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JOSHUA BASIN WATER DISTRICT
REGULAR MEETING OF THE CITIZENS ADVISORY COMMITTEE
TUESDAY JULY 24, 2012 7:00 PM
61750 CHOLLITA ROAD, JOSHUA TREE, CA 92252

AGENDA

- | | |
|--------|--|
| | 1. CALL TO ORDER |
| | 2. PLEDGE OF ALLEGIANCE |
| | 3. DETERMINATION OF QUORUM |
| | 4. APPROVAL OF AGENDA |
| | 5. PUBLIC COMMENT |
| Pg 1-2 | 6. CONSENT CALENDAR
Approve Minutes of the May 29, 2012 Meeting of the CAC |
| Pg 3-7 | 7. BAD DEBT/OWNER RESPONSIBILITY |
| Pg 8-9 | 8. APPLICATION AND GUIDELINES FOR NEW CAC MEMBERS |
| | 9. VOLUNTEER EMERGENCY CHECKLIST |
| Pg 10 | 10. DISTRICT "BRANDING"
Kathleen Radnich, Public Outreach Consultant, to report. |
| | 11. GENERAL MANAGER REPORT |
| | 12. CONFIRM DATE FOR NEXT CITIZENS ADVISORY COMMITTEE MEETING
The next regular meeting is scheduled for Tuesday September 25 th , 2012 at 7:00 pm. |
| | 13. COMMITTEE COMMENTS/REPORTS |
| | 14. ADJOURNMENT |

INFORMATION

During either "Public Comment" Item, please use the podium microphone. State your name and have your information prepared and be ready to provide your comments to the Committee. The District is interested and appreciates your comments. A 3-minute time limit may be imposed. Thank you.

Any person with a disability who requires accommodation in order to participate in this meeting should telephone Joshua Basin Water District at (760) 366-8438, at least 48 hours prior to the meeting to make a request for a disability-related accommodation.

Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the District's office located at 61750 Chollita Road, Joshua Tree, California 92252 during normal business hours.

JOSHUA BASIN WATER DISTRICT
Minutes of the
REGULAR MEETING
OF THE CITIZENS ADVISORY COMMITTEE
May 29, 2012

1. CALL TO ORDER 7:05 PM

2. PLEDGE OF ALLEGIANCE

3. DETERMINATION OF QUORUM:

Barbara Delph	Present
Victoria Fuller	Present
Jay St. Gaudens	Present
Bob Johnson	Absent
Penny Mason	Present
Karen Tracy	Present

STAFF PRESENT: Joe Guzzetta, General Manager
Susan Greer, Assistant General Manager/Controller
Anne Roman, Accountant

4. APPROVAL OF AGENDA

MSC Delph/Tracy 5/0 to approve the agenda for the May 29, 2012 Regular Meeting of the Citizens Advisory Committee.

5. PUBLIC COMMENT

None.

6. CONSENT CALENDAR

MSC Fuller/Delph 5/0 to approve the minutes of the March 27, 2012 meeting of the CAC; to approve the minutes of the April 10, 2012 Special meeting of the CAC; to approve the minutes of the May 15, 2012 Special Meeting of the CAC; and to approve the minutes of the May 16, 2012 joint meeting of the CAC and Board of Directors.

7. 12/13 – 13/14 BUDGET PRESENTATION

After considerable review and the discussion the CAC recommended adoption of the budget with the following comments:

- The entry for “Standby Income Prior” should be deleted from the budget since it is just an accounting entry and to balance to cash statements.
- The employee and volunteer appreciation event should be budgeted for both years rather than just one year.
- The CAC supports the signage improvements proposed for the Demonstration Garden and would support installing a canvass-type canopy since the District is not able to afford the more expensive shade structure originally designed by the landscape architect.

- The CAC supports the reduction of staff proposed to streamline operations.
- The CAC supports the reduced cost of the secondary water source for the Hi Desert Medical Center complex and the proposed funding for attendance of legal counsel at the Board meetings.

8. DISTRICT “BRANDING”

This item was continued.

9. GENERAL MANAGER REPORT

None.

10. CONFIRM DATE FOR NEXT CITIZENS ADVISORY COMMITTEE MEETING

The Committee confirmed the next regular meeting date of Tuesday July 24th at 7:00 pm.

11. COMMITTEE COMMENTS/REPORTS

District Board President Mike Reynolds, who attended the meeting, thanked the Committee for their efforts.

12. ADJOURNMENT 8:28 PM

MSC Fuller/Tracy 5/0 to adjourn the May 29, 2012 Regular meeting of the Citizens Advisory Committee.

Respectfully submitted;

Joe Guzzetta, General Manager

JOSHUA BASIN WATER DISTRICT
SUPPLEMENTAL DATA SHEET

Regular Meeting of the CAC

July 24, 2012

To: Chairman and CAC
From: Susan Greer

TOPIC: Solutions for Bad Debt of Rental Properties

RECOMMENDATION: Discussion only

ANALYSIS: The CAC has been discussing this issue for many months and the last time it was discussed Staff was directed to survey other agencies about their practices and results. We requested information from 15 different water agencies and received complete information from six agencies and partial information from another six agencies and no response at all from three agencies. We emailed twice, followed up with a phone call and I tried to go in through the back door via an association I belong to as well.

A detailed spreadsheet showing the results from each agency is attached. A second spreadsheet showing the information from only the agencies that provided their bad debt detail is also attached. Recap of the six agencies with bad debt detail is below.

Owner – start service?	Tenant – start service?	Lien properties?	Bad Debt %
Yes - 6	Yes - 4 No - 2	Yes – 4 No - 2	0% - 1.76% Average = .46%

JBWD results are below.

Owner – start service?	Tenant – start service?	Lien properties?	Bad Debt %
Yes	Yes	Yes, as of last year	.96%

Generally, most agencies allow both owners and tenants to open water accounts, although there may be some additional

requirements associated. Most agencies lien for unpaid owner bills. Percentage of actual bad debt varies, from 0% – 1.76%.

Several of the agencies that allow tenants to start service require an owner/tenant agreement – this makes the owner legally responsible for an unpaid tenant bill. JBWD required this in the past but it's an administrative challenge, requiring more effort and manual follow-up and not well-received by owners or tenants, for that matter.

One of the very large agencies that allows tenants to start service requires that the accounts be maintained in owner names if there have been 3 or more uncollected balances from tenants at the address. This is similar to a previous proposal discussed by the CAC.

One of the four agencies that does not lien properties reports that they may file small claims action on an owner.

Another agency that does not lien properties reports that the entire unpaid balance must be paid before service is reinstated, even if there is a new owner.

Two of the agencies reported 100% collection on water bills. Even if an agency liens properties, it is highly unlikely that they *never* have a property that gets sold before a bad debt gets placed on the property. If a property sells and there is a new owner before the lien gets placed on the property, the lien cannot be completed. While their write-off amounts may be negligible or minor compared to water revenue, I think it is technically impossible for them never to have any bad debt.

The agency with the lowest bad debt percentage (besides the questionable 100% collection reported by 2 agencies) is Desert Water Agency and they do not allow tenants to open water accounts. This allows them to put all unpaid bills as liens on the tax rolls.

We understand that one practice identified by a few agencies is illegal according to the District's legal counsel. Owners can only be made responsible for unpaid water bills for accounts that are in their names or if an owner/tenant agreement is in place. They can't be made to pay and a lien cannot be placed on their property under such circumstances.

Comparison of Bad Debt and Related Issues in Other Water Agencies

All Responses

Agency Name	Who can start service		Unpaid owners bills do they lien properties	As 6/30/11 year end water revenues	Bad Debt
	owner	tenant			
<u>Joshua Basin Water District</u>	X	X	Yes as of last year	\$ 2,690,424	\$ 25,745 0.96%
<u>Hi-Desert Water District</u>	X	X	Yes as of last year	\$ 5,500,000	\$ 97,000 1.76%
<u>Bighorn</u>	X	X owner/tenant agreement	Yes	\$ 1,052,661	not provided 11/12 budget: 43,000 = 4.08%
<u>Twentynine Palms Water District</u>	X	X	No	\$ 230,000 a month	not provided
<u>Mission Springs Water District</u> Desert Hot Springs	X	X owner/tenant agreement	Yes	\$ 6,200,000	\$ - report 100% collection
<u>Desert Water Agency</u> Palm Springs	X	owner can designate tenant to receive bill, but owner responsible	Yes	\$ 17,000,000.00	\$ 27,700.00 0.16%
<u>Eastern Municipal Water District</u> Moreno Valley, Hemet, Sun City	X	X either, if prior account in good standing If 3 or more tenants left uncollectable balance, account must remain in owner's name.	Yes	\$102,479,984	\$ 610,536 0.60%

Agency Name	Who can start service		Unpaid owners bills do they lien properties	As 6/30/11 year end water revenues	Bad Debt
	owner	tenant			
<u>Riverside Public Utilities</u> Riverside	X	X	No may file small claims on owner	\$ 5,062,208.08	\$ 11,644.57 0.23%
<u>Pinyon Pines County Water District</u> Mountain Center	X		No, but entire unpaid balance must be paid before service is reinstated, even if new owner	revenues not provided	\$ - report 100% collection
<u>Victorville Water District</u> Victorville	X	X	No, but is a goal	not provided	not provided
<u>Idyllwild Water District</u> Idyllwild	X	X	Yes owner is responsible if tenant does not pay	not provided	not provided
<u>Jurupa Community Services District</u> Jurupa Valley, Eastvale	X	X	Yes Owner - lien Tenant - collection	not provided	not provided
<u>West Valley Water District</u> Rialto, Colton, Fontana	X	X	lien unpaid bills \$50.00 and up less go collections	not provided	not provided
<u>REQUESTED, NO INFORMATION RECEIVED</u>					
Beaumont - Cherry Valley Water District					
Coachella Valley Water District					
Cabazon County Water District					

Comparison of Bad Debt and Related Issues in Other Water Agencies

Bad Debt Detail Only

Agency Name	Who can start service		Unpaid owners bills do they lien properties	As 6/30/11 year end water revenues	Bad Debt
	owner	tenant			
<u>Joshua Basin Water District</u>	X	X	Yes as of last year	\$ 2,690,424	\$ 25,745 0.96%
<u>Hi-Desert Water District</u>	X	X	Yes as of last year	\$ 5,500,000	\$ 97,000 1.76%
<u>Mission Springs Water District</u> Desert Hot Springs	X	X owner/tenant agreement	Yes	\$ 6,200,000	\$ - report 100% collection
<u>Desert Water Agency</u> Palm Springs	X	(owner can designate tenant to receive bill, but owner resp.	Yes	\$ 17,000,000.00	\$ 27,700.00 0.16%
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<u>Riverside Public utilities</u> Riverside	X	X	No may file small claims on owner	\$ 5,062,208.08	\$ 11,644.57 0.23%
<u>Pinyon Pines County Water District</u> Mountain Center	X		No, but entire unpaid balance must be paid before service is reinstated, even if new owner.		\$ - report 100% collection



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CITIZEN'S ADVISORY COMMITTEE Application for Membership

Name: _____

Residence Address: _____

Mailing Address (if different): _____

Phone (home): _____ Phone (cell): _____

Email address: _____

How did you hear about the Citizen's Advisory Committee (CAC)? _____

Please check all that apply:

- I am a registered voter in the Joshua Basin Water District (Required)
- I own a home in Joshua Tree I own a business in Joshua Tree
- I own property in Joshua Tree I am a customer of JBWD
- I live in Joshua Tree part-time I live in Joshua Tree full-time
- Other interest in JBWD and/or community of Joshua Tree (describe below):

How do you think you could contribute as a member of the CAC? _____

HAVE YOU EVER BEEN CONVICTED OF A CRIME (INCLUDING A PLEA OF GUILTY OR NO CONTEST) WHICH RESULTED IN A CRIMINAL CONVICTION (THAT HAS NOT BEEN JUDICIALLY ORDERED SEALED OR EXPUNGED)? (EXCLUDE MISDEMEANOR CONVICTIONS FOR MARIJUANA-RELATED OFFENSES MORE THAN TWO YEARS OLD; NOTWITHSTANDING ANY OF THE PRECEDING, YOU SHOULD NOT DISCLOSE CONVICTIONS THAT ARE OVER TWO YEARS OLD AS OF THE DATE THAT YOU COMPLETE THIS APPLICATION FOR VIOLATION OF HEALTH AND SAFETY CODE SECTIONS 11357, 11360, 11364, 11365 OR 11550, AS THOSE STATUTES RELATED TO MARIJUANA PRIOR TO JANUARY 1, 1976 OR A STATUTORY PREDECESSOR TO THOSE STATUTES.)

YES NO

IF YES, BRIEFLY DESCRIBE THE NATURE OF THE CRIME(S), THE DATE AND THE PLACE OF CONVICTION(S). THE CASE NUMBER, AND THE LEGAL DISPOSITION OF THE CASE(S):

THE BOARD WILL NOT DENY APPOINTMENT TO ANY APPLICANT SOLELY BECAUSE THE PERSON HAS BEEN CONVICTED OF A CRIME. THE BOARD, HOWEVER, MAY CONSIDER THE NATURE, DATE AND CIRCUMSTANCES OF THE OFFENSE AS WELL AS WHETHER THE OFFENSE IS RELEVANT TO THE DUTIES OF THE POSITION.

Please attach your resume, letter of interest, or biography to this application. Return completed application and any attachments to Executive Secretary Marie Salsberry at the District office.



Citizens Advisory Committee Application Process and Guidelines for Membership

Purpose: The purpose of the Joshua Basin Water District Citizens Advisory Committee is to review important issues such as policy development and to make recommendations to the Board of Directors. Ideally, the Committee will represent a cross section of the community of Joshua Tree in order to present the varied interests of the community.

Committee: The Committee is made up of 6 to 12 members who are registered voters and residents, account holders or property owners in the District. Membership may be appointed based on other interests, for example involvement with a Joshua Tree based organization. Members should demonstrate an interest in water-related issues.

Ethics: This is a standing committee of the Joshua Basin Water District. As such, its members are expected to perform their duties ethically and responsibly. Ethics training will be required, and will be provided by the District, for Committee members. Transparency and open meeting laws such as The Brown Act and Public Records Act apply to committee members and to committee meetings.

Membership: Prospective members are asked to complete an application form and submit the completed form and a resume, letter of interest, or biography to the District's Executive Secretary. The application will be considered by the Board of Directors at a public meeting. Appointments to the Committee are made by a majority vote of the Board of Directors.

Membership on the Citizens Advisory Committee is strictly voluntary; members do not receive financial compensation.

Meetings: Regular meetings of the Citizens Advisory Committee are scheduled bi-monthly, the fourth Tuesday at 7:00 pm and are held at the District office. Special meetings are sometimes held on other dates.

The Committee will consider and discuss subjects referred by the Board or staff before making recommendations. The Committee may request additional information from staff to clarify subject matter. Recommendations are presented to the Board.

A chairperson will be elected by majority vote of the membership at the last regular Committee meeting of each calendar year. The chairperson is responsible for conducting meetings, and following each CAC meeting will provide a report to the Board at a meeting of the Board of Directors. Reports to the Board on general Committee activities may be verbal; however, recommendations to the Board should be presented in writing.

Attendance: a quorum (or majority) of members must be present for a meeting to take place. Therefore, members are encouraged to attend meetings whenever possible. Members are requested to advise the Executive Secretary whether or not they will attend each meeting in order to assure that a quorum will be present. Low attendance may result in removal from the Committee. A member may request to be temporarily removed from the Committee roster if circumstances prevent him or her from participating for a period of up to six months. Requests for temporary leave of absence should be made to the Executive Secretary.

Discontinuing Membership: Members who no longer wish to serve on the Committee should present written notice to the Executive Secretary.

THOUGHTS FOR JBWD “BRANDING”

JBWD...

Trust in Every Drop

Trust in Every Natural Drop

Protecting our natural goodness

Protecting the natural goodness

Guardian of every drop

Guardian of our natural resource

Great stewards—great water

Good stewards—good water

Valuing our most valuable resource

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