor her. Twenty-one years and 800,000 meals later, we operate six kitchens at three different locations with two kitchens in Beaumont, two kitchens in Banning and two kitchens in Cabazon.



MORE THAN A SOUP KITCHEN... OFFERING A HELPING HAND UP

We serve our guests restaurant or buffet style to promote dignity, respect and friendship. 130 volunteers prepare and serve the meals with the help of two employees, including an executive director for site supervision. They are led by a 12-member board of directors.

We kindly listen to guests' needs and offer additional help when possible.

This assistance when available includes offerings of bags of fresh produce and other pantry items, gently used clean clothing, coats or shoes, and providing contact information for other local assistance groups.





WHAT FEEDING THE HUNGRY REQUIRES EVERY MONTH

It takes money every month to feed the hungry. We must pay the rent for our warehouse, pay the electric bill for our refrigerators and freezers, and buy paper products, cleaning products and other supplies.

We couldn't do the job without dedicated volunteers, donors and business partners. We need your help to ensure the future of Carol's Kitchen. Your participation can help us lay the foundation for our guests to improve their lives.

We are a nonprofit 501(c)(3) charity with a 21-year record of service in our communities. We value trust and take our responsibility seriously. We have the business systems in place to be good stewards of your gifts.

BECOMING A CAROL'S KITCHEN CORPORATE PARTNER

Annual donation	How funds will be spent	Carol's Kitchen corporate partner benefits
\$5000	Continued operation of six kitchens	Name on website; recognition of support in local newspapers; plaque for place of business; invitation to Recognition Dinner; recognition in newsletter; signage at all kitchens indicating your support
\$2500	Transportation of donated food; warehouse	Plaque for place of business; invitation to Recognition Dinner; recognition in newsletter
\$1000	Marketing and outreach	Invitation to Recognition Dinner; recognition in newsletter; poster of your support for Carol's Kitchen
\$500	Kitchen and serving supplies	Invitation to Recognition Dinner; recognition in newsletter

OTHER WAYS BUSINESSES CAN HELP THE HUNGRY

- Employee team service days in our kitchens
- Employer sponsored food drives
- Employee financial monthly giving programs
- In-kind donations of equipment, food and supplies
- Event sponsorships and purchase of guest tables





Community Water Systems Alliance Participation Information

A meeting was held on Friday, November 30, 2018, to discuss formation of an alliance of community water systems representing income limited and disadvantaged communities. The meeting was attended by 26 persons representing water districts and CalMutuals officials. As a result of the discussions, CalMutuals agreed to be the fiscal sponsor of the Community Water Systems Alliance, taking responsibility for managing the initiative, its finance and its overall management and advocacy. Below are specific details of the initiative and participation levels”

Purpose of the CWSA Initiative: To augment resources through CalMutuals to include income-limited and disadvantaged communities, that are served by well run and operated water supply agencies, in organized efforts to prevent that their resources will be diverted by the state through the assessment of local taxes or economically infeasible regulations (i.e. Chromium 6).

Community Water Systems Alliance (CWSA) Principles:

The group discussed seven principles around which CWSA would organize and advocate. CWSA will be comprised of a group of special districts, county water districts, community service districts, larger mutual water companies, and cities that are well run and operated while serving disadvantaged communities and other populations that entail revenue limitations, such as seniors.

General organizing principles were revised to include the following:

1. CWSA is comprised of viable and well running water supply systems focused on empowering those among them who directly represent and serve the residents of disadvantaged communities and other populations with income limitations such as seniors
2. CWSA supports a statewide comprehensive needs-assessment of the operational integrity and resiliency of chronically distressed water systems
3. CWSA supports funding to build water system resiliency that does not shift existing resources of disadvantaged communities in some regions to other regions of the state
4. CWSA supports regulations that are deemed economically feasible through a combination of factors including affordability, transparent understanding of health benefits and their real-time cost and value to the residents of California
5. CWSA supports consolidation of chronically distressed water systems when it is part of an initiative supported by the residents of such communities, and were property rights and the right of representation is respected
6. CWSA members pledge to work with larger neighboring and/or regional water agencies toward efforts that bring resource efficiency, stewardship of local shared resources that are based upon common values, needs and respect not charity

7. CWSA is an alliance for education and advocacy of the common interests and empowerment of water systems serving disadvantaged communities and other income limited populations, operating through the California Association of Mutual Water Companies

Management – The group agreed that as fiscal sponsor, CalMutuals could bring efficiency to CWSA by availing it of its administrative, advocacy and logistical support eliminating the need for the duplication of resources, in parallel with CalMutuals’ regional capacity across the state. CalMutuals works through an advisory board be comprised of the initial charter members during 2019 that contribute \$10,000 or more. The advisory board approves financial demands and reviews the budget, as well as makes strategic decisions on matters that the greater group has chosen to engage.

Budget - The group asked CalMutuals to propose a sponsorship schedule scaled to the revenue capacity of prospective members (see contributions below). A budget totaling \$60,000 was approved with an additional \$40,000 in reserve for future programming. To date, expenditures have not exceeded \$20,000 in the period from January '19 to May '19:

Proposed Schedule for Regular Sponsors of the Initiative

CWSA has a “progressive” participation schedule that encourages involvement by small and larger members.:

Tier 1: Revenues <\$250K	\$500
Tier 2: Revenues \$250K +	\$750
Tier 3: Revenues \$500K+	\$1,250
Tier 4: Revenues \$1M+	\$2,500
Tier 5: Revenues \$4M+	\$5,000

Currently Participating Water Suppliers:

North of the River Water District*
Twentynine Palms Water District*
Puente Basin Water Authority
Bighorn-Desert View Water Agency*
Santa Margarita Water District*
Mesa Water District*
East Orange County Water District*
Eastern Municipal Water District
Joshua Basin Water District
Oildale Mutual Water Company
South Mesa Water Company
Western Heights Water Company
California Domestic Water Company
Rubio Land & Water Association
Myoma Dunes Mutual Water Company
Atascadero Mutual Water Company
* Charter Steering Committee Members

Accomplishments to Date:

- 20 elected officials representing disadvantaged communities have testified in legislative hearings
- The State Senate approved CWSA proposals for Safe Drinking Water Funding mechanism through the state general fund instead of a trust or meter tax
- The Assembly Water, Parks & Wildlife Committee incorporated CWSA proposals for locally-based needs assessments and deployment of assistance by regional water agencies



MEMORANDUM


DATE: January 9, 2019
TO: Board of Directors
FROM: C. Louie
SUBJ: Community Water Service Alliance (CWSA)
cc: files

Attached are the string of email communications and various documents for your review.

Date	Classification	Description
11/29/2018	Email	CWSA Meeting 11/30/2018 – Agenda & Location
11/30/2018	Document	Proposed CWSA agenda
12/03/2018	Document	Report: Organization of a Community Water Systems Alliance and proposed tier sponsor rates
12/10/2018	Email	CWSA Agenda & Meeting Documents
12/10/2018	Document	Draft of CWSA MOU
12/12/2018	Document	Twentynine Palms Water District notes on their Board's decision to join and fund CWSA
12/12/2018	Email	CWSA Meeting Summary from 12/11
01/02/2019	Email	CWSA MOU v.3 (12/17/2018)
01/02/2019	Document	MOU v.3 (12/17/2018)
01/03/2019	Email	CWSA Update & Issues to Review
01/08/2019	Email	CWSA Meeting Agenda
01/08/2019	Document	2019 CWSA Budget Draft
01/08/2019	Document	CWSA membership recruitment flyer

Calvin Louie

From: adan <adan@calmutuals.org>
Sent: Thursday, November 29, 2018 2:02 PM
To: Jones, Paul; Coats, Danielle; Zelaya, Shella; Ray Kolisz; Lisa Yamashita Lopez; David A. Armstrong; Tim Worley; Katie Porter; Dan Ferons; donb@smwd.com; Leach, Jim; Kelly Gardner; Meggan Valencia; Jeff Armstrong; Denise Peralta; Jim Ciampa; Lisa Ohlund; Stacy Taylor; Calvin Louie
Subject: Reminder: CWSA Meeting 11/30 11-1pm Agenda and Location
Attachments: CWSAAGenda11_30_Reminder.pdf

Thank you for planning to participate in the potential formation of an alliance for community water systems serving small, older and poorer communities in California. Attached is an agenda that is reserving the majority of time for discussion. The meeting will be held at Eastern Municipal Water District Headquarters, and Eastern is graciously hosting lunch. I look forward to seeing you tomorrow. 

Address:
EASTERN MUNICIPAL WATER DISTRICT
2270 Trumble Road
Perris, CA 92570

Adan Ortega
Executive Director
CalMutuals
714 449-8403
adan@calmutuals.org

via Newton Mail

**Proposed Community Water System Alliance
Agenda
11 am – 1 pm
November 30, 2018**

**Location:
EASTERN MUNICIPAL WATER DISTRICT
2270 Trumble Road
Perris, CA 92570**

- 1. Introductions 5 min**
Welcome by Host: Paul Jones, EMWD
Attendees
- 2. Brief Background on Formation of CWSA 10 min**
Lisa Yamashita-Lopez & Adan Ortega, CalMutuals
Ray Kolisz, TPWD
- 3. Discussion About Key Issues of Common Interests 15 min.**
Dan Ferons, SMWD / FVMWC
- Water Tax
- SWRCB Economic Feasibility Guidelines for New MCL Standards
- Others?
- 4. Funding Options Discussion 15 min**
Adan Ortega, CalMutuals
- 5. Next Steps Up to 1:15**
Open Discussion



**Report: Organization of a Community Water Systems Alliance
December 3, 2019**

A meeting was held on Friday, November 30, 2018, to discuss possible support for an alliance of community water systems representing income limited and disadvantaged communities, at Eastern Municipal Water District. The meeting was attended by:

Paul Jones, General Manager, Eastern Municipal Water District
Danielle Coats, Senior Legislative Program Manager, Eastern Municipal Water District
Lisa Yamashita Lopez, President, CalMutuals & GM Rubio Cañon Land and Water Assn.
David Armstrong, Vice President, CalMutuals & GM South Mesa Water Co.
Jim Ciampa, General Counsel, CalMutuals & Public Water Agency Group (PWAG)
Owen Sharp, General Manager, San Andreas Mutual Water Company
Sandy Caruba, Board Member, San Andreas Mutual Water Company
Carol Giannini, Board Member, Twentynine Palms Water District
Bob Coghill, Board Member, Twentynine Palms Water District
Ray Kollisz, General Manager, Twentynine Palms Water District
Denise Peralta Galley, Advocate, Twentynine Palms Water District
Dan Ferons, General Manager, Santa Margarita Water District
Don Barns, Assistant General Manager, Santa Margarita Water District
Jim Leach, Director of Government Affairs, Santa Margarita Water District
Kelly Gardner, Assistant Executive Director, San Gabriel Valley Water Association
Paul Gonsalves, Advocate, San Gabriel Valley Water Association
Stacy Taylor, External Affairs Manager, Mesa Water District
Jeff Armstrong, General Manager, Rancho California Water District
Meggan Valencia, Public Affairs Manager, Rancho California Water District
Calvin Louie, General Manager, Cabazon Water District
Curt Saur, Joshua Basin Water District
Jeff Deming, Principal, Monterey Bay Academy
Jackie McCloud, Utilities Manager, City of Watsonville
Lisa Ohlund, General Manager, East Orange Water District
Tim Worley, Executive Director, AWWA Cal-Nevada Section
Adan Ortega, Executive Director, CalMutuals

Meeting Purpose: To potentially augment resources through CalMutuals to include income-limited and disadvantaged communities, who are served by well run and operated water supply agencies, in organized efforts to prevent that their resources will be diverted by the state through the assessment of local taxes or economically infeasible regulations (i.e. Chromium 6).

Community Water Systems Alliance (CWSA) Principles

The group discussed seven principles around which CWSA would organize and advocate. CWSA will be comprised of a group of special districts, county water districts, community service districts, and cities that are well run and operated while serving disadvantaged communities and other populations that entail revenue limitations, such as seniors.

General draft organizing principles were revised to include the following:

1. CWSA is comprised of viable and well running water supply systems focused on empowering those among them who directly represent and serve the residents of disadvantaged communities and other populations with income limitations such as seniors
2. CWSA supports a statewide comprehensive needs-assessment of the operational integrity and resiliency of chronically distressed water systems
3. CWSA supports funding to build water system resiliency that does not shift existing resources of disadvantaged communities from some regions to other regions of the state
4. CWSA supports regulations that are deemed economically feasible through a combination of factors including affordability, transparent understanding of health benefits and their real-time cost and value to the residents of California
5. CWSA supports consolidation of chronically distressed water systems when it is part of an initiative supported by the residents of such communities, and where property rights and the right of representation is respected
6. CWSA members pledge to work with larger neighboring and/or regional water agencies toward efforts that bring resource efficiency, stewardship of local shared resources that are based upon common values, needs and respect not charity
7. CWSA is an alliance for education and advocacy of the common interests and empowerment of water systems serving disadvantaged communities and other income limited populations, not a permanent water association

Management – The group generally agreed that as fiscal sponsor, CalMutuals could bring efficiency to CWSA by availing it of its administrative, advocacy and logistical support eliminating the need for the duplication of resources, in parallel with CalMutuals’ regional capacity across the state. CalMutuals is proposing that an advisory board be comprised of the initial charter members according to the contribution levels below.

Budget - The group felt that the estimated budget of \$60,000 for one year to cover the legislative calendar was modest given the issues driving the organization of CWSA. The group asked CalMutuals to propose a sponsorship schedule scaled to the revenue capacity of prospective members (see contributions below).

Proposed Schedule for Regular Sponsors of the Initiative

CalMutuals has a “progressive” membership schedule that encourages participation by small and larger members. Pending consensus from the group, CalMutuals proposes the following scales of sponsorship for the initiative:

Tier 1: Revenues <\$250K	\$500
Tier 2: Revenues \$250K +	\$750
Tier 3: Revenues \$500K+	\$1,250
Tier 4: Revenues \$1M+	\$2,500
Tier 5: Revenues \$4M+	\$5,000

Calvin Louie

From: adan <adan@calmutuals.org>
Sent: Monday, December 10, 2018 2:25 PM
To: Jackie McCloud; coatsd@emwd.org; David A. Armstrong; donb@smwd.com; Joe A. Gonsalves & Son; Jim Byerrum; Jim Ciampa; Leach, Jim; Kelly Jensen; Katie Porter; Ray Kolisz; Stacy Taylor; Meggan Valencia; Calvin Louie; Reeb, Bob; Danielle Blacet; Oz; Curt Sauer; Nunneley, Doug; mwest@bdvwa.org; mwest@bdvwa.org
Cc: Susan Allen
Subject: CWSA Agenda & Meeting Documents
Attachments: CWSA MOU (12-3-18) v.docx; CWSA Report1Summary.docx

Community Water System Alliance Participants and Potential Participants -

Below is call-in information, a draft agenda, a draft MOU, as well as the meeting report with proposed tiers for participation in the initiative - this information is also imbedded in the Calendar invitation. **As a reminder:** Our goal is to empower persons elected to represent disadvantaged communities to have a voice about issues such as the proposed water tax and the draft economic feasibility guidelines when they are released by the State Water Board.

Call-in Information: 1 858-284-1527. PIN: 764 612 631#

Draft Agenda:

1. Introductions
2. Membership Tiers (Please see CWSA Report1Summary.docx - Attached)
3. Draft MOU for Participation by Agencies (Please see CWSA MOU- Attached)
4. AB134 (Bloom)
5. Discussions with Committee Staff and Assm. E. Garcia
6. Next Steps

Adan Ortega
Executive Director
CalMutuals
714 449-8403
adan@calmutuals.org

via Newton Mail

**MEMORANDUM OF UNDERSTANDING
COMMUNITY WATER SYSTEMS ALLIANCE**

This Memorandum of Understanding ("MOU") is entered into this ___ day of _____, 2018 ("Effective Date") by and between the California Association of Mutual Water Companies, a California non-profit mutual benefit corporation ("Cal Mutuals"), and _____ ("Participant") with respect to the following.

RECITALS

- A. There are numerous regulatory and legislative issues facing water suppliers in California, including, but not limited to, water quality standards, requirements to limit water losses, a potential water tax, funding mechanisms for low-income rate assistance and long-term water use efficiency requirements.
- B. There are numerous water suppliers serving disadvantaged and severely disadvantaged communities that while operating efficiently and well, do not, on an individual basis, have the financial resources to be able to effectively advocate with respect to the issues identified in Recital A.
- C. Cal Mutuals is a non-profit association formed to provide effective advocacy for, and to facilitate operational and educational resources to ensure effective and compliant operation and governance of, mutual water companies and other small water systems in California.
- D. Cal Mutuals has worked with various water systems to develop a collaborative program to assist water systems serving disadvantaged and severely disadvantaged communities with regulatory and legislative advocacy, as described in Section I, below (the "Initiative").
- E. The Community Water Systems Alliance ("CWSA") is an alliance of water systems who are undertaking the Initiative, working with and through Cal Mutuals as described herein.
- F. Participant desires to participate in CWSA and desires to make a financial contribution to help offset the costs of the Initiative, in accordance with the provisions set forth below.

NOW, THEREFORE, Participant and Cal Mutuals agree as follows:

1. The Initiative. Cal Mutuals will provide the services necessary to administer and coordinate the functions relating to the Initiative, as guided by the principles attached hereto as Exhibit A and incorporated herein by this reference. Participant, in its sole discretion and at its sole cost, may provide services of its employees to assist with implementing the Initiative.

2. Participant's Financial Contribution. Participant shall contribute the sum of \$ _____ to CWSA, through Cal Mutuals, in order to join and participate in CWSA. That amount may be paid in a lump sum or through a payment arrangement to be agreed upon by Participant and Cal Mutuals. Cal Mutuals shall separately account for all such contributions and shall utilize Participant's and other CWSA members' contributions only for costs related to the Initiative and its administration. Cal Mutuals shall issue a quarterly report of CWSA's income and expenses, including the use of Participant's contribution, on or before the thirtieth (30th) day following the end of each calendar quarter (i.e., March 31, June 30, September 30 and December 31). Participant acknowledges that the financial contributions of other CWSA members may vary and may be greater than or less than Participant's contributions, although Cal Mutuals will use its best efforts to ensure a fair structure concerning such overall contributions, including through application of the revenue-based contribution model set forth in Exhibit A hereto.

3. CWSA Participant Issues. Participant shall allow Cal Mutuals to use Participant's name in any correspondence that Cal Mutuals may send regarding the Initiative and in any materials used in soliciting additional members in CWSA; provided, however, that if such correspondence relates to a position on legislation, Participant shall be provided the opportunity to opt out of being specifically named in any such correspondence and Cal Mutuals will remove Participant's name if so instructed. Upon written request of Participant, Cal Mutuals shall promptly (i.e., within three business days) provide Participant by e-mail with a list of all participants in CWSA and their respective contributions.

4. Audit/Inspection. Upon at least forty-eight (48) hours' prior written notice, Participant may audit or inspect, at Participant's sole cost and expense, Cal Mutuals' accounting books and records relating to CWSA and the Initiative.

5. Term; Termination. This MOU shall have an indefinite term, although it is contemplated to last approximately two years. Because CWSA is intended to be a temporary program, it may be terminated at any time by the vote of at least sixty percent (60%) of its members. Participant may withdraw from CWSA at any time, upon at least seven (7) days' written notice. Such withdrawal shall not entitle Participant to a refund of any portion of its contribution under Section 2, above, unless any audit or inspection under Section 4, above, reveals the misappropriation of funds by Cal Mutuals, in which case CWSA shall be entitled to the return of its entire contribution or such other amount thereof as the parties may agree.

6. Indemnification. Cal Mutuals shall indemnify and defend Participant against any third party claims, losses, liabilities damages, lawsuits, claims, judgments or other costs resulting from Cal Mutuals' gross negligence or intentional misconduct in performing its duties hereunder.

7. Notices. Any notice or other communication to be provided under this MOU shall be in writing, and shall be deemed effectively given upon personal delivery; or upon deposit in any United States mail box, by registered, certified, Priority, or Express mail, postage prepaid; or upon delivery by nationally recognized overnight courier; or upon confirmed transmission by facsimile, addressed to the other party at the address shown below.

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:	DECEMBER 19, 2018
FROM:	RAY KOLISZ, GENERAL MANAGER
SUBJECT:	DISCUSSION OF COMMUNITY WATER SYSTEM ALLIANCE FORMATION AND APPROVAL TO CONTRIBUTE FUNDING

BACKGROUND AND DISCUSSION

As previously reported as part of the SMART initiative, we have been working to form an alliance of community water systems to give voice to elected officials who represent disadvantaged communities as is the case with Twentynine Palms Water District (TPWD). This is particularly important given that proposals to tax water at the meter have already surfaced for re-consideration by the legislature during 2019. We are also expecting the State Water Board to release draft economic feasibility guidelines that will impact the standard for Chromium 6 and other constituents.

On November 30, 2018, TPWD helped to organize and lead a gathering of 22 general managers and board members representing 14 water agencies stretching from Watsonville to the high desert and the Inland Empire to "jump-start" the Community Water System Alliance (CWSA). The California Association of Mutual Water Companies ("CalMutuals") is willing to act as fiscal sponsor. This avoids having to start a new water association. CalMutuals will manage accounting and the advocacy coordination on behalf of the group.

Among several needs, CWSA will use the funds to develop briefing materials reflecting the needs of disadvantaged communities, such as TPWD, that are successfully fending for ourselves. The funds will also be used to help poorer water districts send their representatives to public hearings in Sacramento and around the state. The original draft budget estimated costs at \$60,000 for one year, which those assembled on November 30th thought was too modest given the level of interest and need to have participation at the hearings and meetings ahead especially in Sacramento.

The group has so far agreed that residents of well-functioning disadvantaged communities should not be taxed to benefit chronically failing water systems in other parts of the state. We have agreed to work to find alternative funding sources that will also be available to agencies such as TPWD. The group has also agreed to look at other forms of mutual aid between well-functioning water systems and those that may be at the brink of failing.

RECOMMENDATION

Agencies that sponsor the initiative at \$10,000 or more will be part of a policy council that will guide the CWSA. TPWD has been urging others to support the effort, and it is thus my recommendation that TPWD agree to engage at the \$10,000 level. Upon approval from the Board the CWSA will draft a Memorandum of Understanding (MOU) to be presented to the Board for consideration.

Calvin Louie

From: adan <adan@calmutuals.org>
Sent: Wednesday, December 12, 2018 2:39 PM
To: Jones, Paul; Coats, Danielle; Lisa Yamashita Lopez; David A. Armstrong; Jim Ciampa; Ray Kolisz; Dan Ferons; donb@smwd.com; Leach, Jim; Kelly Gardner; Stacy Taylor; Jeff Armstrong; Meggan Valencia; Calvin Louie; Jackie McCloud; Lisa Ohlund; Tim Worley; mwest@bdvwa.org; Nunneley, Doug
Cc: Danielle Blacet; Katie Porter; Joe A. Gonsalves & Son; Kelly Jensen; Jim Byerrum; Reeb, Bob; Susan Allen
Subject: CWSA Meeting Summary from 12/11
Attachments: CWSA MOU (12-3-18) v.docx

Team - ☐

The group considered several items during the CWSA call yesterday as appeared on the agenda:

Membership Tiers

There were no objections to the following sponsorship tiers for the CWSA initiative
Schedule for Regular Sponsors of the Initiative:

Tier 1: Revenues <\$250K	\$500
Tier 2: Revenues \$250K +	\$750
Tier 3: Revenues \$500K+	\$1,250
Tier 4: Revenues \$1M+	\$2,500
Tier 5: Revenues \$4M+	\$5,000

Charter Members Defined

Several water agencies will seek approval from their boards in the coming weeks to jump-start the CWSA initiative at levels of \$10,000 or more. Those agencies that donate more than \$10,000 will serve as the "executive committee" to review expenses and administrative matters through CalMutuals

Draft MOU for Participation by Agencies

No objections were raised to requests that "opt-out" provisions be inserted into the Participation MOU also applying to communications being sent to third-parties where positions, requests or group-inquiries are being made in written form. The current draft included an opt-out on legislative positions.

Given pending actions by boards considering participation in CWSA will take place over the next two weeks, it is requested that any further requests for revisions to the MOU be set to Adan Ortega by 5 pm on Monday, December 17, 2018. (The draft MOU is attached for your convenience)

AB134 (Bloom)

AB134 is a spot bill with no specific provisions (yet). But it is a potential vehicle that will be tracked.

Discussions with Committee Staff and Assm. E. Garcia

As previously reported, a joint committee hearing will be held early in '19 comprised of the Assembly Water, Parks & Wildlife Committee, Assem. Environmental Quality Committee, and Budget Committee
#3. Participation by disadvantaged communities that were not part of last year's debate is strongly encouraged.

Assem. Garcia will also be visiting other areas with Disadvantaged Communities that are succeeding and struggling. These may include Southeast Los Angeles/San Gabriel Valley, Los Desert Areas and the Central Coast.

Next Steps

1. Comments on draft MOU are due Mon. Dec. 17th at 5pm (please send to Adan Ortega)
2. Identify representatives from agencies serving Disadvantaged Communities that may be available for hearings/testimony.
3. Schedule follow-up call on the week of Jan. 7th. Potential agenda items include a)status on hearings; b) status of regional visits by Assm. Garcia & legislative Taskforce c) roster of agencies that have joined CWSA; d) briefing on human right to water proposals by ACWA and others; e) consideration of initial talking points; d) other items as suggested during the interim.

Adan Ortega
Executive Director
CalMutuals
714 449-8403
adan@calmutuals.org

via Newton Mail

On Mon, Dec 3, 2018 at 12:48 PM, adan <adan@calmutuals.org> wrote:
Team -

Once again, I'd like to thank Eastern Municipal Water District for hosting a meeting last Friday (Nov. 30) about the possible formation of an alliance of water supply systems that directly represent Disadvantaged Communities and other populations with income limitations. Attached is a document summarizing the discussion we had at Eastern. I think we made great progress to launch this initiative. Please review the principles as I tried to reflect the comments made during the meeting. We are planning to have a conference call during the week of December 10th. If you did not attend the meeting on the 30th but would like to participate on the call during the week of December 10th, please reply to this email and let me know. In the meantime, please feel free to call me if you have any questions (714 600-4683).

Thank you!

Adan Ortega
Executive Director
CalMutuals
714 449-8403
adan@calmutuals.org

via Newton Mail

Calvin Louie

From: adan <adan@calmutuals.org>
Sent: Wednesday, January 2, 2019 3:45 PM
To: Lisa Ohlund; Ray Kolisz; Calvin Louie; Dan Ferons; Jones, Paul; Coats, Danielle; Curt Sauer; Nunneley, Doug
Cc: Susan Allen; Jim Ciampa
Subject: CWSA MOU
Attachments: CWSA MOU v.3 (12-17-18).docx

Here is the final version of the MOU for the Community Water Systems Alliance. It addresses three factors raised during our last conference call: 1) Expanded opt-out; 2) Indemnification; 3) Clarifies the sponsorship tiers and the advisory board status/role of those who contribute \$10k or more. We will schedule a call for late next week with the advisory group to review the initial budget, and initial proposed steps that we will take to the broader group. Please feel free to call me at 714 600-4683 if you have any questions.
Adan

Adan Ortega
Executive Director
CalMutuals
714 449-8403
adan@calmutuals.org

via Newton Mail

**MEMORANDUM OF UNDERSTANDING
COMMUNITY WATER SYSTEMS ALLIANCE**

This Memorandum of Understanding ("MOU") is entered into this ____ day of _____, 2018 ("Effective Date") by and between the California Association of Mutual Water Companies, a California non-profit mutual benefit corporation ("Cal Mutuals"), and _____ ("Participant") with respect to the following.

RECITALS

- A. There are numerous regulatory and legislative issues facing water suppliers in California, including, but not limited to, water quality standards, requirements to limit water losses, a potential water tax, funding mechanisms for low-income rate assistance and long-term water use efficiency requirements.
- B. There are numerous water suppliers serving disadvantaged and severely disadvantaged communities that, while operating efficiently and well, do not, on an individual basis, have the financial resources to be able to effectively advocate with respect to the issues identified in Recital A.
- C. Cal Mutuals is a non-profit association formed to provide effective advocacy for, and to facilitate operational and educational resources to ensure effective and compliant operation and governance of, mutual water companies and other small water systems in California.
- D. Cal Mutuals has worked with various water systems to develop a collaborative program to assist water systems serving disadvantaged and severely disadvantaged communities with regulatory and legislative advocacy, as described in Section 1, below (the "Initiative").
- E. The Community Water Systems Alliance ("CWSA") is an alliance of water systems who are undertaking the Initiative, working with and through Cal Mutuals as described herein.
- F. Participant desires to participate in CWSA and desires to make a financial contribution to help offset the costs of the Initiative, in accordance with the provisions set forth below.

NOW, THEREFORE, Participant and Cal Mutuals agree as follows:

1. The Initiative. Cal Mutuals will provide the services necessary to administer and coordinate the functions relating to the Initiative, as guided by the principles attached hereto as Exhibit A and incorporated herein by this reference. Participant, in its sole discretion and at its sole cost, may provide services of its employees to assist with implementing the Initiative. Participant shall cooperate with Cal Mutuals in coordinating and organizing any such services that are to be provided in conjunction with the Initiative.

2. Participant's Financial Contribution; Charter Membership. (a) Cal Mutuals has established the following dues structure for Participants to join and participate in CWSA:

<u>REVENUE TIERS</u>	<u>DUES</u>
<u>Tier 1: Annual Gross Revenues of less than \$250,000</u>	<u>\$500</u>
<u>Tier 2: Annual Gross Revenues between \$250,000 and \$499,999</u>	<u>\$750</u>
<u>Tier 3: Annual Gross Revenues between \$500,000 and \$999,999</u>	<u>\$1,250</u>
<u>Tier 4: Annual Gross Revenues between \$1,000,000 and \$3,999,999</u>	<u>\$2,500</u>
<u>Tier 5: Annual Gross Revenues of \$4,000,000 and higher</u>	<u>\$5,000</u>
<u>Charter Member (see subsection (c))</u>	<u>At least \$10,000</u>

(b) Participant's annual gross revenues place it in Tier , and Participant shall therefore pay dues of \$. [or: Participant has agreed to contribute \$ in consideration of its Charter Membership pursuant to subsection (c), below]. shall contribute the sum of \$ to CWSA, through Cal Mutuals, in order to join and participate in CWSA. That amount may be paid in a lump sum or through a payment arrangement to be agreed upon by Participant and Cal Mutuals. The amount shall be payable by check payable to Cal Mutuals or by wire transfer or other electronic funds transfer in the manner directed by Cal Mutuals. Cal Mutuals shall separately account for all such contributions and shall utilize Participant's and other CWSA members' contributions only for costs related to the Initiative and its administration. Cal Mutuals shall issue a quarterly report of CWSA's income and expenses, including the use of Participant's contribution, on or before the thirtieth (30th) day following the end of each calendar quarter (i.e., March 31, June 30, September 30 and December 31). Participant acknowledges that, with the exception of the dues structure set forth in subsection (a), above, the financial contributions of other CWSA members may vary and may be greater than or less than Participant's contributions, although Cal Mutuals will use its best efforts to ensure a fair structure concerning such overall contributions, including through application of the revenue based contribution model set forth in Exhibit A hereto.

(c) Charter Members shall contribute at least \$10,000 in support of the Initiative. As consideration for such contributions, a representative from each Charter Member shall serve on the Advisory Board for CWSA, along with Cal Mutuals' Executive Director. The Advisory Board shall periodically review CWSA's finances and shall approve any expenditures exceeding \$1,000. The Advisory Board shall also consult with Cal Mutuals' Executive Director to ensure the goals of the Initiative are being properly pursued.

2.3. CWSA Participant Issues. Participant shall allow Cal Mutuals to use Participant's name in any correspondence that Cal Mutuals may send regarding the Initiative and in any materials used in soliciting additional members in CWSA; provided, however, that if such correspondence relates to any position CWSA will be taking, including, but not limited to on legislation or regulatory matters, Participant shall be provided the opportunity to opt out of being specifically named in any such correspondence by notifying Cal Mutuals by telephone or e-mail within twenty-four (24) hours after being notified of the position CWSA proposes to take. and If the Participant desires to opt out from being included on any such communication, Cal Mutuals

will remove Participant's name ~~from the communication if so instructed~~. Upon written request of Participant, Cal Mutuals shall promptly (i.e., within three business days) provide Participant by e-mail with a list of all participants in CWSA and their respective contributions.

3.4. Audit/Inspection. Upon at least forty-eight (48) hours' prior written notice, Participant may audit or inspect, at Participant's sole cost and expense, Cal Mutuals' accounting books and records relating to CWSA and the Initiative.

4.5. Term; Termination. This MOU shall have an indefinite term, although it is contemplated to last approximately two years. Because CWSA is intended to be a temporary program, it may be terminated at any time by the vote of at least sixty percent (60%) of its members. Participant may withdraw from CWSA at any time, upon at least seven (7) days' written notice. Such withdrawal shall not entitle Participant to a refund of any portion of its contribution under Section 2, above, unless any audit or inspection under Section 4, above, reveals the misappropriation of funds by Cal Mutuals, in which case CWSA shall be entitled to the return of its entire contribution or such other amount thereof as the parties may agree.

5.6. Indemnification. Cal Mutuals shall indemnify and defend Participant, and its members, directors, officers, employees and agents, against any third party claims, losses, liabilities damages, lawsuits, claims, judgments or other costs resulting from Cal Mutuals' gross negligence or intentional misconduct in performing its duties hereunder. In the event Participant provides employees to render services in conjunction with the Initiative, Participant shall indemnify and defend Cal Mutuals, and its members, directors, officers, employees and agents, against any third party claims, losses, liabilities damages, lawsuits, claims, judgments or other costs resulting from the gross negligence or intentional misconduct or any employee of Participant in rendering such services.

6.7. Notices. Any notice or other communication to be provided under this MOU shall be in writing, and shall be deemed effectively given upon personal delivery; or upon deposit in any United States mail box, by registered, certified, Priority, or Express mail, postage prepaid; or upon delivery by nationally recognized overnight courier; or upon confirmed transmission by facsimile, addressed to the other party at the address shown below.

7.8. Governing Law. This MOU shall be governed by and construed in accordance with the laws of the State of California.

8.9. Amendment. This MOU may be modified only by a written agreement signed by both parties.

9.10. Severability. If any court determines that any provision of this MOU is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this MOU invalid or unenforceable and such provision shall be modified, amended or limited only to the extent necessary to render it valid and enforceable

10.11. Counterparts; Execution Transmitted by E-Mail or Fax. This MOU may be executed in counterparts, effective as of the Effective Date first set forth above. The parties agree

that this MOU will be considered signed when the signature of a party is delivered by e-mail or by facsimile transmission. Such e-mailed or facsimile signature shall be treated in all respects as having the same effect of an original signature.

IN WITNESS WHEREOF, the Participant and Cal Mutuals have executed this MOU as of the date first above written.

California Association of Mutual Water Companies

Participant

By _____
Lisa Yamashita-Lopez, President

By _____
Its _____

Address: 1370 N. Brea Blvd., Suite 238
Fullerton, CA 92835

Address: _____

Fax Number: _____

Fax Number: _____

DRAFT

Calvin Louie

From: adan <adan@calmutuals.org>
Sent: Thursday, January 3, 2019 2:34 PM
To: Jones, Paul; Coats, Danielle; Lisa Yamashita Lopez; David A. Armstrong; Jim Ciampa; Ray Kolisz; Dan Ferons; donb@smwd.com; Leach, Jim; Kelly Gardner; Joe A. Gonsalves & Son; Stacy Taylor; Jeff Armstrong; Meggan Valencia; Calvin Louie; Jackie McCloud; Lisa Ohlund; Tim Worley; Nunneley, Doug; mwest@bdwva.org; Curt Sauer; Reeb, Bob; Dennis Albiani
Cc: Danielle Blacet; Katie Porter; Kelly Jensen; Jim Byerrum; Susan Allen
Subject: CWSA UPDATE & ISSUES TO REVIEW

Team - ☐

Happy New Year! I am writing to report about the status of members and urgent issues that will either result and/or influence potential legislation we are concerned about with respect to meter taxes.

First, as of this date, the following agencies have pending or completed action with their respective boards to approve participation in the Community Water Systems Alliance. These include:

Santa Margarita Water District*
Twentynine Palms Water District*
Mesa Water District*
East Orange County Water District*
Cabazon Water District ^
North of the River Water District#
Big Horn Water District*
Joshua Basin Water District ^
Eastern Municipal Water District*

*denotes Advisory Board Level ^ denotes undetermined level #tiered membership level

Others are pending their internal management evaluation and I will keep you posted. If you run an association and represent agencies with disadvantaged communities, or have neighboring systems, please feel free to refer them and I will call them on your behalf. It is imperative that we have a solid roster of officials from around the state that are elected to represent persons in cities and water districts that are from disadvantaged communities.

ISSUES

While the legislature returns to session on January 7th., two critical reports have been released for public comment with tight deadlines the first week of February. We are currently reviewing them and will develop draft comment letters for your review. In the meantime here are the links for your study, review and feedback. These two reports will have an influence on continuing legislative discussions about a potential residential/business meter tax to pay for O&M under a current effort to help chronically failing systems, mostly in parts of the Central Valley.

State Water Resources Control Board AB401(Dodd) Low Income Water Rate Assistance Program - This draft report to the legislature outlines options for how the program could be funded and administered. Deadline for comments: Feb 1

https://www.waterboards.ca.gov/water_issues/programs/conservation_portal/assistance/

OEHHA Draft Framework and Tool for Evaluating Progress on the Human Right to Water

Addresses water quality, access to water, and affordability in the metric for evaluating progress in providing water to all. Deadline for comments: Feb 4

<https://oehha.ca.gov/water/report/human-right-water-california>

We will keep you posted on any further developments.

Best,

Adan

Adan Ortega
Executive Director
CalMutuals
714 449-8403
adan@calmutuals.org

via Newton Mail

On Mon, Dec 3, 2018 at 12:48 PM, adan <adan@calmutuals.org> wrote:

Team -

Once again, I'd like to thank Eastern Municipal Water District for hosting a meeting last Friday (Nov. 30) about the possible formation of an alliance of water supply systems that directly represent Disadvantaged Communities and other populations with income limitations. Attached is a document summarizing the discussion we had at Eastern. I think we made great progress to launch this initiative. Please review the principles as I tried to reflect the comments made during the meeting. We are planning to have a conference call during the week of December 10th. If you did not attend the meeting on the 30th but would like to participate on the call during the week of December 10th, please reply to this email and let me know. In the meantime, please feel free to call me if you have any questions (714 600-4683).

Thank you!


Adan Ortega
Executive Director
CalMutuals
714 449-8403
adan@calmutuals.org

via Newton Mail

Calvin Louie

From: adan <adan@calmutuals.org>
Sent: Tuesday, January 8, 2019 3:45 PM
To: Calvin Louie; Curt Sauer; Feron, Dan; donb@smwd.com; Leach, Jim; Nunneley, Doug; Jim Ciampa; Lisa Ohlund; Ray Kolisz; Jim Byerrum; Lisa Yamashita Lopez; Stacy Taylor; Jones, Paul; Coats, Danielle
Subject: CWSA 4 pm meeting documents
Attachments: 2019 CWSA Budget DRAFT 01.03.xlsx; CWSAFlyer.docx

Team -

The calendar notice contains the draft agenda and meeting items. However, realizing that not everyone's system is compatible with google, here they are via email. 

Description: Agenda

1. Review of Participants and Prospective Participants
 - Review of Flyer (Attached)
2. Budget Review (Attached)
3. Advocacy -
 - a. AB401/OEHHA Letters - Preference of Joint Letter or Template for individual use
 - b. Request for list of directors/elected officials who represent DAC divisions/districts
4. Scheduling general meeting and agenda

Adan Ortega
Executive Director
CalMutuals
714 449-8403
adan@calmutuals.org

Member Contributions	\$72,500-\$85,000	A
Total Income	\$72,500-\$85,000	
<u>EXPENSE</u>		
First Year Activities		
Advocacy & Representation (Lobbyist) Support	20,000	
Coordination & Analysis of Issues & Activities (OSG)	18,000	
Legal Fees (Lagerlof, Senecal, Gosney & Kruse)	6,000	
Travel (Staff & Smaller Members)	8,000	
CalMutuals Administrative Fee	6,000	
Communications & Graphic Design Support	2,000	
Total Expense	60,000	
Beginning Reserve	\$12,000-\$25,000	B
Net Total		

NOTES

A Reflects contritlions of from members as

Big Horn Water District ^	\$2,500-\$10,000	(Monthly)
Cabazon Water District #	\$5,000-\$10,000	(Monthly)
Eastern Municipal Water District *	\$10,000	
East Orange County Water District #	\$10,000	
Mesa Water District #	\$10,000	
North of the River Municipal Water District #	\$5,000	
Santa Margarita Water District *	\$20,000	
Twentynine Palms Water District *	\$10,000	

^ Board Action beginning in January
Board Action completed in January
* Final Action taken

\$72,500-\$85.000

B Contributions beyond \$60,000 to be Invested in Reserve

- Pending:
- City of Coachella
 - City of Watsonville
 - Coachella Valley Water District
 - Henry Miller Irrigation District
 - Joshua Basin Water District
 - Mojave Water Agency
 - Palmdale Water District
 - Rancho California Water District
 - Santa Ynez Conservation District



CWSA

Community Water Systems Alliance

The Community Water Systems Alliance is an initiative in California to provide a voice in Sacramento for water systems serving disadvantaged communities that are reliably and affordably providing water to low income and income limited residents such as seniors.

What We Care About:

We want to preserve the ability of local water suppliers that provide water to disadvantaged and income limited communities to provide safe and affordable water through efficiency, good management practices and fairness. We care about legislation and regulations that affect disadvantaged and income limited communities where our community voices need to be heard.

What Threatens Safe Drinking Water for Our Communities:

Pending legislation may propose to levy water meter taxes that could transfer our local revenues to other parts of the state. The State Water Resources Control Board is soon considering economic feasibility guidelines for evaluating the viability of drinking water standards like Chromium 6.. These two factors may damage the viability of well operated water systems serving disadvantaged communities around the state.

What do we want?

Our communities want a seat at the table as legislation and regulations are considered affecting disadvantaged communities so we can advocate for:

- Equitable grant programs that don't discriminate against suppliers serving disadvantaged communities with more than 10,000 customers
- A revenue source to help disadvantaged communities that is not based upon regressive taxes that shift funds from some disadvantaged and income limited communities to others
- Strategies for dealing with chronically failing water systems that don't burden or typecast water systems serving disadvantaged and income limited communities that are functioning well

Where are we from?

Participating agencies in CWSA stretch from California's Central Valley, the greater Los Angeles Basin, Coachella Valley and the high desert's Morongo Basin.