



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 20, 2017 – 5:00 PM

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

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

PUBLIC COMMENT

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

ADJOURNMENT

ADA Compliance Issues

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



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 20, 2017 – 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. Reapprove Modified Finance and Audit Committee Meeting Minutes and warrants approved by the committee of April 18, 2017
- b. Finance and Audit Committee Meeting Minutes and warrants approved by the committee of May 16, 2017
- c. Regular Board Meeting Minutes and warrants of May 16, 2017

2. Warrants – None

3. Awards of Contracts – None

UPDATES

1. Update: San Gorgonio Pass Regional Water Alliance Update
(by Director Israel)
2. Update: Manager's Operations Report
(by General Manager Louie)

OLD BUSINESS

1. Discussion: Sustainable Ground Water Update
(by General Manager Louie & Steve Anderson)
2. Discussion/Action: Request for Waiver of Connection Fees - James F. McGarry

NEW BUSINESS

1. Discussion/Action:
2. Discussion/Action: Adoption of regulations regarding payment of the cost of Registrar of Voters County of Riverside Director election candidate statement(s)

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.
3. Discussion/Action: Triennial Lead and Copper Testing – Ten (10) Volunteers Needed
4. Discussion/Action: Approval of NBS contract to review District Capacity and Miscellaneous Fees.

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 19, 2017, 5:00 pm
- b. Regular Board Meeting – Tuesday – July 19, 2017, 6:00 pm
- c. Personnel Committee – None
- d. San Gorgonio Pass Regional Water Alliance – Alliance Meeting - Wednesday – June 28, 2017 - 5:00 PM to 7:00 PM

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 16, 2017 – 5:00 PM

CALL TO ORDER,
PLEDGE OF ALLEGIANCE,
ROLL CALL at 17:05 hr.

Director Bui - 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
 - Profit and Loss Budget Comparison
 - Proposed FY 17-18 District Budget

Balance Sheet:

- The District's combined cash and LAIF balance is about \$512,000. The District's total liabilities are approximately \$1.22 million.

Profit and Loss:

- Line 11 Basic Facilities Fee: The District received fees for the new service at 50600 Aloma Drive (\$8K) as well as two new services at 51845 Riza (\$9K per service).
- Line 54 Chlorinators: YTD is at 100% of budget due to repairs on Chlorinator parts.
- Line 79 Temporary Labor: YTD is over budget due to unexpected fees related to the rate study.

As of April 30th the fiscal year to date net loss is 132.3K, which is only 29% of the loss that is budgeted.

Proposed FY 17-18 District Budget

It was explained to the FAC Committee that several revisions were made to the proposed budget which was included in the Board Packets, and that the most recently updated version would be presented and discussed to the entire Board during the Regular meeting.

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

PUBLIC COMMENT

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ADJOURNMENT.

Motion to adjourn at 17:13 hr. made by Director Israel and 2nd by Director Bui.

Meeting adjourned at 17:13 hr. on January 17, 2017

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
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REGULAR BOARD MEETING

MINUTES

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

Meeting Date:
May 16, 2017 – 6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

REMEMBRANCE OF OUR SERVICE MEN AND WOMEN

ROLL CALL at 18:15 hr.

Director Teresa Bui - Present
Director Maxine Israel - Present
Director Sarah Wargo - Present
Director Alan Davis - Present
Director Robert Lynk - Present

Calvin Louie, General Manager - Present
Elizabeth Lemus, Board Secretary - Present
Cindy Byerrum, Financial Consultant - Present
Ward Simmons, Best Best & Krieger Law Firm - Present

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 of April 18, 2017*
- b. Regular Board Meeting Minutes and warrants of April 18, 2017

*NOTE: The FAC Meeting Minutes of April 18, 2017 noted on page one that Director Bui was absent (during roll call), but on page two, at the adjournment stated that Director Israel *and* Director Bui motioned to adjourn. These meeting minutes were approved with the correction that Director Bui was present during the FAC Meeting.

Motion to approve consent calendar item(s) Finance and Audit Committee Meeting Minutes and warrants approved by the committee of April 18, 2017 **(with changes made as mentioned above)** and Regular Board Meeting Minutes and warrants of April 18, 2017 **made by Director Bui and 2nd by Director Israel.**

Director Bui - Aye
Director Israel - Aye
Director Wargo - Aye
Director Davis - Aye
Director Lynk - Aye

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

UPDATES

1. Update: San Gorgonio Pass Regional Water Alliance Update
(by Director Israel)
2. Update: Manager's Operations Report
(by General Manager Louie)

PUBLIC COMMENTS

Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District that is listed on the agenda under Closed Session; 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))

OLD BUSINESS

1. Discussion: Sustainable Ground Water Update
(by General Manager Louie & Steve Anderson)

NEW BUSINESS

1. Discussion/Action: Review and approval of proposed Fiscal Year (FY) 2017-2018 District Budget.

Motion to approve the Fiscal Year 2017-2018 District Budget with the following changes:

1. To lower the proposed 51050 Director Fees line item from \$36k to \$20k
2. To redistribute \$500 from the proposed 59130 Employee Uniforms line item to the 59140 Safety line item made by Director Israel and 2nd by Director Davis

Director Bui - Aye
Director Israel - Aye
Director Wargo - Aye
Director Davis - Aye
Director Lynk - Aye

2. Discussion/Action: Request for Waiver of Connection Fees - James F. McGarry

NOTE: Mr. McGarry and/or his representative were not present during this meeting.

Motion to table Mr. McGarry's Board petition for the June regular board meeting made by Director Bui and 2nd by Director Wargo.

Director Bui - Aye
Director Israel - Nay
Director Wargo - Aye
Director Davis - Nay
Director Lynk - Aye

3. Discussion/Action: Establish Ad hoc committee to meet with General Manager regarding his annual performance appraisal to be conducted at the June 20, 2017 Board meeting.

Director Bui nominated Director Wargo and Director Lynk to become the Ad hoc Committee to meet with the General Manager regarding his annual performance appraisal before the June 20, 2017 meeting.

Director Lynk and Director Wargo both accepted the position on the Ad hoc Committee, and no objections were voiced to the selection and acceptance.

The General Manager was to arrange a date and time to meet with Lynk and Wargo after the April May 16, 2017 board meeting.

PUBLIC COMMENTS

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MISCELLANEOUS

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- a. Finance & Audit Workshop – Tuesday – June 20, 2017, 5:00 pm
- b. Regular Board Meeting – Tuesday – June 20, 2017, 6:00 pm
- c. Personnel Committee – None
- d. San Gorgonio Pass Regional Water Alliance – Alliance Meeting - Wednesday – May 31, 2017 – 4:30 PM to 7:00 PM

ADJOURNMENT

Motion to adjourn at 18:57 hr. made by Director Lynk and 2nd by Director Israel.

Director Bui - Aye
Director Israel - Aye
Director Wargo - Aye
Director Davis - Aye
Director Lynk - Aye

Meeting adjourned at 18:57 hr. on Tuesday, April 18, 2017

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 2017

	May-17	YTD	Budget	YTD 92%
1 Operating Income				
2 Base Rate - Water Bills	96,715	938,142	997,600	94%
3 Fire Sales - Water Bills	196	2,296	3,100	74%
4 Fire Flow Income	-	-	150	0%
5 Meter Install and Removal	-	-	80	0%
6 Penalty Fees - Water Bills	1,464	30,332	40,000	76%
7 Lien Reinstatement Fees	-	-	1,020	0%
8 New Account Fees - Water Bills	205	1,465	1,420	103%
9 Incident Fee - Water Bills	325	825	140	589%
10 Returned Check Fees	90	510	550	93%
11 Basic Facilities Fee	-	27,680	8,020	345%
12 Stand By Fees - Tax Revenue	32,065	121,410	113,600	107%
13 Total Operating Income:	<u>131,060</u>	<u>1,122,660</u>	<u>1,165,680</u>	<u>96%</u>
14 Non-Operating Income				
15 Property Taxes	5,882	35,093	60,700	58%
16 Cell Tower Lease Income	1,967	21,635	23,100	94%
17 Misc. Non-Operating Income	11	1,787	-	0%
18 Interest Income	153	6,328	8,850	72%
19 Total Non-Operating Income	<u>2,130</u>	<u>29,750</u>	<u>31,950</u>	<u>93%</u>
20 Total Income	<u>139,072</u>	<u>1,187,503</u>	<u>1,258,330</u>	<u>94%</u>
21 Expense				
22 Payroll				
24 Directors Fees	800	12,100	18,900	64%
23 Management & Cust. Service:				
25 Customer Accounts	6,449	43,337	39,800	109%
26 Admin Assistant	-	24,937	46,900	53%
27 Business Admin Manager	6,101	22,301	24,600	91%
28 Office Assistant	953	6,539	7,600	86%
29 General Manager	9,512	87,073	95,100	92%
30 Total Mgmt. & Cust. Service:	<u>23,016</u>	<u>184,186</u>	<u>214,000</u>	<u>86%</u>
31 Meter Reader	-	5,306	24,300	22%
32 Field Workers	10,812	55,804	104,400	53%
33 Total Payroll	<u>33,828</u>	<u>245,296</u>	<u>342,700</u>	<u>72%</u>
34 Employee Benefits Expense				
35 Workers Comp.	2,087	13,144	19,900	66%
35 Employee Health Care	4,495	42,014	73,600	57%
36 Pension	6,782	47,554	69,300	69%
37 Total Employee Benefits Expense	<u>13,364</u>	<u>102,712</u>	<u>162,800</u>	<u>63%</u>
38 Payroll Taxes	2,924	26,096	33,300	78%
39 Total Payroll - All Expenses:	<u>50,916</u>	<u>386,203</u>	<u>557,700</u>	<u>69%</u>

Cabazon Water District
Profit & Loss
May 2017

	May-17	YTD	Budget	YTD 92%
40 Operational Expenses				
41 Facilities, Wells, T&D				
42 Lab Fees	195	5,925	7,800	76%
43 Site Landscaping & Maint	45	450	1,500	30%
44 Meters	1,067	5,188	10,000	52%
45 Generator Service Contractor	-	2,033	3,500	58%
46 Median Landscape & Maint	-	-	3,000	0%
47 Utilities - Wells	5,057	99,190	107,900	92%
48 SCADA	26	3,195	4,800	67%
49 Line R&M Contractor	-	23,958	80,000	30%
50 Line R&M Materials	1,862	12,044	38,300	31%
51 Well Maintenance	851	31,541	21,000	150%
52 Security	2,680	22,586	19,980	113%
53 Engineering Services	3,524	44,933	80,900	56%
54 Chlorinators	-	3,405	2,000	170%
55 Facilities, Wells, T&D - Other	-	16,270	30,000	54%
56 Total Facilities, Wells, T&D	15,306	270,716	410,680	66%
57 Utilities - Office				
58 Electricity	1,361	13,432	13,900	97%
59 Gas	31	617	520	119%
60 Telephone	745	8,314	9,800	85%
61 Trash Pickup & Office Cleaning	355	3,901	4,300	91%
62 Total Utilities - Office	2,492	26,264	28,520	92%
63 Office Expenses				
64 Water Billing System	-	15,736	11,500	137%
65 Supplies & Equipment	978	7,290	9,540	76%
66 Copier and Supplies	237	5,142	7,900	65%
67 Dues & Subscriptions	566	650	1,700	38%
68 Postage	100	7,530	12,600	60%
69 Printing & Publications	-	4,106	6,000	68%
70 Leases & Rents	-	247	340	73%
71 Computer Services	3,604	34,304	34,000	101%
72 Office Radio	-	-	1,500	0%
73 Office Storage	500	5,500	6,100	90%
74 Air Conditioning Servicing	379	4,007	4,300	93%
75 Fire Alarm System Servicing	-	576	600	96%
76 Office Expenses - Other	90	1,183	1,000	118%
77 Total Office Expenses	6,454	86,270	97,080	89%
78 Support Services				
79 Temporary Labor	797	24,361	2,000	1218%
80 Financial Audit	-	13,500	21,700	62%
81 Accounting	2,569	33,579	30,000	112%

Cabazon Water District
Profit & Loss
May 2017

	May-17	YTD	Budget	YTD 92%	
82	Legal Services	2,813	61,209	130,300	47%
83	Bank Service Charges	37	845	1,700	50%
84	Payroll Service	421	3,511	5,000	70%
85	General Liability Insurance	1,918	21,079	21,500	98%
86	Total Support Services	8,555	158,084	212,200	74%
87	Training/Travel	375	5,348	12,000	45%
88	Other Fees/SWRCB	13	8,981	16,180	56%
89	Service Tools & Equipment				
90	Shop Supplies and Small Tools	87	9,243	6,000	154%
91	Vehicle Fuel	984	9,362	15,000	62%
92	Employee Uniforms	-	1,216	2,000	61%
93	Safety	-	3,815	5,000	76%
94	Tractor Expenses	-	3,880	6,900	56%
95	Backhoe Fuel	-	-	1,000	0%
96	Equipment Rental	-	708	1,200	59%
97	Service Trucks - R&M	2,378	11,659	14,100	83%
98	Water Ops Phone & Internet	85	703	2,200	32%
99	Communications	-	2,288	3,000	76%
100	Service Tools & Equip. - Other	-	45	1,100	4%
101	Total Service Tools & Equipment	3,535	42,919	57,500	75%
102	Non-Operating Expenses				
103	Grant & Loan Processing Fee	-	1,325	2,000	66%
104	DWR Interest on Loans	-	12,969	13,500	96%
105	DHPO Interest Expense	-	13,642	12,707	107%
106	Bad Debt Expense	-	-	1,200	0%
107	Miscellaneous	-	4,779	8,000	60%
108	Website Support	110	1,210	2,820	43%
109	DHPO Capacity Fees	1,750	19,250	-	0%
110	Total Non-Operating Expenses	1,860	53,175	40,227	132%
111	Depreciation Expense	22,189	244,079	286,800	85%
112	Total Expense	111,695	1,282,039	1,718,887	75%
113	Net Income	27,376.90	(94,535.58)	(460,557.00)	21%

**Cabazon Water District
Balance Sheet
As of May 31, 2017**

		<u>May 31, 17</u>
1	ASSETS	
2	Current Assets	
3	Checking/Savings	
4	11020 · General Bank Account-Chase	121,070
5	11030 · Payroll Bank Account-Chase	62,204
6	11040 · Trust Account- Chase - Cus Dep	17,881
7	11050 · Local Petty Cash	100
8	Total Checking/Savings	<u>201,255</u>
9	12000 · Accounts Receivable	189,102
10	13010 · LAIF	353,063
11	13020 · Bank of NY Trustee Accounts	56,174
12	13040 · Prepaid Expenses	6,745
13	13060 · Inventory Total	87,079
14	Total Other Current Assets	<u>692,163</u>
15	Total Current Assets	<u>912,079</u>
16	Fixed Assets	
17	14200 · Construction in Process	
18	14204 · CIP Cabazon Outlets Expansion	9,692
19	14209 · CIP Super Map	9,455
20	14210 · CIP 50100 Main St. Property	69,918
21	Total 14200 · Construction in Process	<u>89,066</u>
22	14310 · Tools and Equipment	118,016
23	14320 · Source of Supply	
24	14330 · Transmission & Distribution	7,853,270
25	14340 · Buildings & Structures	12,281
26	14350 · Water Treatment	8,800
27	14360 · Office Furniture and Equipment	63,188
28	14370 · Intangible Plant	11,032
29	14380 · Vehicles	106,309
30	14400 · Land	409,331
31	14500 · Accumulated Depreciation	(4,753,415)
32	Total Fixed Assets	<u>5,428,600</u>
33	TOTAL ASSETS	<u><u>6,340,678</u></u>
34	LIABILITIES & EQUITY	
35	Liabilities	
36	Current Liabilities	
37	Accounts Payable	
	21100 · *Accounts Payable	8,638
39	21210 · Misc Short Term Liability	75
40	21250 · Developer Deposits	
41	21251 · Dollar General	23,613
42	Total 21250 · Developer Deposits	<u>23,613</u>

**Cabazon Water District
Balance Sheet
As of May 31, 2017**

		<u>May 31, 17</u>
43	21300 · Customer Deposits	
44	21330 · Customer Deposits - Co 1	3,900
45	21340 · Customer Deposits - Co 2	6,374
46	Total 21300 · Customer Deposits	<u>10,274</u>
47	21420 · Accrued Vacation Pay	18,345
48	21440 · DWR-HS Payable - Current	36,184
49	21450 · Current Portion Zion's Bank Ln	75,062
50	21460 · Accrued Payroll	4,827
51	21470 · Accrued Payroll Taxes	359
52	21480 · Accrued Interest	3,527
53	21510 · Employee Deductions	(9)
54	24000 · Payroll Liabilities	80
55	Total Other Current Liabilities	<u>172,337</u>
56	Total Current Liabilities	<u>180,975</u>
57	Long Term Liabilities	
58	22000 · DWR-H Loan Payable (Payoff '26)	318,898
59	22100 · Zion's Bank Long Term (2023)	454,027
60	22200 · RCEDA Loan Payable	300,000
61	Total Long Term Liabilities	<u>1,072,926</u>
62	Total Liabilities	<u>1,253,900</u>
63	Equity	
64	31010 · Net Investment in Capital Asset	4,091,921
65	31020 · Restricted for Debt Service	233,447
66	31030 · Unrestricted Net Assets	
67	31041 · Reserved for Almond Vault Refur	50,000
68	31030 · Unrestricted Net Assets - Other	921,430
69	Total 31030 · Unrestricted Net Assets	<u>971,430</u>
70	32000 · Retained Earnings	12,062
71	32001 · Prior Period Adjustment	(127,546)
72	Net Income	(94,536)
73	Total Equity	<u>5,086,778</u>
74	TOTAL LIABILITIES & EQUITY	<u><u>6,340,678</u></u>

REBECCA SPENCER
Registrar of Voters



ART TINOCO
Assistant Registrar of Voters

REGISTRAR OF VOTERS
COUNTY OF RIVERSIDE

May 24, 2017

Ellie Lemus
Cabazon Water District
PO Box 297
Cabazon, CA 92230

In preparation for your upcoming November 7, 2017 General District Election, we are providing the following information:

- **ELECTION CALENDAR:** For your review. We will be having a seminar on **June 29, 2017** at 10:00 a.m. 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 5, 2017**. 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 printed 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 general district elections. If you have any questions, please feel free to call Leticia Flores at (951) 486-7212.

Sincerely,

REBECCA SPENCER
Registrar of Voters

By _____
Leticia Flores
Elections Coordinator

Enclosures

**NOTICE TO THE REGISTRAR OF VOTERS
(ELECTIONS CODE §§ 10509, 10522; W.C. § 71451)
GENERAL DISTRICT ELECTION, NOVEMBER 7, 2017**

DISTRICT: Cabazon Water District **PHONE:** (951) 849-4442

ADDRESS: 14618 Broadway St., Cabazon, CA 92230 **FAX:** (951) 849-2519

MAILING ADDRESS: PO Box 297, Cabazon, CA 92230 **E-MAIL:** elemus@cabazonwater.org
clouie@cabazonwater.org

LIST NAMES OF DISTRICT DIRECTORS WHOSE TERMS EXPIRE ON DECEMBER 1, 2017.

NAME OF DIRECTOR	DIVISION NUMBER (IF APPLICABLE)
Teresa Bui	
Sarah Wargo	
Robert Lynk	

The following section applies only if a Director(s) was/were appointed to fill a vacancy in an office, which is not normally scheduled to be voted on this year (Short term).

NAME	DIVISION (if applicable)	DATE APPOINTED	DIRECTOR REPLACED

STATEMENT OF ECONOMIC INTERESTS: The Government Code now requires all candidates to file a Form 700 with the Registrar of Voters by the nomination period deadline. If the candidate has previously filed an initial, assuming office, or annual statement for the same office sought within 60 days before the nomination deadline then the candidate does not have to file the Form 700 again.

CANDIDATE'S STATEMENT: Who is to pay the cost of the printing and handling of statement?
Please check appropriate box. **CANDIDATE** **DISTRICT**

NOTICE OF ELECTION published by Registrar of Voters in The Record Gazette
(Insert name of Local Newspaper)

CANDIDATES may obtain nomination documents from the Registrar of Voters, 2724 Gateway Drive, Riverside, CA 92507, or from the District Secretary located at:

**Cabazon Water District Office: 14618 Broadway St., Cabazon, CA 92230,
Monday through Thursday 8:30am to 4:30pm**

(Insert Location Name, Address, and Business Hours)

DISTRICT MAP: Attach 34" x 42" map showing district boundaries and divisions, if applicable.

Enclosed Map Contains Boundary/Division Changes YES NO

I certify that the enclosed map of the district boundaries and divisions is true and correct as of this date, and is submitted in compliance with Section 10522 of the California Elections Code for use in the General District Election to be held on November 7, 2017, or that there have been no changes to the boundaries as of the last General District Election.

Dated: June 20, 2017 **Contact Person:** Elizabeth Lemus, District Secretary

Sign: _____
(District Secretary)



32605 Temecula Parkway, Suite 100
Temecula, CA 92592

Toll free: 800.676.7516 (P) 951.296.1997

nbsgov.com

January 18, 2017

Mr. Calvin Louie
General Manager
Cabazon Water District
14618 Broadway Street
Cabazon, CA 92230

Subject: Contract Amendment for Additional Water Rate and Fee Study Services

Dear Mr. Louie,

We appreciate the opportunity to provide Cabazon Water District ("District") with Water Rate Study Services. This letter agreement outlines the additional scope of work provided for this study based on our discussions with you, and provides the budget and contract necessary to approve these additional consulting services.

Once this amendment is approved, we will add this service to our existing agreement with the District. All other provisions of the existing contract between the District and NBS remain in effect. We look forward to continuing our professional relationship.

Please sign the two (2) copies of this Agreement. Upon signing, please return one copy to the undersigned and keep one copy for your records. (*Please mail to: NBS, 32605 Temecula Parkway, Suite 100, Temecula, CA 92592, Attn: Amanda Mitchell.*)

Scope of Services

This section describes the additional analysis requested by the District.

TASK 1. UPDATE MISCELLANEOUS FEES

Task Objectives: Update the District's miscellaneous fee schedule and recommend any changes as appropriate.

Task Deliverables: An evaluation of the miscellaneous fees the District charges its customers for services and recommendations for implementation of alternative fees.

The miscellaneous fees included in this task are those shown in the District's three-page document titled "*FEES AND CHARGES, Proposed 2010-2011 Fiscal Year Budget*" which is attached for reference. To evaluate these miscellaneous fees, the analyses are based on the general cost of service for these programs, including:

- Actual labor costs (staff hours and labor rates for inspections, preparation of reports, etc.)
- Administrative overhead costs (office staff, processing of applications, etc.)
- Actual cost of equipment and related operating costs (vehicles, other equipment, mileage charges, etc.)

Other factors include number of customers/accounts involved in each program and the levels of service required for various types of customers. Together, these factors provide the cost-basis for developing defensible fee structures. However, broader considerations are typically incorporated in determining these fees. For example, most communities review what surrounding and/or similar communities charge for similar services, with an overall principle that charges should be viewed as "reasonable" by the general public and/or courts. We will provide a comparison of these fees for five nearby agencies as part of this analysis.

TASK 2. CAPACITY FEE ANALYSIS

Task Objectives: Develop water capacity fees that appropriately recover the cost of infrastructure available to serve new development, and are consistent with applicable legal requirements and industry standards¹.

Task Deliverables: Water capacity fee schedule.

Overview of Capacity Fee Calculations – In their simplest form, capacity fees are the result of dividing the cost (or value) of the system's current capacity plus planned capital improvements by the expected number of new customers. The two most common approaches are often referred to as (1) a "buy-in" approach, whereby new users pay for their fair share of existing system assets that were originally paid for by current customers, and (2) an "incremental" or "marginal" approach that assumes capacity fees should fully cover the costs of all new (or "incremental") system facilities required to provide them sufficient capacity in the system. Depending on the remaining system capacity, a combination of these two approaches is often used. NBS will develop an appropriate methodology that complies with industry standards, and will appropriately reflect the cost of planned capital improvements and projected growth.

Develop Asset Values – The actual methodology of estimating the value of existing system assets (for example, collection, pumping, and treatment) is important to the outcome. For example, using current book values typically underestimates the "true value" of facilities, while a replacement-cost-less depreciation approach usually provides a better estimate of the true value of assets. We will use the replacement-cost-less depreciation approach to estimate the value of the District's assets and propose using the Handy-Whitman Index of Public Utility Construction Costs, which is a regionally specific index that tracks costs for water utility construction. We believe this is the most accurate inflation index available to water utilities and the District can use it going forward, so that capacity fees can keep pace with cost inflation.

Once the value of the existing and planned (that is, incremental or marginal) system assets are estimated, these values are allocated to existing and new customers. NBS will assess the equity of how these values are allocated to existing and new customers, and then divide the amount allocated to new customers by the system capacity, typically measured in equivalent dwelling units (EDU's) or equivalent meter units. This calculation determines the maximum cost the District can charge per EDU for a new connection, from which all other charges are related.

Calculate and Recommend New Capacity Fees - The total costs allocated to growth (or value of the system assets available to serve growth) are divided by the available capacity in EDU's, as determined by the system capacity available to serve growth.

NBS will consider two methods of estimating the capacity available to future customers: (1) calculate all available remaining capacity, and (2) calculate expected number of units that would be added to the system. This second approach could be less than the available remaining capacity. For example, if there are 5,000 EDU's of remaining capacity in the system, but realistic growth is only 3,000 EDU's, then the smaller number would be used to calculate the capacity fee. Based on this analysis, NBS will review the new capacity fees with City staff and recommend the alternative that best meets its needs.

¹ Connection fees developed in this study will be consistent with AB 1600 requirements.

Fee Structure

In order to complete this scope of work, additional budget will be required. The tasks outlined in our original proposal (dated October 5, 2016) will remain unchanged. The table below summarizes the budget for this additional scope of work.

Cabazon Water District Water Rate Study Proposed Budget Amendment					
Rate Study Tasks	Consultant Labor (Hours)			Grand Totals	
	Project Principal (Clumpner)	Project Manager (Boehler)	Consultant (Henry)	Consultant Labor (Hrs.)	Consultant Costs (\$)
<i>Hourly Rate</i>	<i>\$245</i>	<i>\$200</i>	<i>\$160</i>		
Task 1 – Update Miscellaneous Fee Schedule	4.0	6.0	16.0	26.0	\$ 4,740
Task 2 – Capacity Fee Analysis	2.0	8.0	28.0	38.0	\$ 6,570
Total	6.0	14.0	44.0	64.0	\$ 11,310

Additional Services

Please note that our hourly rates have increased since our original agreement was approved, and the budget above reflects these new rates. Any additional services needed beyond this amendment will be billed at these new rates, which are shown below.

Title	Hourly Rate
Director (Clumpner)	\$245
Associate Director (Boehler)	\$200
Consultant (Henry)	\$160

Please do not hesitate to contact Kim Boehler, our Project Manager, at either 951.233.7050 (cell), 800.676.7516 (office) or at kboehler@nbsgov.com if you have any questions or concerns about this additional scope of work.

Best regards,

**NBS Government Finance Group,
DBA NBS**

Cabazon Water District

Michael Rentner

Name

Title Date

Title Date

Cabazon Water District
Schedule of Fees and Charges



CABAZON WATER DISTRICT
 Proposed 2010-2011 Fiscal Year Budget
FEES AND CHARGES

METERED ACCOUNT SET-UP FEE: Twenty Dollars (\$20.00) for each metered account.

METER ACCURACY TESTING FEE: The cost for customer requested Meter Accuracy Testing shall be seventy-five dollars (\$75.00) for each water meter two-inches (2") or smaller. Larger meters tested shall be cost plus fifteen percent (15%). All customers requesting testing will also be charged a minimum one (1) hour labor charge of \$65.00 and \$25.00 shipping and handling charge. These charges will apply when the meter tested is within specifications. If the meter does not meet current specifications, there will be no charge for testing, labor or shipping and handling.

BACKFLOW TESTING CHARGE: \$50.00 Administrative fee for field inspections and tracking the annual required testing of all backflow prevention devices.

Pursuant to Ordinance No. 23, Article 9

CABAZON WATER SYSTEM DAMAGE FEES AND OTHER MISCELLANEOUS FEES

The following fees are subject to be charged for damage done to the District's water distribution system due to accidents/actions of any property owner or their representative during normal business hours 8:30AM to 4:30PM. This includes damages to meters, curb stops, District facilities or equipment and any other emergency calls determined not to be the responsibility of the District.

If the incident occurs during non-business hours or weekends and holidays, the minimum charge will be three (3) hours for both labor and equipment. A \$65.00 per incident, plus an hourly rate of \$65.00 per man during non-business hours/week nights between 4:30PM to 10:00PM and \$130.00 per hours, per man during the late week nights/weekends/holidays. Late week nights 10:01PM to 8:30AM the following day. Weekends and Holiday includes the entire 24 hours of that day.

	Normal Business Hours	After Normal Business Hours
Service Truck \$65.00 per hour	One (1) hour minimum	Three (3) hours minimum
Backhoe \$95.00 per hour	One (1) hour minimum	Three (3) hours minimum
Trash Pump \$25.00 per hour	One (1) hour minimum	Three (3) hours minimum

Special Equipment – Cost plus fifteen percent (15%); all hourly rates will be charged at its prescribed minimum as stipulated in this section, and other applicable sections of the Budget, and within any other portion of the District's Ordinances.

Meters removed or replaced:

- 5/8" to 2" \$65.00 plus parts based on one (1) hour. Over one (1) hour will be prorated.
- Over 2" and larger \$80.00 plus T&M

Pursuant to Ordinance No. 23, Article 9

PLAN CHECK, INSPECTIONS AND PROCESSING FEES

For Multi-tenant, Housing tracts, Commercial, Industrial, Manufacturing facilities [anything other than a single family dwelling] the initiation (administrative cost) of the Plan Check and Processing Fee shall be two-hundred twenty five dollars (\$225.00) per project. This fee covers only the administrative process of initiating the process for the Developer's proposed project. A Fee Based Deposit of five-thousand dollars (\$5,000.00) for potable water and five-thousand dollars (\$5,000.00) for wastewater will be collected. The Developer (Builder) will be required to adhere to the standards and procedures as predetermined in the District's Water System Requirements. A copy of the requirements and Developers (Builders) request for water service application if fifty dollars (\$50.00). Pursuant to Ordinance No. 23, Article 9

DELINQUENT ACCOUNT SERVICE CHARGE:

Pursuant to Ordinance No. 23, Article 10.1, dated August 27, 2004, accounts not paid on or before the date which they become delinquent shall be subject to a one-time penalty charge of 15% and a service charge of 1-1/2% per month on the unpaid balance.

RECONNECTION CHARGE: (For delinquent accounts that have been disconnected)

- \$ 65.00 Service reactivated during normal business hours
- \$195.00 Service reactivated during non-business hours/week nights between 4:30PM to 10:00PM
- \$390.00 Service reactivated during late week nights/weekends/holidays. Late week nights 10:01PM to 8:30AM the following day. Weekends and Holiday includes the entire 24 hours of that day

DOOR HANGER FEE: \$10.00 for each Yellow Warning Notice delivered.

Pursuant to Ordinance No. 23

PRIVATE FIRE SERVICE: The monthly cost for Private Fire Service is as follows:

4" (inch)	\$ 60.00
6" (inch)	\$ 90.00
8" (inch)	\$108.00
10" (inch)	\$120.00
12" (inch)	\$144.00

OTHER ITEMIZED CHARGES

CUSTOMER VALVE INSTALLATION FEE: \$65.00 minimum charge per hour, plus material.

Pursuant to Ordinance No. 20A-1990, Article 4, Section 4.5.1

WILL SERVICE LETTER CHARGE (Fire Flow):

- \$150.00
- \$ 30.00 Administrative fee for each additional Will Serve Letter/Fire Flow if parcels are located on the same street and within the prescribed distance of the hydrants being tested.
- \$ 35.00 Re-test fee; customer request.
- \$ 65.00 Report of Site/Parcel inspection to determine existing or potential water service

RETURNED CHECK CHARGE:

\$30.00 charge for all returned checks to the District for non-sufficient funds will be charged for each check and each occasion it is returned. At the discretion of the Customer Accounts Department (CAD), habitual NSF checks received from a customer may be placed on a one (1) year probationary period of cash/cashiers check/money order only status or, by way of memorandum from the CAD with the approval of the Administrative Assistant, a customer may be placed on permanent cash/cashiers check/money order only status.

FAX OR PHOTO COPY CHARGES: \$0.25 per sheet sent or received up to ten (10) sheets maximum.

CONSTRUCTION METER/HYDRANT METER CHARGE:

Refundable Deposit for hydrant meters	\$1,600.00
Monthly Service Charge	\$ 286.73
Account Set-Up Fee	\$ 65.00
Water Quantitative Charge	\$ 2.75 per 100 cubic feet*
Recalibration Fee	\$ 200.00

Note: one (1) cubic foot of water is equal to 7.48 gallons)

Pursuant to Ordinance No. 22

LOAD COUNT CHARGE:

Refundable Deposit for hydrant meter	\$1,500.00
Monthly Service Charge	\$ 148.35
Account Set-Up Fee	\$ 65.00

The Load Count Charge may be available if construction meters are not available or there is a short term usage (3 days or less). Other charges are as follows: (Loads are not available during non-business hours, weekends and holidays unless prior arrangements are made with the General Manager. All non-business hours, weekend or holidays charges will apply in addition to the Load Count Charge schedule).

0.10 cents per gallon, minimum 500 gallon charge on the first load

\$65.00 per hour for District employee to monitor – minimum of one (1) hour will be charge during normal business hours. (Required).

\$65.00 per hour for District employee to monitor – minimum of three (3) hours will be charge during non-business hours, weekends or holidays. (Required).

Note: Load-count cards are to be turned in to the District at the end of each day. The District will determine the location of the connection and will maintain periodic inspections of the operation. The water truck shall have proper back-flow devices or air gap and shall be inspected by the District prior to connection. The contractor/customer shall provide information to the District for formal application prior to any construction water used.

Pursuant to Ordinance No. 23, Article 9

Elizabeth Lemus

From: Calvin Louie
Sent: Monday, June 12, 2017 4:31 PM
To: jim@flaexposition.com
Cc: Elizabeth Lemus
Subject: Final notice to address the Cabazon Water Board of Directors

Dear Mr. McGarry,

Either you or your legal representative failed to appear at last month's Board meeting. The Board has decided to table the matter and has directed me to reach out to advise you or your attorney that you have an additional opportunity to appear before the Board to discuss your matter.

The next Board meeting is scheduled for Tuesday, on 06/20/2017, at 6:00 PM, located at 14618 Broadway Street, Cabazon, CA 92230.

I have also left a voice message on your cell phone today.

Thank you very much,

Calvin Louie
General Manager
Cabazon Water District

clouie@cabazonwater.org

Bus: (951) 849-4442
FAX: (951) 849-2519

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