



PO Box 675 • 61750 Chollita Road • Joshua Tree CA 92252
 Phone (760) 366-8438 • Fax (760) 366-9528 • www.jbwd.com
 An Equal Opportunity Provider

JOSHUA BASIN WATER DISTRICT
 REGULAR MEETING OF THE BOARD OF DIRECTORS
 WEDNESDAY JUNE 6, 2012 7:00 PM
 61750 CHOLLITA ROAD, JOSHUA TREE CALIFORNIA 92252

AGENDA

- | | |
|----------|---|
| Pg 1-3 | 1. CALL TO ORDER |
| Pg 4-5 | 2. PLEDGE OF ALLEGIANCE |
| Pg 6-58 | 3. DETERMINATION OF QUORUM |
| Pg 59 | 4. APPROVAL OF AGENDA |
| Pg 60 | 5. PUBLIC COMMENT: At this time, any member of the public may address the Board on matters within the Board's jurisdiction that are <u>not</u> listed on the agenda. Please use the podium microphone. The Board may not discuss at length or take action on items not on the agenda.
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 Board. The District is interested and appreciates your comments. A 3-minute time limit may be imposed. Thank you. |
| Pg 61-78 | 6. CONSENT CALENDAR: Items on the Consent Calendar are considered routine in nature and will be adopted in total by one action of the Board of Directors unless any Board Member or any individual or organization interested in one or more consent calendar items wishes to be heard. |
| Pg 79-84 | <ul style="list-style-type: none"> A. <u>Approve Minutes of May 16, 2012 Regular Board Meeting/Special CAC Meeting</u> B. <u>Approve Minutes of May 16, 2012 Special Board Meeting</u> C. <u>Cancel July 4th Regular Board Meeting and Schedule June 13th Special Board Meeting</u> D. <u>Specifications for chain link and tortoise fence for recharge project currently out to bid: information only</u> |
| Pg 59 | 7. FISCAL YEAR 2013 AND 2014 BUDGET RECOMMENDATIONS FROM CITIZENS ADVISORY COMMITTEE |
| Pg 60 | 8. FISCAL YEAR 2013 AND 2014 BUDGET RECOMMENDATIONS FROM AD HOC BUDGET COMMITTEE |
| Pg 61-78 | 9. FISCAL YEAR 2013 AND 2014 BUDGET
Recommend that the Board adopt the 2-year budget, or continue this item to a future meeting. |
| Pg 79-84 | 10. AWARD CONTRACT FOR DISTRICT AUDIT SERVICES
Recommend that the Board determine auditor selection and award contract. |
| | 11. APPOINTMENTS TO CITIZENS ADVISORY COMMITTEE
Recommend that the Board review applications and take action to appoint new members to the CAC if desired. |

12. COMMITTEE REPORTS
 - A. PUBLIC INFORMATION COMMITTEE: Vice President Luckman and Director Long: Kathleen Radnich, Public Outreach Consultant to report
 - B. AD HOC GENERAL MANAGER CONTRACT NEGOTIATION COMMITTEE: President Reynolds and Director Long:
 - C. AD HOC STRATEGIC PLAN COMMITTEE: Director Coate and Director Long
 - D. AD HOC UTILITY SERVICES CONTRACT COMMITTEE: Director Coate and Director Long
 - E. AD HOC RECHARGE COMMITTEE: Director Long and Director Coate
 - F. CITIZENS ADVISORY COMMITTEE: Jay St. Gaudens, Chair
13. PUBLIC COMMENT

At this time, any member of the public may address the Board on matters within the Board's jurisdiction that are not listed on the agenda. Please use the podium microphone. The Board may not discuss at length or take action on items not on the agenda.
14. GENERAL MANAGER REPORT
15. DISTRICT GENERAL COUNSEL REPORT
16. FUTURE AGENDA ITEMS
17. DIRECTORS COMMENTS/REPORTS
18. CLOSED SESSION
 - A. At this time the Board will go into closed session pursuant to Government Code Section 54957.6 in order for the Board to consult with and instruct the Board's Ad Hoc Negotiation Committee (Mike Reynolds and Bill Long), which is acting as the Board's designated representative and is charged with the responsibility of negotiating a new Employment Agreement with the District's General Manager.
 - B. At this time, the Board will go into Closed Session pursuant to Government Code Section 54957 in order to consult with the District's General Manager and General Counsel concerning the release of an employee due to the elimination of a position attributable to a Reduction in Force/Reorganization.
19. ADJOURNMENT

INFORMATION

The public is invited to comment on any item on the agenda during discussion of that item.

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 in order to make a request for a disability-related modification or 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.

This meeting is scheduled to be broadcast on Time Warner Cable Channel 10 on June 13 at 7:00 pm and June 20 at 7:00 pm. DVD recordings of Joshua Basin Water District Board meetings are available at the District office and at the Joshua Tree Library.

JOSHUA BASIN WATER DISTRICT
Minutes of the
REGULAR MEETING OF THE BOARD OF DIRECTORS
AND SPECIAL MEETING OF THE CITIZENS ADVISORY COMMITTEE
May 16, 2012

1. CALL TO ORDER: 7:48 PM

2. PLEDGE OF ALLEGIANCE

3. DETERMINATION OF QUORUM:

Frank Coate	Present
Bill Long	Present
Mickey Luckman	Present
Mike Reynolds	Present
Gary Wilson	Present

STAFF PRESENT:

Joe Guzzetta, General Manager
Susan Greer, Assistant General Manager/Controller
Keith Faul, GIS Coordinator
Anne Roman, Accountant
Marie Salsberry, Executive Secretary

CONSULTANTS PRESENT:

Gil Granito, District Counsel
Kathleen Radnich, Public Outreach Consultant

GUESTS 10

4. APPROVAL OF AGENDA

MSC Long/Luckman 5/0 to approve the agenda for the regular meeting of May 16, 2012.

5. PUBLIC COMMENT

Barbara Delph of Joshua Tree commented in favor of the recharge project, and suggested that the USGS study be posted on the District's website.

6. CONSENT CALENDAR

MSC Luckman/Long 5/0 to approve the Minutes of the May 2, 2012 Regular Board meeting; to approve the financial report for April 2012 and to approve the check audit report for April 2012.

7. 12/13 – 13/14 BUDGET PRESENTATION

JBWD Citizens Advisory Committee chair Jay St. Gaudens called the special meeting of the Citizens Advisory Committee to order at 7:51 pm. The following committee members were in attendance: Jay St. Gaudens, Penny Mason, Karen Tracy, and Barbara Delph.

General Manager Joe Guzzetta reported that this is the initial presentation of the proposed draft budget and there will be several more opportunities to review and make updates prior to the expected date of adoption. The draft program budget and supplemental budget were reviewed, and variances to the current budget were noted.

President Reynolds appointed an Ad Hoc Budget Committee consisting of himself and Director Coate.

8. CITIZENS ADVISORY COMMITTEE (CAC) REPORT ON CAC APPOINTMENT AND MEMBERSHIP GUIDELINES

CAC chair Jay St. Gaudens reported that the Committee met on May 15th and reviewed the proposed guidelines for CAC membership; the following recommendations were made: include the CAC in the District's Administration Code; Committee members should be required to be registered voters in the Joshua Basin Water District; candidates for membership should demonstrate an interest in water-related issues; members should have ethics training; a cover letter or bio should be accepted in lieu of a resume with the application form; the CAC application form should request the following information, if legal: applicants must be adults 18 years of age or older and disclose any felony convictions.

9. AD HOC CAC COMMITTEE REPORT ON CAC APPOINTMENT AND MEMBERSHIP GUIDELINES

Vice President Luckman commented that she felt CAC members should be stakeholders but should not necessarily be required to be registered voters in the District. Director Coate stated that anyone is welcome to attend CAC meetings and Board meetings, where there is an opportunity to comment on items under consideration, however he feels that CAC members should be registered voters in the District.

MSC Coate/Long 3/2 to accept the recommendations of the Citizens Advisory Committee to have the members be registered voters in the District and to accept the other recommendations of the Citizens Advisory Committee for guidelines for membership on the CAC.

Coate	Aye
Long	Aye
Luckman	No
Reynolds	No
Wilson	Aye

10. COMMITTEE REPORTS

A. PUBLIC INFORMATION COMMITTEE: Vice President Luckman and Director Long; Kathleen Radnich, Public Outreach Consultant reported that Mike Stevens of Mojave Water Agency is retiring this month; the Chaparral Artists visited the demonstration garden in April. The Public Information Committee will meet on May 23rd.

B. AD HOC GENERAL MANAGER CONTRACT NEGOTIATION COMMITTEE: President Reynolds and Director Long; No report.

C. AD HOC STRATEGIC PLAN COMMITTEE: Director Coate and Director Long; Director Long reported that the committee will meet with the general manager this Friday.

D. AD HOC UTILITY SERVICES CONTRACT COMMITTEE: Director Coate and Director Long; No report.

11. PUBLIC COMMENT

Barbara Delph of Joshua Tree commented in favor of having legal counsel attend each Board meeting. Al Marquez of Joshua Tree commented opposing having legal counsel at Board meetings. Alexis Sonnenberg of Joshua Tree asked about water being discharged; GM Guzzetta explained the water is due to flushing a well that was recently renovated.

12. GENERAL MANAGER REPORT

GM Guzzetta reported that Mojave Water Agency is assisting District staff to determine the

population of the District and the number should be verified by the next Board meeting. The general manager is working with ESA environmental consultants and intends to retain the company to do an initial survey to determine whether artifacts exist which may focus the need for monitors for the recharge project. The general manager requested that an ad hoc committee be formed for recharge; President Reynolds appointed Director Long and Director Coate to the Ad Hoc Groundwater Recharge Committee.

13. DISTRICT GENERAL COUNSEL REPORT

Mr. Granito reported on Senate Bill 1011 which, if passed, would allow a fee to be charged for personnel time and a deposit to be collected prior to production of documents in response to public document requests.

14. FUTURE AGENDA ITEMS

Vice President Luckman requested discussion of a sexual harassment prevention training requirement for directors.

15. DIRECTORS COMMENTS/REPORTS

Vice President Luckman reported attending the Association of California Water Agencies conference where she heard a seminar on talking to the public about water rights. President Reynolds attended the Association of California Water Agencies conference and noted that the average American knows the exact cost of the cable bill but does not know the amount of the water bill. He also learned of current regulatory changes that impact water storage design and nitrates in groundwater.

The Special Meeting of the Citizens Advisory Committee was adjourned at 9:06.
MSC Tracy/Mason 4/0 to adjourn the May 16, 2012 Special meeting of the Citizens Advisory Committee.

16. CLOSED SESSION

The Board went to closed session at 9:06 pm; the meeting resumed in open session at 9:35 pm. Mr. Granito stated that no reportable action took place during the closed session.

17. ADJOURNMENT

The meeting was adjourned at 9:37 pm.
Respectfully submitted:

Joe Guzzetta, General Manager

The next regular meeting of the Board of Directors is scheduled for June 6, 2012 at 7:00 pm.

JOSHUA BASIN WATER DISTRICT
Minutes of the
SPECIAL MEETING OF THE BOARD OF DIRECTORS
May 16, 2012

1. CALL TO ORDER: 7:00 PM

2. PLEDGE OF ALLEGIANCE

3. DETERMINATION OF QUORUM:

Frank Coate	Present
Bill Long	Present
Mickey Luckman	Present
Mike Reynolds	Present
Gary Wilson	Present

STAFF PRESENT:

Joe Guzzetta, General Manager
Susan Greer, Assistant General Manager/Controller
Keith Faul, GIS Coordinator
Anne Roman, Accountant
Marie Salsberry, Executive Secretary

CONSULTANTS PRESENT:

Gil Granito, District Counsel
Kathleen Radnich, Public Outreach Consultant

GUESTS 10

4. APPROVAL OF AGENDA

MSC Long/Luckman 5/0 to approve the agenda for the special meeting of May 16, 2012.

5. RECHARGE PROJECT BASIN SITE FENCING

General Manager Guzzetta reported two bids were received and one protest was received. The protest was not valid. Extended discussion followed regarding the two bids, including request by the Board to see the project specifications. Vice President Reynolds suggested that the Board review project specifications before they go out to bid.

MSC Long/Coate 5/0 to reject all bids received for the Recharge Basin Security and Tortoise Fence and re-advertise for bids.

6. RESOLUTION 12-888 FOR PROPOSITION 84 GRANT

GM Guzzetta reported that the District has been awarded an additional 3.2 million grant; this gives the

District the ability to go to bid for construction of the Recharge Basin and Pipeline Project.

Steven Whitman of Joshua Tree commented opposing 10% contingency budgeted for projects.

Al Marquez of Joshua Tree commented opposing the recharge project.

Jay St Gaudens of Joshua Tree commented in favor of the recharge project.

MSC Coate/Long 4/1 to approve staff recommendation to adopt Resolution 12-888 authorizing signature of a funding agreement and related documents for funding under the safe drinking water, water quality and supply, flood control, river and coastal protection bond act of 2006 (Proposition 84); and to authorize the GM to commit the use of \$400,000 from the District opportunity reserves if needed to complete the project

Coate Aye

Long	Aye
Luckman	Aye
Reynolds	Aye
Wilson	No

7. ADJOURNMENT 7:48 PM

MSC Long/Luckman 5/0 to adjourn the May 16 2012 Special Meeting of the Board of Directors.

Respectfully submitted:

Joe Guzzetta, General Manager

The next regular meeting of the Board of Directors is scheduled for June 6, 2012 at 7:00 pm.

DRAFT

RECHARGE BASIN SECURITY AND TORTOISE FENCE

TABLE OF CONTENTS

	<u>PAGE</u>
NOTICE INVITING SEALED PROPOSALS (BIDS)	NIB 1
 BID DOCUMENTS	
Instructions to Bidders	BD 1
Proposals.....	BD 1
Agreement and Bonds	BD 2
Withdrawal of Bids.....	BD 2
Insurance and Hold Harmless Requirements	BD 2
Licenses and Permits	BD 4
Substitution of Securities.....	BD 4
Subcontractors	BD 5
Non Debarred Contractors and Subcontractors	BD 5
Proposal.....	BD 6
Bid.....	BD 8
Addendum.....	BD 9
Bid Certification.....	BD 10
Bid Bond	BD 11
Statement by Bidder - Non-Collusion Affidavit	BD 12
Statement by Bidder - Officers of Corporation	BD 13
Statement by Bidder - Subcontractors List.....	BD 14
Statement by Bidder - Qualification and Experience Statement.....	BD 15
Statement by Bidder - General Information	BD 16
 CONTRACT DOCUMENTS	
Agreement.....	CD 1
Worker's Compensation Insurance Certification.....	CD 4
Performance Bond	CD 5
Labor and Material Bond.....	CD 6
Escrow Agreement for Security Deposit in Lieu of Retention	CD 7

GENERAL CONDITIONS
(Standard Specifications for Public Works Construction, 2006 Edition)

Section 1	Terms, Definitions, Abbreviations, and Symbols.....	GC 1
Section 2	Scope and Control of Work	GC 1
Section 3	Changes in Work	GC 2
Section 4	Control of Materials.....	GC 3
Section 5	Utilities	GC 4
Section 6	Prosecution, Progress and Acceptance of the Work	GC 4
Section 7	Responsibilities of the Contractor	GC 4
Section 8	Facilities for District Personnel	GC 12
Section 9	Measurement and Payment.....	GC 12
Section 10	Assignment of Unfair Business Practices Claims.....	GC 14
Section 11	Hazardous Materials	GC 14

SPECIAL CONDITIONS

Section 1	Scope of Work.....	SC 1
Section 2	Work Site.....	SC 1
Section 3	Contract Drawings.....	SC 2
Section 4	Time of Completion.....	SC 2
Section 5	Working Days and Working Hours	SC 2
Section 6	Construction Staking	SC 3
Section 7	Specifications and Drawings	SC 3
Section 8	Utilities	SC 3
Section 9	Scheduling and Order of Work.....	SC 4
Section 10	Preconstruction, Progress Meetings & Daily Reports	SC 4
Section 11	Safety	SC 5
Section 12	Examination of Plans, Specifications and Site of Work.....	SC 5
Section 13	Permits, Certificates, Laws, and Ordinances	SC 5
Section 14	Compliance with Contract Drawings.....	SC 6
Section 15	Preservation of Paved Surfaces, Environmental Factors, Restoration of Work Sites, and Disposal of Spill and Waste Material	SC 6
Section 16	Subsurface Conditions	SC 7

NOTICE INVITING SEALED PROPOSALS (BIDS)

RECEIPT AND OPENING OF BIDS

- A. Sealed Proposals (Bids) will be received only at Joshua Basin Water District (District), 61750 Chollita Road, Joshua Tree, California, 92252, Telephone (760) 366-8438 until 3:00 PM on June 7th, 2012, for the construction of the Work entitled:

Recharge Basin Security and Tortoise Fence

DESCRIPTION OF WORK: Installation of a 6'-0" chain link security fence, including 3 strand barb wire and integral tortoise exclusion fence at the Joshua Basin Water District's future groundwater recharge facility site. Constructed project includes all utility location and verification (verifying location and depth of utility facilities within project limits); all site work including: protecting in place all existing utilities, trees, and public and private improvements; excavation for and construction of concrete footings; installation of fence and appurtenances; and restoring all areas and improvements to pre-construction conditions.

SITE OF WORK: District owned future recharge facility site located at the easterly end of Verbena Road, between Sunburst Street and Border Avenue, in Joshua Tree, CA.

- B. Bids will be publicly opened and read aloud at the place and time stated above. Bidders are invited to be present.

SECURING BID DOCUMENTS. Bidders may examine the Contract Documents, defined below, at the Joshua Basin Water District at 61750 Chollita Road, Joshua Tree, California 92252 or at Dudek., 40-004 Cook Street, Palm Desert, California 92211. Copies of said Plans, Specifications and Contract Documents are available for purchase on CD at the addresses above. No time extensions or other consideration will be given for non-receipt of bidding documents by any prospective bidder.

CONTRACT DOCUMENTS. Contract Documents include the following:

- The approved Drawings and Specifications issued by the District;

INFORMATIONAL DOCUMENTS. None

CONTRACT TIME. The Contract Time is hereby established as 15 working days. The Contract Time shall be tracked in accordance with Section 6-7 of the Standard Specifications.

LIQUIDATED DAMAGES. The fixed liquidated damages amount is hereby established as \$500 for each calendar day of unauthorized delay in completion of the Work.

BIDS. Bidders must comply with and agree to all instructions and requirements in this Notice and in the Instructions to Bidders, including post-bidding procedures.

- A. All Bids must be submitted on the prescribed Bid Form.
- B. Requests for interpretation of the Contract Documents shall be submitted to the District not later than the 7th day preceding the date set for the receipt of Bids.
- C. The successful Bidder shall execute the Contract Agreement within ten (10) days (not including Sundays and holidays) after the date of the Notice of Award.
- D. The successful Bidder shall furnish insurance in accordance with the Contract Documents within ten (10) days of execution of the Contract Agreement.

Joshua Basin Water District
RECHARGE BASIN SECURITY AND TORTOISE FENCE
NIB-1

- E. The District may withhold issuance of the Notice to Proceed for a period not to exceed 90 calendar days after the date the Contract Agreement is executed.
- F. The Contractor shall start the Work within 10 calendar days after the date of the Notice to Proceed.
- G. SECURITY SUBSTITUTIONS FOR MONEYS WITHHELD TO INSURE CONTRACTOR'S PERFORMANCE. In accordance with Section 22300 of the State of California Public Contract Code, the Contractor at his request and expense, will be permitted to substitute equivalent securities for any monies withheld to insure performance. Refer to applicable portions of the Escrow Agreement (SC 7) for Security Deposits in Lieu of Performance Retention included with the Contract Documents. Earnings will not be retained.
- H. Contractor shall possess a valid Class "A" or "C-13" Contractor's License at the time of bid submission and award of the Contract.
- I. It is the Contractor's responsibility to determine the general prevailing rate of per diem wages in the locality in which this work is to be performed for each craft or type of worker needed to execute the contract. These rates are on file at the following website: www.dir.ca.gov/DLSR/PWD.
- J. Joshua Basin Water District reserves the right to reject any and all bids and waive any informalities or irregularities.
- K. Pre-bid Conference. A specific pre-bid conference will NOT be held for this project. Prospective bidders are invited to present any relevant questions in writing via US Mail, facsimile or email to Dudek at the addresses and telephone numbers listed below. Questions must arrive at least three (3) days prior to the bid opening to allow time for distributing answers and/or clarifications to plan holders.

Dudek: 605 Third Street Encinitas, CA 92024
Contact: Mike Metts /Charles Greely
Facsimile: 760 346-6118 Email: mmetts@dudek.com, cgreely@dudek.com

BID DOCUMENTS

INSTRUCTIONS TO BIDDERS

For

Recharge Basin Security and Tortoise Fence

Bids to receive consideration shall be made in accordance with the following instructions:

1. PROPOSALS:

- a. Bids shall be made upon the form of proposal included in these specifications. All Bids shall be properly executed with all items filled in; the signatures of all persons signing shall be in longhand. If the unit price and the total amount named by a Bidder for any item are not in agreement, the unit price shall be considered as representing the Bidder's intention, and the totals will be corrected by the Engineer to conform thereto.
- b. Proposals may be rejected if they show any alterations of form, additions not called for, conditional or alternative bids, incomplete Bids, erasures, or irregularities of any kind. Mistakes shall be lined through and the correct amount written above and initialed by the authorized agent of the Bidder.
- c. Bids shall be accompanied by a cashier's or a certified check or Bidder's admitted corporate surety bond, in an amount not less than ten percent (10%) of the bid, made payable to the Joshua Basin Water District. Said check or bond shall be given as a guarantee that the Bidder will enter into a contract if awarded the work, and in case of refusal or failure to enter into said Contract, within fourteen (14) days after Notice of Award by the District in writing, the security shall be applied by the District to the difference between such bid and next lowest acceptable bid and the surplus, if any, shall be returned to Bidder if cash or check is used, or to Surety if bid bond is used.
- d. Before submitting a bid, Bidders shall carefully examine the Plans; read the Specifications; read all other Contract documents; shall visit the site of the work; shall fully inform themselves as to all existing conditions and limitations; and include in the bid a sum to cover the cost of all items included in the Contract. No allowance will be made due to lack of examination or knowledge.
- e. Pursuant to Labor Code section 1770 et seq., the successful bidder shall pay not less than the prevailing rate of per diem wage for each craft, classification, or type of worker needed to execute the contract. These rates are on file at the following website: www.dir.ca.gov/DLSR/PWD. The Contractor is encouraged to download these rates, and a copy of these rates shall be posted at the job site.
- f. The Bid Proposal Form and supporting documents, pages BD-6 through BD-17, must be submitted on or before the date and time specified in the Notice Inviting Sealed

Proposals (Bids). The bid shall be submitted in a sealed envelope marked in the lower left corner as follows:

**BID FOR:
Recharge Basin Security and Tortoise Fence**

- g. Bids will be opened and publicly read aloud at the time set in the Notice Inviting Sealed Proposals (Bids), in the Office of the Joshua Basin Water District, 61750 Chollita Road, Joshua Tree, CA 92252.
- h. It is understood and agreed that the Joshua Basin Water District has the right to waive defects or irregularities and to accept or reject any or all Bids.

2. AGREEMENT AND BONDS:

The form of Contract which the successful Bidder, as Contractor, will be required to execute is included in the Contract documents and should be carefully examined by the Bidder. The Agreement, admitted Corporate Surety Bonds and other documents to be executed by the Contractor shall be executed in original-duplicates stamped according to law, one of which original-duplicates shall be filed with the Joshua Basin Water District. The successful Bidder, simultaneously with the execution of the Agreement, will be required to furnish a faithful performance bond and a labor and material bond, in an amount equal to one hundred percent (100%) of the Contract price. Said bonds shall provide that if the Contractor or their Subcontractor fails to pay for any materials, provision, provender or other supplies or items used in, upon, for or about the performance of the work contracted to be done, or for any work of labor thereon of any kind, or for amounts due under the Unemployment Insurance Act or Workman's Compensation, with respect to such work or labor, that the surety or sureties will pay for the same. The amount shall not exceed the sum specified in the bond, and also, in case suit is brought upon the bond, a reasonable attorney's fee to be fixed by the court. All bonds shall be secured from surety companies satisfactory to the Joshua Basin Water District and whose name is on file with the County Clerk of San Bernardino County, as an approved and financially sound surety company authorized to transact business in this state.

3. WITHDRAWAL OF BIDS:

- a. Any Bidder may withdraw his Bid, only by written request, at any time prior to the scheduled time for Bid Opening.
- b. No Bidder may withdraw his Bid for a period of sixty (60) days after the time of Bid Opening.

4. INSURANCE AND HOLD HARMLESS REQUIREMENTS:

Before entering into a Contract, the Bidder to whom the Contract has been awarded shall furnish satisfactory evidence that they have secured full Worker's Compensation Insurance and Comprehensive General Public Liability Insurance from a responsible insurance company authorized to do business in California and satisfactory to the District, and such insurance shall be maintained in full force and effect at the Contractor's own expense during the life of

the Contract. Contractor shall furnish the District with the customary Certificates of Insurance for both Workman's Compensation and Comprehensive General Liability Insurance in accordance with the requirements listed below. General Liability Insurance shall name the District, its Engineer and Consultants, as an additional insured and shall be primary and non-contributing to any insurance or self-insurance maintained by the District. The final list of additional insured shall be supplied by the District to the successful bidder. All liability insurance policies shall bear an endorsement or shall have attached a rider whereby it is provided that, in the event of expiration or proposed cancellation of such policies for any reason whatsoever, the District shall be notified by registered mail, return receipt requested, giving sufficient time before the date thereof to comply with any applicable law or statute, but in no event less than thirty (30) days before expiration or cancellation is effective.

The coverage shall provide the following minimum limits and language as follows:

- A. Worker's Compensation and Employer's Liability Contractor shall have worker's compensation and employer's liability insurance in force throughout the duration of the contract in an amount which meets the statutory requirement with an insurance carrier acceptable to the District. The insurance policy shall include a provision prohibiting cancellation of said policy except upon thirty (30) days prior written notice to District. Certificates of Insurance shall be delivered to District within ten (10) days of execution of the agreement.
- B. Contractor expressly waives all rights to subrogation against the District, its officers, employees and volunteers for losses arising from work performed by Contractor for District by expressly waiving Contractor's immunity for injuries to Contractor's employees and agrees that the obligation to indemnify, defend and hold harmless provided for in this Agreement extend to any claim brought by or on behalf of any employee of Contractor. This waiver is mutually negotiated by the parties. This shall not apply to any damage resulting from the sole negligence of District, its agents and employees. To the extent any of the damages referenced herein were caused by or resulted from the concurrent negligence of District, its agents or employees, the obligations provided herein to indemnify, defend and hold harmless are valid and enforceable only to the extent of the negligence of contractor, its officers, agents and employees.
- C. Comprehensive General Liability Insurance. Contractor shall secure and maintain in force throughout the duration of the contract comprehensive general Liability insurance covering all work under this Agreement, including work done by subcontractors, with carriers acceptable to the District. Minimum coverages of one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) aggregate for public liability, property damage, death and bodily injury is required. The District, its Engineer and Consultants shall be named as an additional insured and the insurance policy shall include a provision prohibiting cancellation of said policy except upon thirty (30) days prior written notice to the District.

- D. Subcontractors. The prime contractor shall include all subcontractors as insured's under its policies or shall furnish separate certificates and endorsements from each subcontractor.

The Contractor shall not assign or sublet the contract, in whole or in part, without the written consent of the District, nor shall the contractor assign any monies due to, or to become due to, Contractor hereunder without prior written consent of the District.

The Contractor shall be fully responsible to the District for the acts and omissions of the subcontractor and persons either directly or indirectly employed by the Contractor. Consent to subcontracting part of the work shall, in no way, release the Contractor from responsibility for performance of the work, and Contractor will be held, in all respects, accountable for the same as if no consent had been given. The Contractor shall give personal attention to this work which is sublet. Nothing contained in the contract documents shall create any contractual relation between any subcontractor and the District.

- E. Business Auto Liability Insurance. Contractor shall carry business auto liability coverage, with minimum limits of one million dollars (\$1,000,000) per occurrence, combined single limit for bodily injury liability and property damage liability. This coverage shall include all Contractor owned vehicles used on the Agreement, hired and non-owned vehicles, and employee non-ownership vehicles.
- F. Hold Harmless and Indemnification. Contractor shall indemnify, hold harmless and defend District and its elected officials, agents and employees, its Engineer and the Consultants from and against any and all claims, losses or liability, including attorney's fees, arising from injury or death to persons or damage to property occasioned by any act, omission or failure to act of Contractor, its subcontractors, and any officers, agents and employees in performing the work required by this Agreement. Contractor's obligations under this provision shall not be limited in any way by any terms of this Agreement, or the insurance limits.

5. **LICENSES AND PERMITS:**

No bid will be accepted from a Contractor who is not licensed in accordance with the law under the provisions of Division III, Chapter 9 of the Business and Professions Code of the State of California.

The Contractor shall, at the time of bid opening, possess a valid "Class A" or "C-13" Contractor's license, and provide its California State Contractor's License number to the District.

The Contractor shall, prior to Notice to Proceed, procure all other permits and licenses as stipulated in the GENERAL CONDITIONS.

6. SUBSTITUTION OF SECURITIES:

In accordance with applicable provisions of State law, the Contractor will be permitted to substitute qualified securities in lieu of retention of withheld progress payments by the District.

7. SUBCONTRACTORS:

Pursuant to Section 4110 and 4111 of the California Public Contract Code, the bidder may not circumvent the requirement to list subcontractors by the device of listing one subcontractor, who in turn sublets portions constituting a majority of the work covered by the contract.”

- A. Pursuant to California Government Code section 4106, subcontractors licensed in accordance with Chapter 9 of Division 3 of the Business and Professions Code (The Contractors’ State License Law) who will perform work or labor or render services in an amount in excess of one-half of one percent of the Contractor’s total bid shall be set forth in a list of subcontractors within the bid documents. Such list shall be accompanied by an experience statement with pertinent information regarding similar projects and other evidence of qualifications for each such subcontractor, supplier, individual, or entity if requested by District. If District, after doing an investigation, has reasonable objection to any proposed subcontractor, supplier, individual, or entity, District may, before the notice of award is given, request the apparent successful bidder to submit a substitute, without an increase in the bid.
- B. If the apparent successful bidder declines to make any such substitution, District may award the contract to the next lowest bidder that proposes to use acceptable subcontractors, suppliers, individuals, or entities. Declining to make the request of substitutions will not constitute grounds for forfeiture of the bid security of any bidder. Any subcontractor, supplier, individual or entity so listed and against which District makes no written objection prior to the giving of the notice of award will be deemed successful by District subject to verification of such assessments after the effective date of the agreement as provided herein.

8. NON DEBARRED CONTRACTORS AND SUBCONTRACTORS

The Contractor and all of its subcontractors shall, at the time of bid opening and for performance of this public works contract, be non-debarred contractors and not be ineligible Contractors pursuant to Public Contract Code section 6109 and Labor Code sections 1777.1 and 1777.7.

BID PROPOSAL FORM

Joshua Basin Water District
61750 Chollita Road
Joshua Tree, California 92252

Gentlemen:

The undersigned hereby proposes to perform all Work for which a Contract may be awarded him/her and to furnish any and all plant, labor, services, material, tools, equipment, supplies, transportation, utilities, water and all other items and facilities necessary therefore as provided in the Contract Documents, and to do everything required therein for the Work as set forth in the documents entitled:

Recharge Basin Security and Tortoise Fence

Together with appurtenances thereto, all as set forth on the Drawings and in the Specifications and other Contract Documents; and he/she further proposes and agrees that, if this Bid is accepted, he/she will contract in the form and manner stipulated to perform all the Work called for by Drawings, Specifications, and other Contract Documents, and to complete all such Work in strict conformity therewith within the time limits set forth therein, and that he/she will accept as full payment therefore the prices set forth in the Bid Sheet(s) forming a part hereof.

It is understood and agreed that:

1. The undersigned has carefully examined all the Contract Documents which will form a part of the Contract; and all additions, deletions, modifications, appendices, and all addenda as prepared prior to the date of bid opening setting forth any modifications or interpretations of any of said documents.
2. The undersigned has by investigation of the site of the Work and otherwise satisfied himself/herself as to the nature and location of the Work and has fully informed himself/herself as to all conditions and matters which can in any way affect the Work or the cost thereof;
3. The undersigned fully understands the scope of the Work and has checked carefully all words and figures inserted in this Bid and he/she further understands that the District will in no way be responsible for any errors or omissions in the preparation of this Bid;
4. The undersigned will execute the Contract Agreement and furnish the required proof of insurance coverage within ten (10) days (not including Sundays and holidays) after Notice of Award to him/her of acceptance of his/her Bid by the District.
5. The undersigned Bidder further agrees that if he/she shall fail to complete the Work within the Contract Time and any authorized extension thereof, he/she shall pay liquidated damages to the District for each calendar day of unauthorized delay in completion of the Work, until

Joshua Basin Water District
RECHARGE BASIN SECURITY AND TORTOISE FENCE

BD 6

the Work is completed, unless another amount is agreed to and stated in the Contract Agreement.

6. The undersigned hereby certifies that this proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.
7. In conformance with current statutory requirements of Section 1860, et seq., of the Labor Code of the State of California, the undersigned confirms the following as his/her certification: I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workmen's compensation or to undertake self insurance in accordance with the provisions before commencing the performance of the Work of this Contract:
8. In compliance with the provisions of Sections 4100-4114 of the Public Contract Code of the State of California, and any amendments thereof, the undersigned Bidder has set forth below the name and the location of the place of business of each Subcontractor who will perform work or labor or render service to the Contractor in or about the construction of the Work to be performed under the Contract Documents in which this Bid is responsive, and where the portion of the Work which will be done by each Subcontractor for each subcontract is in excess of one-half of one percent (0.5%) of the Total Base Bid. The undersigned Bidder understands that if he/she fails to specify a Subcontractor for any portion of the Work or specifies more than one subcontractor for any portion of the work, he/she shall be deemed to have agreed to perform such portion himself/herself and that he/she shall not be permitted to sublet or subcontract that portion of the Work except in cases of public emergency or necessity, and then only after a finding is reduced to writing as a public record of the District setting forth the facts constituting the emergency or necessity. It is further understood and agreed that the aggregate total of all subcontracts shall not exceed forty-five percent (45%) of the total contract price in accordance with the provisions of Instructions to Bidders and or General Conditions.
9. The undersigned hereby states that he/she * _____ previously performed work subject to the provisions of the President's Executive Order No. 11246 relative to nondiscrimination in employment.

* The Bidder shall insert "has" or "has not", as applicable in the above statement.
10. Receipt is hereby acknowledged of addenda number(s) _____ through _____.

11. The undersigned is licensed in accordance with the Laws of the State of California: License Number _____ Class _____.
12. If the bidder is a partnership, corporation, or joint venture, the undersigned certifies that s/he is entitled to execute and submit this bid proposal on behalf of bidder.

NOW: In compliance with all the provisions herein before stipulated, the undersigned, with full cognizance thereof, hereby proposes to perform the entire Work for the prices set forth in the attached Schedule(s) upon which Award of Contract is made.

Individual Name: _____

Contractor Address: _____

Partnership Name: _____

Business Address: _____

By: _____, Partner

Other Partners: _____

Corporation Name: _____

Business Address: _____

By: _____

_____, President

_____, Secretary

Organized under the laws of the State of _____

Date: _____ Contractor: _____

(Place
Seal
Here)

By:

RECHARGE BASIN SECURITY AND TORTOISE FENCE BID

This is a lump sum bid. Contractor hereby proposes to furnish all labor, material, equipment and incidentals required to complete the work herein, all in accordance with the contract plans and specifications for the Recharge Basin Security and Tortoise Fence. The successful bidder will be required to submit for approval a detailed schedule of values following award of the contract.

Recharge Basin Security and Tortoise Fence (Lump Sum) _____

Total Bid \$ _____

Total Bid (in words) _____

ADDENDA

Receipt of the following addenda is hereby acknowledged and the same is included in the Bid Price:

Addendum #1 _____ Addendum #2 _____ Addendum #3 _____
(initials) (initials) (initials)

Addendum #4 _____ Addendum #5 _____ Addendum #6 _____
(initials) (initials) (initials)

ATTEST: (if Corporation)

(Corporation Seal)

Company Name

Signature

Address

Name

City, State, Zip

Title

BID CERTIFICATION

The undersigned certifies that they are familiar with the various State and local laws affecting labor, length of working days, employer's liabilities, Sunday work, alien labor, domestic materials, Subcontractors, etc.

It is understood and agreed that the work under the contract will be commenced by the undersigned Bidder, if awarded the contract, within ten (10) calendar days from the date in the Notice to Proceed and will be completed by the Contractor in the time set forth in the **AGREEMENT**.

Enclosed find Bidders bond or certified or cashier's check No. _____ on the _____ Bank, in the amount of _____ which is not less than ten percent (10%) of the Bid submitted by the undersigned, made payable to the Joshua Basin Water District and which is given as a guarantee that the Bidder agrees that in case of their default in executing said contract with necessary bonds, the bond or check accompanying this Bid and the money made payable shall become and remain the property of the Joshua Basin Water District.

It is understood and agreed that the Joshua Basin Water District has the right to waive defects or irregularities and to accept or reject any or all Bids. No Bidder may withdraw their Bid for a period of sixty (60) days after the time of the Bid Opening.

The following information, required by State law under penalty of perjury, is true and correct. **Failure to complete this information renders the bid non-responsive, and the bid will be rejected.**

_____ Company Name	_____ Signature
_____ Address	_____ Signatory's Title
_____ City, State, Zip	_____ State License Number and Class
_____ Telephone Number	_____ License Expiration Date
Dated this _____ day of _____, 20_____.	

BID BOND

KNOW ALL PERSONS BY THESE PRESENTS,

That _____ as Principal, and _____ as Surety, are held and firmly bound unto the Joshua Basin Water District, hereinafter called District, in the sum of _____ dollars, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, said Principal has submitted a bid to said District to perform all work required under the District’s Recharge Basin Security and Tortoise Fence.

NOW, THEREFORE, if said Principal is awarded a contract by said District and, within the time and in the manner required under the heading "Instructions to Bidders" bound with said Specifications, enters into a written contract on the form of agreement bound with said Specifications and furnishes the required bonds, one to guarantee faithful performance and the other to guarantee payment for labor and materials; then this obligations shall be null and void, otherwise it shall remain in full force and effect. In the event suit is brought upon this bond by said District and Judgment is recovered, said Surety shall pay all costs incurred by said District in such suit, including a reasonable attorney's fee to be fixed by the court.

SIGNED AND SEALED, this _____ day of _____, 20____.

(Principal) (SEAL)

(Surety) (SEAL)

By: _____
(Signature)

By: _____
(Signature)

Address: _____

Telephone (____) _____

(Seal and Notarial Acknowledgment of Surety)

STATEMENT BY BIDDER

NON-COLLUSION AFFIDAVIT

STATE OF)
) ss
COUNTY OF)

_____, being first duly sworn, deposes and says that

he is _____
(Sole Owner, a Partner, President, Secretary, etc.)

of _____
(Contractor)

the party making the foregoing bid on Recharge Basin Security and Tortoise Fence that such bid is not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the Bidder has not directly or indirectly induced or solicited any other Bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any Bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the Bidder or of any other Bidder or to fix any overhead, profit, or cost element of the bid price or of that of another bidder, or to secure any advantage against the public body awarding the Contract of anyone interested in the proposed contract; that all statements contained in such bid are true; and further, that the Bidder has not directly or indirectly, submitted his bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company, association organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

By: _____ Title: _____

Subscribed and sworn to before me this _____ day of _____, 20____.

Signature of Officer Administering Oath
(Notary Public)

STATEMENT BY BIDDER

OFFICERS OF CORPORATION (Members of Firm)

The names of all persons interested in the foregoing proposals as principals, are as follows:

Licensed in accordance with an act providing for the Registration of Contractors, License

No. _____.

Signature of Bidder _____ Dated _____

NOTE: If Bidder is a corporation, the legal name of the corporation shall be set forth above, together with the signature of the officer(s) authorized to sign contracts on behalf of the corporation; if Bidder is a co-partnership, the true name of the firm shall be set forth above, together with the signature of the partner or partners authorized to sign contracts in behalf of the co-partnership, and if the Bidder is an individual, that signature shall be placed above.

**STATEMENT BY BIDDER
SUB-CONTRACTORS LIST**

Bidder supplies the following information for any Subcontractor who will perform work or labor or render services to the prime contractor, etc. to be used on the Recharge Basin Security and Tortoise Fence, all in accordance with Section 4104 of the California Public Contract Code.

Name	Address	License No.	List Item # or Work under which Sub will Perform
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**STATEMENT BY BIDDER
QUALIFICATION AND EXPERIENCE STATEMENT**

The following outline is a record of the undersigned Bidder's experience in construction of three (3) projects of a type similar in magnitude and character to that contemplated under the Recharge Basin Security and Tortoise Fence project within the past two years. Include the location of each project as well as the name, address, and phone number of the owner, and name of individual to contact.

Subcontractors performing in excess of one half of one percent of the prime Contractor's total bid, or in the construction of streets or highways, one half of one percent of the prime contractor's total bid or ten thousand dollars (\$10,000), which ever is greater shall provide a similar outline. Additional pages outlining this portion of the Bid may be attached. Failure to provide this statement may result in rejection of the bid by the Joshua Basin Water District.

1. Owner's Name: _____
Contact Person: _____ Phone: () _____
Address of Owner: _____
Project Description: _____

Amount of Contract: _____ Completion Date: _____
2. Owner's Name: _____
Contact Person: _____ Phone: () _____
Address of Owner: _____
Project Description: _____

Amount of Contract: _____ Completion Date: _____
3. Owner's Name: _____
Contact Person: _____ Phone: () _____
Address of Owner: _____
Project Description: _____

**STATEMENT BY BIDDER
GENERAL INFORMATION**

1. Bidder's Mailing Address _____

2. Number of years engaged in the contracting business under your present firm or trade name:

3. Have you ever failed to complete any work awarded to you? (Yes or No) _____. If yes, provide details in the space provided in Item 10.

4. Have you ever defaulted on a contract? (Yes or No) _____. If yes, provide details in the space provided in Item 10.

5. Have you ever been a party to a lawsuit or gone to arbitration during the last 5 years? (Yes or No) _____. If yes, provide details in the space provided in Item 10.

6. Has any Stop Notice been filed against you during the last 5 years? (Yes or No) _____. If yes, provide details in the space provided in Item 10.

7. Has your contractor's license ever been suspended, revoked, or subject to disciplinary action? (Yes or No) _____. If yes, provide details in the space provided in Item 10.

8. Contracts currently on hand:

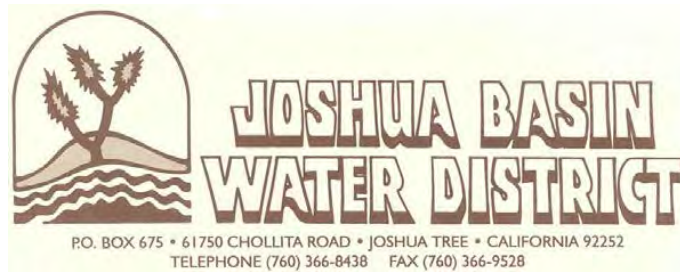
Agency Name	Amount of Contract	Start Date	Completion Date
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

9. Enter the name of person(s) who inspected the site of the proposed work for your firm and the date of said site inspection.

Name: _____ Date: _____

10. In the space provided, the Bidder shall provide details concerning any "Yes" answers provided in this "General Information" section. Details shall include, but not be limited to, the nature of dispute, name of the agency involved and the final outcome. If requested by the District, the Bidder shall supply additional information, sufficiently detailed, to permit evaluation of the Bidder's ability to perform the work.

CONTRACT DOCUMENTS



AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____, 20____, by and between the Joshua Basin Water District, organized and existing under the laws of the State of California, hereinafter referred to as the "District", and _____ of the City of _____ County of _____, State of California, hereinafter referred to as the "Contractor".

WITNESSETH: That the District and the Contractor, for the consideration hereinafter named, agree as follows:

1. **SCOPE OF WORK:** The Contractor will furnish all materials and will perform all of the work for the following:

Construction of the Recharge Basin Security and Tortoise Fence, all as required by the Contract Documents and Specifications.

2. **THE CONTRACT SUM:** \$_____ in accordance with the terms and conditions set forth in the Contract Documents.

A. Pursuant to Section 22300 of the California Public Contract Code, Contractor has the option to deposit securities with an Escrow Agent as a substitute for retention of earnings requirement to be withheld by District pursuant to an Escrow Agreement as set forth in the Public Contract Code, Section 22300.

3. **TIME FOR COMPLETION:** The work under this Contract is to be completed within fifteen (15) working days from and after the date of the Notice to Proceed.

4. **LIQUIDATED DAMAGES:** Failure of the Contractor to complete the work within the time allowed will result in damages being sustained by the District. Such damages are, and will continue to be, impracticable and extremely difficult to determine. The Contractor shall pay to the District, or have withheld from monies due it, the sum of **\$500** for each consecutive calendar day in excess of the specified time for completion of the work.

Execution of the Contract shall constitute agreement by the District and Contractor that **\$500** per day is the minimum and actual damage caused by the failure of the Contractor to complete the work within the allowed time. Such sum is liquidated damages and shall not be construed as a penalty, and may be deducted from payments due the Contractor if such delay occurs.

5. **INSURANCE:** Contractor shall furnish satisfactory evidence that they have secured full Worker's Compensation Insurance and Comprehensive General Public Liability Insurance from a responsible insurance company authorized to do business in California and satisfactory to the District, and such insurance shall be maintained in full force and effect at the Contractor's own expense during the life of the Contract. Contractor shall furnish the District with the customary Certificates of Insurance for both Workman's Compensation and Comprehensive General Liability Insurance, including listing additional insured, in accordance with the requirements listed in the Instructions to Bidders.

6. **CONTRACT DOCUMENTS:** The complete contract documents under this Agreement include all of the contract documents set forth herein, to wit; Notice Inviting Bids, Instructions to Bidders, Bid Proposal Form, Bid Certification, Bid Bond, Agreement, Performance Bond, Labor and Material Bond, Plans, General Conditions, Special Conditions, Technical Specifications, District Standard Drawings, and any addenda thereto.
7. **ATTORNEYS' FEES:** In the event any legal action is commenced to enforce or interpret the terms or conditions of the contract documents, the prevailing party in such action, in addition to any costs and other relief, shall be entitled to recover its reasonable attorneys' fees.
8. **RESOLUTION OF CONSTRUCTION CLAIMS:** Claims by the Contractor in the amount of \$375,000 or less shall be made by Contractor and processed by the District pursuant to the provisions of Part 3, Chapter 1, Article 1.5 of the Public Contract Code (commencing with Section 20104). All claims shall be in writing and include the documents necessary to substantiate the claim. Nothing in subdivision (a) of Public Contract Code Section 20104.2 shall extend the time limit or supersede the notice requirements provided in this case from filing claims by Contractor.
9. **ELIGIBILITY OF CONTRACTOR/SUBCONTRACTOR:** Contractor and any subcontractors agree to abide by California Public Contract Code Section 6109, and California Labor Code Sections 1777.1 and/or 1777.7, and certify that they are not debarred and are eligible to work on this project.
10. **ASSIGNMENT OF AGREEMENT:** No assignment by a party hereto of any rights or interests under this agreement will be binding on another party without the written consent of the party sought to be bound.
11. **SUCCESSORS AND ASSIGNS:** District and Contractor each binds itself, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.
12. **SEVERABILITY:** Any provision or part of the contract documents held to be void or unenforceable under any law or regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon District and Contractor.
13. **HOLD HARMLESS AND INDEMNIFICATION:** Contractor shall indemnify, hold harmless and defend District and its elected officials, agents and employees and its Consultants from and against any and all claims, losses or liability, including attorney's fees, arising from injury or death to persons or damage to property occasioned by any act, omission or failure to act of Contractor, its subcontractors, and any officers, agents and employees in performing the work required by this Agreement. Contractor's obligations under this provision shall not be limited in any way by any terms of this Agreement, or the insurance limits.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first written above.

(SEAL)

Joshua Basin Water District
(Owner)

By: _____
President, Board of Directors
Joshua Basin Water District,
County of San Bernardino, California

ATTEST:

Secretary, Joshua Basin Water District
County of San Bernardino, California

(SEAL)

By: _____
Signature of Authorized Agent

Title

Signature of Authorized Agent (if necessary)

Title

Contractor's License No.

WORKER'S COMPENSATION INSURANCE CERTIFICATION

Description of Contract: Joshua Basin Water District
RECHARGE BASIN SECURITY AND TORTOISE FENCE

Labor Code, Section 3700, provides, in part that:

"Every employer except the State, shall secure the payment of compensation in one or more of the following ways:

- (a) By being insured against liability to pay compensation in one or more insurer duly authorized to write compensation insurance in this State.
- (b) By securing from the Director of Industrial Relations a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract. (Labor Code section 1861)

Dated this _____ day of _____, 20____.

(Contractor)

(Signature)

(Official Title)

(SEAL)

(Labor Code Section 1861 provides that the above certificate must be signed and filed by the Contractor with the District prior to performing the work of the contract.)

PERFORMANCE BOND

Whereas, the Board of Directors of the Joshua Basin Water District, State of California, and _____ (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement, dated _____, 20____, and identified as **Construction of RECHARGE BASIN SECURITY AND TORTOISE FENCE** is hereby referred to and made a part hereof; and

Whereas, said Principal is required under the terms of said agreement to furnish a bond for the performance of said project.

Now, therefore, said Principal and _____, as surety, are held firmly bound unto the Joshua Basin Water District (hereinafter call "District"), in the penal sum of _____ Dollars (\$ _____) lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bounded Principal, his or hers heirs, executors, administrator, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, or his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall defend, indemnify and save harmless the District, its elected officials, officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees incurred by the District in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

In witness whereof, this instrument has been duly executed by the Principal and surety above named, on _____ 20_____.

(SEAL) (SEAL)

(Contractor)

(Surety)

(Signature)

BY: _____
(Signature)

Address: _____

(Seal and Notarial Acknowledgment of Surety)

Telephone () _____

LABOR AND MATERIAL BOND

Whereas, the Board of Directors of the Joshua Basin Water District, State of California, and _____ (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement, dated _____ 20_____, and identified as **RECHARGE BASIN SECURITY AND TORTOISE FENCE**. is hereby referred to and made a part hereof; and

Whereas, under the terms of said agreement, Principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the Joshua Basin Water District to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

Now, therefore, said Principal and the undersigned as corporate surety, are held firmly bound unto the Joshua Basin Water District and all contractors, subcontractors, laborers, material men and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Code of Civil Procedure in the sum of _____ Dollars (\$) _____) for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the Joshua Basin Water District in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall insure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying the same shall in any manner affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition.

In witness whereof, this instrument has been duly executed by the Principal and surety above named, on _____ 20 _____.

(SEAL) (SEAL)

(Contractor) _____
(Surety)

(Signature) BY: _____
(Signature)

Address: _____

Telephone () _____

(Seal and Notarial Acknowledgment of Surety)

ESCROW AGREEMENT FOR SECURITY DEPOSIT IN LIEU OF RETENTION

This Escrow Agreement is made and entered into by and between _____
whose address is _____
hereinafter called "Owner," and _____
whose address is _____
hereinafter called "Contractor," and _____
whose address is _____
hereinafter called "Escrow Agent."

For the consideration hereinafter set forth, the Owner, Contractor, and Escrow Agent agree as follows:

- (1) Pursuant to Section 22300 of the Public Contract Code of the State of California, Contractor has the option to deposit securities with an Escrow Agent as a substitute for retention earnings required to be withheld by Owner pursuant to the Construction Contract entered into between the Owner and Contractor for the **RECHARGE BASIN SECURITY AND TORTOISE FENCE** dated _____ (hereinafter referred to as the "Contract"). Alternatively, on written request of the Contractor, the Owner shall make payments of the retention earnings directly to the Escrow Agent. When Contractor deposits the securities as a substitute for Contract earnings, the Escrow Agent shall notify the Owner within ten (10) days of the deposit. The market value of the securities at the time of the substitution shall be at least equal to the cash amount then required to be withheld as retention under the terms of the Contract between the Owner and Contractor. Securities shall be held in the name of _____, and shall designate the Contractor as the beneficial Owner.
- (2) The Owner shall make progress payments to the Contractor for such funds which otherwise would be withheld from progress payments pursuant to the Contract provisions, provided that the Escrow Agent holds securities in the form and amount specified above.
- (3) When the Owner makes payment of retention earned directly to the Escrow Agent, the Escrow Agent shall hold them for the benefit of the Contractor until such time as the escrow created under this Contract is terminated. The Contractor may direct the investment of the payments into securities. All terms and conditions of this agreement and the rights and responsibilities of the parties shall be equally applicable and binding when the Owner pays the Escrow Agent directly.
- (4) Contractor shall be responsible for paying all fees for the expenses incurred by Escrow Agent in administering the Escrow Account and all expenses of the Owner. These expenses and payment terms shall be determined by the Owner, Contractor and Escrow Agent.
- (5) The interest earned on the securities or the money market accounts held in escrow and all interest earned on that interest shall be for the sole account of Contractor and shall be subject to withdrawal by the Contractor at any time and from time to time without notice to the Owner.
- (6) Contractor shall have the right to withdraw all or any part of the principal in the Escrow Account only by written notice to Escrow Agent accompanied by written authorization from the Owner to the Escrow Agent that Owner consents to the withdrawal of the amount sought to be withdrawn by Contractor.
- (7) The Owner shall have a right to draw upon the securities in the event of default by the Contractor. Upon seven (7) days written notice to the Escrow Agent from the Owner of the default, the Escrow Agent shall immediately convert the securities to cash and shall distribute the cash as instructed by the Owner.

(8) Upon receipt of written notification from the Owner certifying that the Contract is final and complete, and that the Contractor has complied with all requirements and procedures applicable to the Contract, Escrow Agent shall release to Contractor all securities and interest on deposit less escrow fees and charges of the Escrow Account. The escrow shall be closed immediately upon disbursement of all moneys and securities on deposit and payments of fees and charges.

(9) Escrow Agent shall rely on the written notifications from the Owner and the Contractor pursuant to Sections (5) to (8), inclusive, of this agreement and the Owner and Contractor shall hold Escrow Agent harmless from Escrow Agent's release and disbursement of the securities and interest as set forth above.

(10) The names of the persons who are authorized to give written notice or to receive written notice on behalf of the Owner and on behalf of Contractor in connection with the foregoing, and exemplars of their respective signatures are as follows:

On behalf of Owner:

On behalf of Contractor:

Title

Title

Name

Name

Signature

Signature

Address

Address

On behalf of Escrow Agent:

Title

Name

Signature

Address

GENERAL CONDITIONS

GENERAL CONDITIONS

Part 1, General Provisions of the Standard Specifications for Public Works Constructions, 2006 Edition, together with supplements as published by Building News, Inc., 3055 Overland Avenue, Los Angeles, CA 90034 and as modified herein are the General Conditions of these specifications.

The modifications set forth below are made to the General Provisions of the Standard Specifications. For convenience, the section and subsection numbering system used in these modifications correspond to those used in the Standard Specifications. Unless specifically deleted or modified herein, all requirements of the Standard Specifications shall prevail.

SECTION 1 - TERMS, DEFINITIONS, ABBREVIATIONS AND SYMBOLS

Section 1 is amended as follows:

1-2 DEFINITIONS

Accepted Bid - The Bid or Proposal accepted by the Joshua Basin Water District (District).

Agency, Owner or District - The Joshua Basin Water District, San Bernardino County, California.

Consultant(s) – The Design Engineer, District Construction Manager and other professionals retained by the District

Design Engineer – Dudek.

Engineer/District Representative –District Construction Manager, acting within the scope of the particular duties entrusted to them.

Laboratory - The designated Laboratory authorized by the District to test materials and work involved in the Contract.

Special Provisions - Provisions designated as such which deal with the technical aspects of the work rather than with the administrative aspects.

SECTION 2 SCOPE AND CONTROL OF THE WORK

Section 2 is amended as follows:

2-4 CONTRACT BONDS. The warranty provisions set forth in Section 7-18 shall be secured by the Contract Performance Bond required under this section and said Bond shall remain in full force and effect for a period of one year from the date of completion as specified in the Notice of Completion.

2-5.1 General. Should it appear that the work to be done or any matter thereto is not sufficiently detailed or explained by the plans and specification, the Contractor shall apply to the Engineer for such further explanation as may be necessary and shall conform to such explanation

or interpretation as part of the Contract so far as may be consistent with the intent of the original plans and specifications.

2-5.2 Precedence of Contract Documents.

The precedence shall be (A. being highest, K. being lowest):

- A. Permits from other Agencies as may be required by law.
- B. Change Orders.
- C. Addenda.
- D. Agreement.
- E. Referenced District Standard Specifications and Standard Drawings.
- F. Technical Specifications.
- G. Special Conditions.
- H. Construction Drawings.
- I. General Conditions.
- J. Standard Specifications for Public Works Construction (SSPWC), 2006 Edition.
- K. Reference Specifications.

SECTION 3 - CHANGES IN WORK

Section 3 is amended as follows:

3-3.2.2 Basis for Establishing Costs.

- (c) **Tool and Equipment Rental.** Regardless of ownership, the rates to be used in determining equipment rental costs shall not exceed rates prevailing locally at equipment rental agencies, or distributors, at the time the work is performed. If required by the Engineer, the Contractor shall provide equipment rental rates from two local rental agencies showing the rental rates for the equipment used. If the rates are different, the lower of the two rates will be used to establish cost. If local equipment rental rates are not available for the equipment put on the job, the Engineer, at his discretion, may use (1) rental rates for equipment similar in type, rating and capacity to those used on the job; (2) rental rates available from other localities; or (3) equipment rental rates listed in the Caltrans Labor Surcharge & Equipment Rental Rates (LS&ERR), latest edition. In such case, the LS&ERR shall apply to equipment rental rates only and shall not, in any way, apply to the cost of labor. No labor surcharge will be allowed.

3-3.2.3 Markup.

- (a) **Work by Contractor.** The following percentages shall be added to the Contractor's costs and shall constitute the markup for all overhead and profits:
 - 1) Labor 15
 - 2) Materials 10
 - 3) Equipment Rental 10

4) Other items and expenditures 10

To the sum of the costs and markups provided for in this subsection, 1 percent shall be added as compensation for bonding.

- (b) **Work by Subcontractor.** When all or any part of the extra work is performed by a Subcontractor, the markup established in 3-3.2.3(a) shall be applied to the Subcontractor's actual cost of such work. A markup of 10 percent on the first \$5,000 of the subcontracted portion of the extra work and a markup of 5 percent on work added in excess of \$5,000 of the subcontracted portion of the extra work may be added by the Contractor.

SECTION 4 - CONTROL OF MATERIALS

Section 4 is amended as follows:

4-1.1 General Should any work performed or material furnished under the Contract prove defective or not in accordance with the Plans and Specifications and in the opinion of the Engineer such defect is not of sufficient magnitude or importance to make the work dangerous or unusable, or if the removal of such work is impracticable or will create dangerous or undesirable conditions, the Engineer at his discretion shall have the right and authority to retain such work instead of requiring it to be removed and reconstructed, but he shall make such deductions therefore in the payment due the Contractor as may be just and reasonable.

4-1.9 Warranty of Title. No materials, supplies or equipment for the work under this Contract shall be purchased subject to any chattel mortgage or under a conditional sale contract or other agreement by which an interest therein or any part thereof is retained by the seller or supplier. The Contractor warrants clear and good title to all materials supplied and equipment installed and incorporated in the work and agrees, upon completion of all work, to deliver the premises, together with all improvements and appurtenances constructed or placed thereon by him, to the District free from any claims, liens, encumbrances or charges, and further agrees that neither he nor any person, firm, or corporation furnishing any material or labor for work covered by the Contract shall have any right to a lien upon the premises or any improvement or appurtenance thereon, provided that this shall not preclude the Contractor from installing metering devices or other equipment of utility companies the title of which is commonly retained by the utility company. Nothing contained in this article, however, shall defeat or impair the right of such persons furnishing materials or labor under any bond given by the Contractor for their protection, or any right under any law permitting such persons to look to funds due the Contractor, which are in the hands of the District.

4-1.10 Clayton Act. In submitting a bid to the District, if the bid is accepted the Contractor agrees it will assign to the District all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (chapter 2 [commencing with Section 16700] of Part 2 Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the Bidder for sale to the pursuant to the bid. Such assignment shall be made and become effective at the time the District tenders final payment to the Bidder.

SECTION 5 - UTILITIES

No changes.

SECTION 6 - PROSECUTION, PROGRESS AND ACCEPTANCE OF THE WORK

Section 6 is amended as follows:

6-7.1 General. The time of completion of the Contract shall be expressed in working days.

6-9 LIQUIDATED DAMAGES. The value of liquidated damages noted in this section is amended to **\$500** per day.

6-11 NOTICE AND SERVICE THEREOF. Any notice required or given by one party to the other under the Contract shall be in writing and shall be dated and signed by the party giving such notice or by duly authorized representative of such party. Any such notice shall not be effective for any purpose whatever unless served in the following manner:

Notice shall be given to the Contractor by personal delivery thereof to said Contractor or to his authorized representative at the project site, or by depositing the same in the United States Mail enclosed in a sealed envelope addressed to said Contractor at the address established for the conduct of work under this Contract, certified and with postage prepaid.

Notice shall be given to the Surety, or any other person, by personal delivery to said Surety or other person, or by depositing the same in the United States Mail, enclosed in a sealed envelope addressed to such Surety or persons at the address of said Surety or persons last communicated by him to the party giving the notice, certified and with postage prepaid.

Notice shall be given to the District by personal delivery thereof or by depositing the same in the United States Mail enclosed in a sealed envelope, certified and with postage prepaid. The address of record for the District is:

Joshua Basin Water District
61750 Chollita Road
P.O. Box 675
Joshua Tree, CA 92252

SECTION 7 - RESPONSIBILITIES OF THE CONTRACTOR

Section 7 is amended by adding the following:

7-2.2 Laws. The Contractor shall comply with Section 1777.5 and 1777.7 of the California Labor Code relative to an approved Apprenticeship Training Program.

The Contractor shall submit certified payrolls to the District on a weekly basis. Certified Payroll and Fringe Benefit Statements shall comply with all provisions as required by State law.

Failure by the Contractor to comply with the aforementioned requirements shall result in withheld progress payments until such time certified payroll documents have been received, reviewed, and accepted by the District. The District reserves the right to seek assistance from the State Department of Industrial Relations in determining the acceptability of certified payroll submittals before release of withheld progress payments.

The Contractor will observe all applicable health and safety requirements, including, but not limited to the California and Federal Occupational Safety and Health Acts. The Contractor shall submit for review by the District a Site Specific Health and Safety Plan prior to the commencement of construction activities. This Plan shall meet or exceed the requirements of 29 CFR 1910.120.

7-2.3 Prevailing Wage. Contractors are hereby notified that pursuant to Section 1770 of the Labor Code of the State of California, the Board of Directors of the Joshua Basin Water District, has ascertained the general prevailing rate of hourly wages and rates for legal holidays and overtime work in the locality where this work is to be performed, for each craft or type of workman or mechanic needed to execute the Contract which will be awarded to the successful Bidder. The Contractor shall comply with all prevailing wage and other Local, State, and Federal labor laws.

In accordance with Section 1775 of the California Labor code, Contractor shall forfeit to District, as a penalty, not more than \$50.00 for each day, or portion thereof, for each worker paid, either by Contractor, or any subcontractor, less than the prevailing rates as determined by the Director of the California Department of Industrial Relations for the work.

The Contractor or subcontractor shall, as a penalty, to the State or political subdivision on whose behalf the contract is made or awarded forfeit twenty-five (\$25) dollars for each worker employed in the execution of the contract by the respective contractor or subcontractor for each calendar day during which the worker is required or permitted to work more than 8 hours in any calendar day and 40 hours in any calendar week in violation of Labor Code section 1813.

7-3 Liability Insurance. Prior to the commencement of any work on the project, the Contractor shall provide to the District certificates evidencing compliance with the insurance requirements. The District and its Consultants shall be named as an additional insured on all required insurance policies. The insurance shall be primary and non-contributing to any insurance or self-insurance maintained by the District. Contractor shall include all subcontractors as insured's under its policies or shall furnish separate certificates and endorsement from each subcontractor.

All companies affording coverage shall have a minimum "Best" rating of A. The coverage shall provide the following minimum limits:

- A. Comprehensive General Liability Insurance. Contractor shall secure and maintain in force throughout the duration of the contract comprehensive general Liability insurance covering all work under this Agreement, including work done by subcontractors, with carriers acceptable to the District. Minimum coverages of one million dollars (\$1,000,000) per

occurrence and three million dollars (\$3,000,000) aggregate for public liability, property damage, death and bodily injury is required. The District and its Consultants shall be named as an additional insured and the insurance policy shall include a provision prohibiting cancellation of said policy except upon forty-five (45) days prior written notice to the District.

- B. Business Auto Liability Insurance. Contractor shall carry business auto liability coverage, with minimum limits of one million dollars (\$1,000,000) per occurrence, combined single limit for bodily injury liability and property damage liability. This coverage shall include all Contractor owned vehicles used on the Agreement, hired and non-owned vehicles, and employee non-ownership vehicles.
- C. Hold Harmless and Indemnification. Contractor shall indemnify, hold harmless and defend District and its elected officials, agents and employees, the Design Engineer and the Engineer/District Representative from and against any and all claims, losses or liability, including attorney's fees, arising from injury or death to persons or damage to property occasioned by any act, omission or failure to act of Contractor, its subcontractors, and any officers, agents and employees in performing the work required by this Agreement. Contractor's obligations under these provisions shall not be limited in any way by any terms of this Agreement, or the insurance limits.
- D. Subcontractors. The prime contractor shall include all subcontractors as insured's under its policies or shall furnish separate certificates and endorsements from each subcontractor.

The Contractor shall not assign or sublet the contract, in whole or in part, without the written consent of the District, nor shall the contractor assign any monies due to, or to become due to, Contractor hereunder without prior written consent of the District.

The Contractor shall be fully responsible to the District for the acts and omissions of the subcontractor and persons either directly or indirectly employed by the Contractor. Consent to subcontracting part of the work shall, in no way, release the Contractor from responsibility for performance of the work, and Contractor will be held, in all respects, accountable for the same as if no consent had been given. The Contractor shall give personal attention to this work which is sublet. Nothing contained in the contract documents shall create any contractual relation between any subcontractor and the District.

7-4 Workers' Compensation Insurance.

- A. Contractor shall have worker's compensation and employer's liability insurance in force throughout the duration of the contract in an amount which meets the statutory requirement with an insurance carrier acceptable to the District. The insurance policy shall include a provision prohibiting cancellation of said policy except upon thirty (30) days prior written notice to District. Certificates of Insurance shall be delivered to District within ten (10) days of execution of the agreement.

B. Contractor expressly waives all rights to subrogation against the District, its officers, employees, consultants and volunteers for losses arising from work performed by Contractor for District by expressly waiving Contractor's immunity for injuries to Contractor's employees and agrees that the obligation to indemnify, defend and hold harmless provided for in this Agreement extend to any claim brought by or on behalf of any employee of Contractor. This waiver is mutually negotiated by the parties. This shall not apply to any damage resulting from the sole negligence of District, its agents and employees. To the extent any of the damages referenced herein were caused by or resulted from the concurrent negligence of District, its agents or employees, the obligations provided herein to indemnify, defend and hold harmless are valid and enforceable only to the extent of the negligence of contractor, its officers, agents and employees.

7-5 PERMITS.

This section is deleted and replaced with the following:

"The Contractor, prior to Notice to Proceed, shall procure all permits and licenses, including but not limited to, Current Business License, Street Closure Permit, Water System Permit, USA Verification Number, Division of Occupational Safety and Health (DOSH) Excavation Permit, County of San Bernardino Encroachment permit, other permits required by agencies having jurisdiction on this project, pay all charges and fees, and give all notices necessary and incidentals to the due and prosecution of the work."

The Contractor shall pay all business taxes or license fees that are required for the work.

7-6 The Contractor's Representative. The Contractor shall provide the District with the address and business and home telephone numbers of the Contractor's Representative, prior to the start of Work.

7-8.4 Sanitation. The enclosed toilets required by this section shall be located on the jobsite as approved by the Engineer. Use of these facilities shall be at no cost to the Contractor's employees or District's representatives. The Contractor shall include in its Bid all costs for these facilities.

7-8.5 Temporary Lights, Power and Water. Any water drawn from a District fire hydrant shall be via a District owned water meter. Said meter may be obtained from the District. Said meter shall be returned in a condition like received, less normal wear and tear. All meters are loaned subject to the conditions of the Construction Meter Agreement. Water reasonably used in connection with the construction contract will be provided at NO COST to the Contractor. Water use determined to be wasteful or unreasonable will be charged for at the prevailing rate.

7-10.1 Street Closure, Detours, Barricades. The contractor shall not close any street without first obtaining the approval of the Joshua Basin Water District and other governing agencies as may be applicable. Barricading, traffic control and detour diagrams shall be submitted by the Contractor as required by the governing agency and/or encroachment permit.

The Contractor may be allowed to close the roadway, or a portion thereof, to traffic during normal work hours upon approval from the Engineer. During any closure, the Contractor shall allow access for residents, schools, mail delivery, trash service trucks, churches and businesses within the affected portion of roadway, except as required for construction for a reasonable period of time. A minimum of 24-hours before any such closure, the Contractor shall hand deliver a District-approved flyer or notification to each residence and shall place said flyer on the door handle or door step. The Contractor shall secure each flyer in such a manner to prevent it from blowing away and shall not cause damage to the private property. In the event that the closed roadway is not accessible for trash service trucks on a trash pick-up day, the Contractor shall arrange all impacted trash containers to a location that is accessible to the trucks and bring them back to each respective resident in such a manner to prevent them from mix-matching.

The Contractor shall provide and install barricades, delineators, warning devices and construction signs in accordance with the Model Work Area Traffic Control Handbook (WATCH) prepared by the Southern California Chapter of the American Public Works Association. During adverse weather or unusual traffic or working conditions additional devices shall be placed as directed by the engineer. All traffic signs and devices shall conform to the current State of California, Department of Transportation (CALTRANS), "Manual of Warning Signs, Lights, and Devices for Use in Performance of Work upon Highways", unless otherwise approved by the Engineer.

The Contractor shall provide and maintain Class II barricades along excavation edges parallel to the flow of traffic at a spacing of twenty-five feet (25'). Class II barricades mounted with flashers shall be installed around work areas in parkways. Class II barricades shall have alternating black and reflector zed white (or yellow) stripes at an angle of 45 degrees. The stripe width shall be four to six inches.

During paving operations barricades may be supplemented with minimum size eighteen-inch (18") high traffic cones and delineators such that spacing between barricades and/or cones or delineators is no greater than twenty-five feet (25"). At all access points such as intersecting streets, alleys and driveways, barricades and/or cones shall be provided at five-foot (5') intervals so as to prevent vehicular access to the paving area. Where access from an intersecting street is prohibited, a "Road Closed" sign shall be provided. "No Left Turn" sign shall be provided wherever required by the Engineer.

When access from a side street or alleyway is permitted, barricades and cones shall be provided at five-foot (5') intervals for a distance of fifty feet (50') on either side of the centerline of the intersecting street or alley.

Should the Contractor fail to furnish a sufficient number of traffic and/or pedestrian safety devices within three (3) hours after being notified, the District will place such necessary items and the Contractor shall be liable to the District for providing such devices in accordance with the following provisions:

1. For placing of barricades - \$7.50 per barricade for each day or part thereof.

For flashers - \$7.50 per flasher for each day or part thereof.

For traffic cones - \$2.50 per cone for each day or part thereof.

2. In the event that the services of the District are required outside the normal working hours and/or days, the charges as set forth in Section 5 in the Special Conditions shall be levied against the Contractor.

The Contractor shall relocate, preserve and maintain the visibility of all signs within the project limits which affect the flow of traffic, as directed by the engineer. Any signs that are missing or found damaged shall be replaced immediately by the Contractor at his expense.

7-10.4.4 Confined Spaces. The Contractor hereby promises and agrees that in the performance of the Work, he will employ and utilize only qualified persons, as hereinafter defined, to work in any confined space. The term "qualified person" is defined in Title 8, California Administrative Code, Section 2700, as follows:

"Qualified Person". A person by reason of experience or instruction is familiar with the operation to be performed and hazards involved.

Contractor further promises and agrees that the provisions of this paragraph shall be and are binding upon any Subcontractor or Subcontractors that may be retained by it, and that the Contractor shall take such steps as are necessary to insure compliance by said Subcontractor or Subcontractors with the requirements of this paragraph.

7-15 RESPONSIBILITY FOR DAMAGE. The Contractor agrees to and does hereby indemnify, defend and hold harmless the District, its elected officials and Consultants and their officers, agents and employees from every claim or demand made, and every liability, loss, damage, or expense of any nature whatsoever, including attorney's fees and costs, which may be incurred by reason of:

- (a) Liability for damages for (1) death or bodily injury to persons, (2) injury to loss or theft of property, (3) any other loss, damage or expense arising under either (1) or (2) above, sustained by the Contractor or any person, firm or corporation employed by the contractor upon or in connection with the work called for in this agreement, except for the liability resulting from the sole negligence or willful misconduct of the District, its elected officials and their officers, employees and agents who are directly employed by the District and its Consultants; and
- (b) any injury to or death of persons or damage to property caused by any fault, neglect, default or omission of the Contractor, or any person, firm or corporation employed by the Contractor, either directly or by independent contract, including all damages due to loss or theft, sustained by any person, firm or corporation, including the District, arising out of, or in any way connected with the work covered by this agreement, whether said injury or damage occurs either on or off District property, provided that any of the foregoing (1) is attributable to personal injury, bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the work itself), including the loss of use resulting there from, and (2) is caused in whole or in part by any act or omission of the

Contractor, any subcontractor, any supplier, anyone directly or indirectly employed by any of them or anyone for whose act or omissions any of them may be liable, regardless of whether or not caused in part by any act or omission (active, passive, or comparative negligence included, excepting the active negligence of the District) of a party indemnified hereunder.

- (c) The Contractor, at its own expense, cost, and risk shall defend any and all actions, suits or other proceedings that may be brought or instituted against the District, its elected officials, officers, agents and employees and Consultants, against any such claim, demand or liability, and shall pay or satisfy any judgment that may be rendered against the District, its elected officials, officers, agents or employees, in any such action, suit or other proceedings as a result thereof.

7-16 NO PERSONAL LIABILITY. Neither the District Board of Directors, the District Consultants, nor any other officer, employee or authorized assistant or agent shall be personally responsible for any liability arising under the contract.

7-17 CONTRACTOR'S RESPONSIBILITY FOR WORK. Except as provided above, until the formal acceptance of the Work by the District, the Contractor shall have the charge and care thereof and shall bear the risk of injury or damage to any part thereof by the action of the elements or from any other cause, whether arising from the execution or from the non-execution of the Work. The Contractor shall rebuild, repair, restore, and make good all injuries or damages to any portion of the work occasioned by any of the above causes before final acceptance and shall bear the expense thereof, except such injuries or damages occasioned by act of the federal government or the public enemy.

The District shall not be held responsible for the care or protection of any material or parts of the Work prior to final acceptance, except as expressly provided in these specifications.

The District shall not be responsible for security of the Contractors equipment or materials at the site. The District will not be responsible for theft or damage to any property or materials of the Contractor. Security for Contractor's property shall be the responsibility of the Contractor.

7-18 WARRANTY OF WORK. The Contractor shall guarantee the Work against defective materials or workmanship for a period of one (1) year from the date of completion date specified in the Notice of Completion, except where longer warranty periods are specifically stated. The Contractor shall agree to make, at his own expense, any repairs or replacements made necessary by defects in materials and workmanship which become evident within said guarantee period. The Contractor shall further agree to indemnify and hold harmless the District, its Consultants and their officers, agents, and employees against and from all claims and liability arising from damage and injury due to said defects. The Contractor shall make all repairs and replacements promptly upon receipt of written order from the District. If the Contractor fails to make the repairs and replacements promptly, the District may do the work and the Contractor and his surety shall be liable to the District for the cost of such work.

The Guarantee and conditions specified in the paragraph above shall be secured by a surety bond which shall be delivered by the Contractor to the District prior to the date on which final

payment is made to the Contractor. Said bond shall be in an approved form and executed by a surety company or companies satisfactory to the District, in the amount of 10 percent of the Contract price, or \$5,000, whichever is greater. Said bond shall remain in force for the duration of the guarantee period specified in Subsection (a). Instead of providing such a bond as described, the Contractor may, at his option, provide for the faithful performance bond furnished under the Contract to remain in force for said amount until the expiration of said guarantee period.

All work which has been rejected, shall be remedied, or removed and replaced, by the Contractor at his own expense, with work conforming to the Plans and Specifications. Any defective material or workmanship which may be discovered before final acceptance or within one (1) year from the completion date specified in the Notice of Completion shall be corrected immediately by the Contractor at his own expense notwithstanding that it may have been overlooked in previous inspections and estimates. Failure to inspect work at any stage shall not relieve the Contractor from any obligation to perform sound and reliable work as herein described. It is the Contractor's ultimate responsibility to deliver at the time of final acceptance a complete project that complies in all details with these Contract Documents. All items shall be ready to operate.

Any omission or failure on the part of the District to discover or notify the Contractor of or to condemn defective work or material at the time of construction shall not be deemed an acceptance, and the Contractor will be required to correct defective work or material prior to final acceptance.

The District will endeavor to locate any errors or defective materials or workmanship and call them to the attention of the Contractor prior to subsequent work being performed. However, the District is under no obligation to do so and shall not be held liable because errors or defective material or workmanship by the Contractor are not discovered prior to subsequent work.

During the one (1) year warranty period, should the Contractor fail to remedy defective material and/or workmanship, or to make replacements within five (5) days after written notice by the District, it is agreed that the District may make such repairs and replacement and the actual cost of the required labor and materials shall be chargeable to and payable by the Contractor or his Surety.

Nothing in this section shall be construed to limit the rights of the District to immediately correct conditions which may be unsafe or which may pose a public health nuisance. Should said conditions later be found to be caused by defective material and/or workmanship, the Contractor and his Surety shall reimburse the District for costs reasonably incurred while attending the situation.

In the event it is necessary for the District to file suit to enforce any liability of the Contractor pursuant to this sections WARRANTY OF WORK, the District shall be entitled to recover from the Contractor, in addition to all other amounts found due and owing, costs of suit and reasonable expenses and fees, including reasonable attorneys' fees, incurred by the District in successfully enforcing the Contractor's obligations, all to be taxed as costs and included in any judgment rendered.

The warranty provided herein shall not be in lieu of, but shall be in addition to any warranties or other obligations otherwise imposed by the Contract Document or by law. The remedies provided herein shall not be exclusive and the District shall be entitled to any and all remedies provided by law.

SECTION 8 - FACILITIES FOR AGENCY PERSONNEL

This section is deleted in its entirety.

SECTION 9 - MEASUREMENT AND PAYMENT

Section 9 is amended as follows:

9-3.2 Progress and Final Payment. The closure date for the purpose of making monthly progress payments shall be the last working day of the month unless otherwise assigned by the Engineer during the pre-construction meeting. Payment, less deductions, unearned work and retention, will be made within 30 days of the closure date. If a dispute exists between the District and the Contractor regarding an item included in the Contractor's Monthly Progress Payment Request, progress payments will be withheld until said dispute is resolved, in which case longer period of time will be required to make such payment. No such payment shall be required to be made, when in the judgment of the District, the total value of the work since the last estimate amounts to less than \$500. If, in the opinion of the District, work is not progressing according to the approved schedule, payments may be withheld until the Contractor returns to the approved schedule.

The originals of certified payrolls are to be submitted to the District along with each payment request within 10-calendar days of the closing of each pay period for the contractor. No progress payment will be made to the contractor, unless the certified payrolls are submitted to the District for that particular pay period for which the progress payment is requested. The certified payroll shall include all personnel who worked on the project during that particular pay period.

Deductions will be made for: (1) amounts due the District for equipment or material furnished or services rendered; (2) amounts due the District under the terms of the Contract; (3) amounts of any claims of lien filed with the District; (4) accrued amounts of liquidated damages; (5) amounts required to be deducted by Federal, State or local governmental authorities. From the balance thus determined will be deducted the amounts of all previous payments, and the remainder shall constitute the monthly payment due the Contractor.

A retention of ten percent (10%) will be withheld from each and every progress payment to the Contractor. This percentage will remain constant throughout the duration of the Contract. The District shall make a progress payment within thirty (30) days after receipt of an undisputed and properly submitted payment request from Contractor pursuant to Public Contract Code section 20104.50.

After completion of the work to the satisfaction of the District, the District shall make a final estimate of the amount of work done. The District shall pay the entire sum so found to be due after

deducting there from all previous payments and all amounts to be retained under the provisions of the Contract. All prior partial estimates and payments shall be subject to correction in the final estimate and payment. The final payment shall not be due and payable until the expiration of sixty (60) days from and after the recordation of the Notice of Completion filed by the District.

After issuance of the District's final written acceptance, the Contractor may make application for final payment following the procedure for progress payments. Neither the final payment nor the remaining retained percentage shall become due unless the application for final payment is accompanied by such supporting data as the District may require, together with complete and legally effective releases or waivers, satisfactory to the District, of all liens arising out of the Contract Documents and the labor and services performed and the material and equipment furnished thereunder. In lieu thereof and as approved by the District, the Contractor may furnish receipts or releases in full; an affidavit of the Contractor that the releases and receipts include all labor, services, material and equipment for which a lien could be filed, and that all payrolls, material and equipment bills, and other indebtedness connected with the Work for which the District or his property might in any way be responsible, have been paid or otherwise satisfied; and consent of Surety, if any, to final payment. If any Subcontractor, Sub-subcontractor, or supplier fails or refuses to furnish a release or receipt in full, the Contractor may furnish a Bond satisfactory to the District to indemnify him against any such lien. If any such lien remains unsatisfied after all payments are made, the Contractor or his surety shall pay to the District all moneys the District may be compelled to pay in discharging such lien, including all costs and reasonable attorneys' fees.

- (a) The Contractor must obtain an unconditional waiver and release of claims upon final payment from all suppliers and subcontractors which have filed preliminary notices with the District.
- (b) The Contractor must obtain in writing releases from each owner of real property from which the Contractor has obtained permission to use land. Such release shall state that the land is returned to the property owner in an acceptable condition. Similar releases must be obtained from owners of property disturbed by the Contractor from which the Contractor has not obtained permission to use or enter; except that releases are limited to restoration of land to original lines and grades, restoration of vegetation and removal of waste material.

The application will be returned if the above items are not submitted with the final application for payment. The Contractor may make application for final payment upon obtaining unconditional releases of claims from each sub-contractor or supplier for each preliminary notice submitted to the District. After the work is complete and the District receives unconditional releases from all subcontractors and suppliers, the District will file a Notice of Completion with the County Recorder. After thirty-five (35) days have elapsed following recording of such notice, final payment will be made to the Contractor.

As provided by paragraph 22300 of the California Public Contract Code, the Contractor may substitute securities for any monies withheld by the District to ensure performance under the Contract. Substitute securities shall be deposited in a financial institution in a form acceptable to the District. The Escrow Agreement to be used is set forth in the Special Conditions of the Contract Documents (SC 7).

9-3.3 Delivered Materials. Payment will be made for project materials delivered and stored onsite based upon presentation by the Contractor of a Bill of Sale, an Invoice or an Affidavit certifying that the material is received by the Contractor free and clear of all liens, encumbrances and secured interests of any kind, and including, evidence acceptable to the District that "all-risks" property insurance in an amount sufficient to protect the interests of the District is in effect at the approved site, and that the District is a loss payee and an additional insured

9-3.4 Extras. Without invalidating the Contract, the District may order extra work or make changes by altering, adding or deducting from the work, the Contract sum being adjusted accordingly and the consent of the Surety being first obtained where necessary or desirable. All the Extra Work shall be paid for at the price stipulated on the proposal, and no claims for any extra work or material shall be allowed unless the work is ordered in writing by the District and the price is stated in such order.

9-3.5 Claims for Extra Costs. No claim for extra work or cost shall be allowed unless the same was done in pursuance of a written order by the District, as aforesaid, and the claim presented with the first estimate after the changed or extra work is done. When work is performed under the terms of the General Conditions, the Contractor shall furnish satisfactory bills, payrolls, and vouchers covering all items of cost and when requested by the District, give the District access to accounts relating thereto.

SECTION 10 - ASSIGNMENT OF UNFAIR BUSINESS PRACTICES CLAIMS.

10-1. In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the Contractor or subcontractor offers and agrees to assign to the District all rights, title and interest and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2, commencing with section 16700 of part 2 of division 7 of the Business and Professions Code), arising from the purchase of goods, services, or materials pursuant to this public works agreement. This assignment shall be made and become effective at the time the District tenders final payment to the Contractor, without further acknowledgment by the Parties.

SECTION 11 – HAZARDOUS MATERIALS.

11-1. the Contractor shall promptly and before the following conditions are disturbed, notify the District in writing, of any:

- (1) Material that the Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code that is required to be removed to a Class I, Class II or Class III disposal site in accordance with provisions of existing law.
- (2) Subsurface or latent physical conditions differing from those indicated.

(3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the contract.

- B. That the District shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in the Contractor's cost of, or the time required for, performance of any part of work shall issue a change order under the procedures described in the contract.
- C. That, in the event that a dispute arises between the District and the Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in the Contractor cost of, or time required for, performance of any part of the work, the Contractor shall not be excused from any scheduled completion date provided for by the contract, but shall proceed with all work to be performed under the contract. The Contractor shall retain any and all rights provided either by contract or by law which pertains to the resolution of disputes and protests between the contracting parties.

SPECIAL CONDITIONS

SPECIAL CONDITIONS

SECTION 1.0 - SCOPE OF WORK

DESCRIPTION OF WORK: Installation of a 6'-0" chain link security fence, including 3 strand barb wire and integral tortoise exclusion fence at the Joshua Basin Water District's future groundwater recharge facility site. Constructed project includes all utility location and verification (verifying location and depth of utility facilities within project limits); all site work including: protecting in place all existing utilities, trees, and public and private improvements; excavation for and construction of concrete footings; installation of fence and appurtenances; and restoring all areas and improvements to pre-construction conditions.

SECTION 2.0 - WORK SITE

District owned future recharge facility site located at the easterly end of Verbena Road, between Sunburst Street and Border Avenue, in Joshua Tree, CA.

SECTION 3.0 - CONTRACT DRAWINGS

A. The following contract drawings are made a part of these Contract Documents:

Construction Drawings (11" x 17")

<u>Title</u>	<u>Sheet No.</u>
Fence Installation Plan	1
Details	2

SECTION 4.0 - TIME OF COMPLETION

Attention is directed to section 6-7.1 of the General Conditions. The time of completion for all work under this Contract shall be fifteen (15) working days from the date in the Notice to Proceed.

SECTION 5.0 - WORKING DAYS AND WORKING HOURS

Working days are as defined as: Any Calendar day, exclusive of Saturdays and District holidays on which the contractor could proceed with construction operations for a period of six (6) hours or more with the normal working forces engaged in performing work on the controlling item or items of work, which normally would be in progress at that time, will be classified as a working day.

Working hours shall be limited to between 7:00 A.M. and 5:00 P.M. during working days only. Deviation from normal working days or working hours will not be allowed without the prior written consent of the District.

If the Contractor is forced to work outside the normal working hours due to his negligence, or as directed by the District as a matter of public safety or to insure the quality of the work, a project administration fee will be levied against the Contractor at the rate of \$60 per hour, for a minimum of 4.0 hours, including travel time where applicable, except when the work is an uninterrupted continuation of a regular working day, in which case a minimum of 1.0 hour charge will be imposed.

Nothing in this section shall be construed as an authorization to the Contractor to perform any work outside the normal working days or working hours, and/or perform such work without the presence of an authorized District representative.

SECTION 6.0 - CONSTRUCTION STAKING

Contractor shall include in his bid and provide all construction staking required. Contractor shall use the construction stakes for location of grading and other improvements. The District will use them for inspection of the work. Contractor shall protect all survey monuments and stakes and shall pay all costs to reestablish any monuments or stakes destroyed or disturbed during the course of construction.

SECTION 7.0 - SPECIFICATIONS AND DRAWINGS

The District will furnish to the Contractor (3) three sets of specifications and drawings. Additional quantities of specifications and drawings will be furnished at reproduction cost.

All Work conducted under this Contract shall be constructed in strict accordance with the Joshua Basin Water District standard plans and specifications.

In the event of a conflict between these specifications and the District's standard plans and specifications, the District standards shall be followed. Conflict between the standards and these specifications shall be identified by the Contractor to the District prior to conduct of the Work, and the Work shall not proceed without written clarification of the Work by the District. Conduct of the Work by the Contractor without written clarification shall be at the risk of the Contractor, and no additional compensation will be allowed, in any form, for correction of conflicted Work performed by the Contractor without the written clarification of the District.

SECTION 8.0 - UTILITIES

The Contractor shall provide all water, power and other utilities required to perform the work as set in Section 7-8.5 in the General Conditions. A water supply will be available from a fire riser located on the reservoir site.

SECTION 9.0 - SCHEDULING AND ORDER OF WORK

At the pre-construction meeting, the Contractor shall submit a detailed construction schedule indicating from the beginning of the job to the final cleanup, the various phases of the job and the dates during which period this portion of the work shall be done. The schedule shall

be approved by the District and shall be adhered to during construction. It shall include the time schedule indicating the beginning date and the completion date for various phases of work. Acts of nature shall be the only cause for varying from this schedule. Weekly updates shall be prepared and submitted.

SECTION 10.0 – PRECONSTRUCTION, PROGRESS MEETINGS & DAILY REPORTS

The Contractor to whom the contract is awarded, and all his major subcontractors, shall attend a pre-construction meeting. The time and location of said meeting will be set by the District. Contractor will be given adequate notice of such meeting. It shall be the Contractor's responsibility to notify his subcontractors of the time and location of the meeting. All submittals as required under the Technical Specification Section 01300 shall be submitted by the Contractor at the time of the meeting.

Progress meetings will be scheduled by the District. The Contractor will be given at least five working days notice of the time and location of said meetings. The Contractor has the responsibility of notifying his subcontractors, suppliers, and fabricators of the time and location of said meetings. Meetings will be held either at the job site, at the offices of the District, or at any other location approved by the District. The Contractor may request, in writing, that a meeting be held. The District will schedule a meeting at the Contractor's request not more than five working days after receiving said written notice.

Contractor shall provide the District Representative with daily reports covering all work-days from the previous week, by noon on Mondays that are working days. Daily reports shall contain at a minimum, the following:

- Date, contract, calendar day number, working day number
- Temperature and weather at jobsite including wind
- Names of all employees on jobsite
- List of all equipment, subcontractors and visitors on jobsite
- Work completed.
- List any work approved by the District as "Extra Work"

Daily Reports will be the basis for preparing monthly pay requests. Failure to submit daily reports may result in reduced pay requests.

SECTION 11.0 - SAFETY

In compliance with generally accepted construction practices, the Contractor shall be solely and completely responsible for conditions of the job site, including safety of all persons and property during performance of the work, and the Contractor shall fully comply with all state, federal, and other laws, rules, regulations, and orders relating to safety of the public and workers. This requirement shall apply continuously and not be limited to normal working hours.

The right of the District or the District's Representative to conduct construction review or observation of the Contractor's performance will not include review or observation of the adequacy of the Contractor's safety measures in, on, or near the construction site.

SECTION 12.0 EXAMINATION OF PLANS, SPECIFICATIONS AND SITE OF WORK

The Bidder shall examine carefully the site(s) of work contemplated. The submission of a bid shall be conclusive evidence that the Bidder has investigated and is satisfied as to the conditions to be encountered as to character, quality and scope of work to be performed; the quantities of material s to be furnished; and as to the requirements of the bid Proposal, plans and specification.

SECTION 13.0 - PERMITS, CERTIFICATES, LAWS, AND ORDINANCES

Contractor shall, at his own expense, procure all other permits, certificates, and licenses required of him by law and by Section 7-5 of the General Conditions for execution of the work. Contractor shall comply with all Federal, State, and local laws, ordinances, or rules and regulations relating to the performance of the work.

SECTION 14.0 – COMPLIANCE WITH CONTRACT DOCUMENTS

Contractor shall comply with all instructions of District to ensure compliance with the Contract Documents, including timely completion of work each day; backfilling trenches each day and dust control. If Contractor does not comply with the Contract Documents, then District may provide the required labor, materials, and equipment to perform the same and shall deduct the cost from monies otherwise due under the Contract.

SECTION 15.0 – PRESERVATION OF PAVED SURFACES, ENVIRONMENTAL FACTORS, RESTORATION OF WORK SITES, AND DISPOSAL OF SPOIL AND WASTE MATERIALS

(a) Access to the work site is by paved and un-paved public roads. Contractor shall utilize said roads in such a manner as to not damage the existing roads or the adjacent property. Any damage to said roads shall be repaired by Contractor to the satisfaction of the agency having jurisdiction over roadway.

(b) Work shall be performed to prevent fires, air pollution, and in compliance with applicable noise ordinances. Said prevention shall apply to travel on access roads as well as on the work site. In addition, all equipment shall be provided with spark arrestors and noise suppressors as required.

Contractor shall not perform work outside the work site limits (as shown by existing road right-of-way on the construction drawings) and shall not leave said work site except when entering or leaving the area via the public roads. All areas adjacent to or in the vicinity of the work site shall be restored to pre-job conditions and shall meet all requirements of District. Contractor is obligated to keep visual impacts for the work sites to a minimum; therefore, Contractor is required to restore all areas altered by construction to near pre-construction

conditions. Such areas shall include, but shall not be limited to, areas used for travel, parking, and storage of vehicles, equipment, and materials.

(d) Contractor shall be responsible for the proper disposal of all waste materials resulting from his operations, including rubbish and packaging material, in a manner and location suitable to the District. Contractor shall clean work site and remove all trash and rubbish from premises a minimum on one time per week. Material and equipment including mounds of earth and other debris, shall be stored on the job site only as needed and removed from the site daily, or as soon as they are no longer necessary, as determined by the District. All cleanup cost shall be included in the Contractor's bid.

(e) Contractor shall also take all necessary precautions to control dust created by construction operations. Contractor shall be especially diligent in implementing his dust control program and he shall be prepared to respond immediately and positively to any instructions for corrective action give by District. Contractor shall use dust palliatives if necessary to satisfactorily control dust; however, Contractor shall secure District approval for use of dust palliatives other than water.

(f) In the event asbestos cement pipe is encountered in the work, the Contractor shall submit a plan for the removal and disposal of asbestos cement pipe. Contractor shall provide the District with all necessary documentation, receipts, manifests, etc. regarding the removal and disposal of asbestos cement pipe as part of any request for payment that includes such work. Information regarding quantity, disposal location, transportation and handling method shall be provided.

SECTION 16.0 – SUBSURFACE CONDITIONS

The Contractor shall make such subsurface investigations he/she may require to establish the true nature of the subsurface conditions affecting the Work, the difficulties which may be encountered (including subsurface rock or other obstacles), and the de-watering or other operations which may be required to complete the Work. No additions or extra payment will be made to the Contractor on account of any subsurface conditions whether or not known or latent, including rock. This paragraph shall be construed in accordance with Public Contract Code Section 7104 and Government Code Section 4215, to the extent such provisions may apply.

JOSHUA BASIN WATER DISTRICT
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

June 6, 2012

Report to: President and Members of the Board
From: Joe Guzzetta, General Manager

TOPIC: RECOMMENDATION OF CITIZENS ADVISORY COMMITTEE
FOR THE 2013 AND 2014 FISCAL YEAR BUDGET

RECOMMENDATION: The Citizens Advisory Committee recommends adoption of the 2013 and 2014 Fiscal Years Budget with modifications as noted below

ANALYSIS: On May 22 the Board and the Citizens Advisory Committee held a joint meeting to receive the 2013 and 2014 proposed Fiscal Years budget after which the Board referred the budget to the CAC for recommendation.

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.

The Chairman of the CAC will be present to discuss these and any other comments from the CAC for the proposed budget.

JOSHUA BASIN WATER DISTRICT
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

June 6, 2012

Report to: President and Members of the Board

From: Ad Hoc Budget Committee: President Mike Reynolds and Director Frank Coate

TOPIC: RECOMMENDATION OF THE BOARD AD HOC BUDGET COMMITTEE
FOR THE 2013 AND 2014 FISCAL YEAR BUDGET

RECOMMENDATION: The Board Ad Hoc Budget Committee recommends adoption of the
2013 and 2014 Fiscal Years Budget with modifications noted below.

ANALYSIS: On May 22 the Board and the Citizens Advisory Committee held a
joint meeting to receive the 2013 and 2014 proposed Fiscal Years
budget after which the Board referred the budget to the Board Ad
Hoc Budget Committee and to the CAC for recommendation.


The Board Ad Hoc Budget Committee attended the meeting of the
CAC to observe and hear recommendations of the CAC. When the
CAC finished its deliberations and voting, the Board Ad Hoc
Committee held its own deliberation. The Ad Hoc Committee
recommends adoption of the budget with the following comments:

- The \$10,000 of funds budgeted for "Interpretive Signage" at
the Demonstration Garden should be expanded more
generally for "Demonstration Garden Improvements" so that
some of the funding could be used for other improvements
such as the canvass-type canopy. The Ad Hoc Committee
supports funding interpretative signage at the Gardens but
recommends asking the Board Public Information Committee
to explore alternative signage which might be less expensive,
while durable, in order to fund some other improvements.
- 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 Ad Hoc Committee supports the reduction of staff
proposed to streamline operations.
- The Ad Hoc Committee 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 as noted by the CAC.

JOSHUA BASIN WATER DISTRICT
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

May 16, 2012

To: President and Board of Directors
From: Susan Greer 

TOPIC: 12/13 - 13/14 Budget Presentation

RECOMMENDATION: Receive presentation, ask questions and refer to CAC for review and recommendation

ANALYSIS: The Board and CAC will meet together and receive a joint presentation of the first draft of the two-year 12/13 - 13/14 budget. The CAC will then discuss the budget at their upcoming meeting on May 29 and send a recommendation back to the Board for consideration at their June 6 Board meeting.

Staff will review the operating and supplemental budget in detail at the meeting. Overall, we project that total revenues will decrease less than ½% in 12/13. Note that the 13/14 budget is largely speculative at this time and is revisited in more detail later when any adjustments can be made. Expenses, not including funding for reserves, will increase 9% or \$340,000 in 12/13. The majority of this increase is the result of funding the \$200,000 annual tank and reservoir maintenance from the operating budget which was previously funded via the supplemental budget.

Moving and/or combining of some salary and other accounts have been made to reflect changes that are occurring in the District operations. My apologies; this has produced some dramatic swings in the numbers and difficulty in comparing the 'bottom line' of the various program budgets (production, distribution, etc.)

I must recognize the efforts of Anne Roman, our recently-promoted Accountant, who did the majority of the work on the budget this year. She reformatted the supplemental budget to be more useful, has utilized the District's budget software to the fullest extent possible and done an exceptional job at every part of this complex task.

**JOSHUA BASIN WATER DISTRICT
Budget Calendar
Fiscal Years 2012/2013 and 2013/2014**

2/28/12	Email distributed to Staff regarding budget suggestions
3/6/12	Provide email reminder to Staff
3/7/12	Board mid-year review 10/12 budget
3/14/12	Strategic Planning Workshop
3/20/12	Staff budget suggestions due
3/29/12	Joe, Susan and Anne meet to discuss budget
4/12/12	First Draft Budget distributed to Joe and Susan by Anne
4/17/12	Draft Budget presented to Management Team
4/19/12	Joe, Susan and Anne meet to review First Draft Budget, make modifications and continue review and modification process until final
5/9/12	Budget due for distribution to Board and CAC on 5/11
5/16/12	Budget Presentation to Board & CAC
5/29/12	CAC review budget and submit recommendation to Board Budget Workshop?
6/6/12	Board to Review and Consider Budget Adoption Budget Workshop?
6/20/12	Board to Review and Consider Budget Adoption

Revised 3/28/12

JBWD

July 1, 2012



Joshua Basin Water District

Two Year Budget

DRAFT presented 05/16/12



Fiscal Years Ending
June 30, 2013
and June 30, 2014



JBWD

**Two Year Budget
Fiscal Years Ending
June 30, 2013 and June 30, 2014**

May 16, 2012

Dear President and Members of the Board,

I am pleased to present you with a two-year balanced budget that provides for a continued excellent level of service to the Public and meets all of the Board's strategic goals for the period 2012-2014 as determined at the workshop earlier this spring.

The **Operating Budget** is based on the static budget that we have followed for the past few years adding only for inflation. No new positions or programs are proposed. Rather than try to "guess" what specific line items will require increased inflationary costs, we have budgeted an additional 3% of the expected increases in operational expenditures, as one "lump sum" reserve noted below. The exceptions to this are debt service and salaries which are projected based on union contract, and the line item account for power, in the *Production* budget. From the current cost of \$290,364 this year, Edison was able to provide us with estimates of \$310,689 (7% increase) in 2012-13 and \$326,223 (additional 5% increase) in 2013-14.

The total expenditures for operations will increase from an expected \$3,744,840 in 2011-2012, to \$4,212,068 in 2012-2013 before considering reserves. This includes \$200,000 each year for maintenance of the reservoir tanks which was previously in the supplemental budget.

Continuing the District's policy of planning reserves for key items, the following *operational reserves* have been budgeted:

\$100,000	Equipment and Technology Reserve
50,000	Wells and Booster Pumps (new in 12/13)
51,092	Operational Reserve & Cola

In addition, strategic reserves have been budgeted as follows:

\$1,000,000 Emergency Reserve (for unexpected emergencies or disasters)
\$2,000,000 Opportunity Reserve (to take advantage of unique opportunities such as low construction costs, grant matching funds, etc.)

The **Supplemental Budget** includes all of the projects and programs identified by the Board during the strategic planning workshop. These are very familiar because most of the projects were begun in 2011-2012 and will be constructed or completed in the year designated based on the availability of funds. None of the projects are expected to add significant operational costs to the budget once they are completed.



JBWD

**Two Year Budget
Fiscal Years Ending
June 30, 2013 and June 30, 2014**

Of special note is the Board's top priority, the \$7.9M ground water recharge project that has been in the making for the past six years. Grant funds now appear to be available to complete most if not all of this project. Completion of the 4.5 mile pipeline and the 30-acre recharge site will enable the community to receive water from Northern California through the Morongo Pipeline. This will result in a sustainable source of water for the District and will maintain the outstanding quality of our water by diluting the effects of nitrates which are slowly rising in concentration in our primary well. Year 4 (2016) of the Supplemental Budget includes \$500,000 for water purchase.

The other project of significance is the construction of the Package Waste Water Treatment Plant at the Hi Desert Medical Center. This will be the first municipal waste water system in the Morongo Basin with the exception of the plant at the Twentynine Palms Marine Base. Under a cooperative agreement, the \$2,000,000 plant was designed and will be constructed and operated by the District, and will be entirely paid for by the Hi Desert Medical Center. This takes a major step toward fully implementing the JBWD Waste Water Strategy adopted by the Board in 2010, which will assure the continued high quality of water within the District boundaries.

The ***Budget Process*** will include an additional step this year, of being presented to the Citizens Advisory Committee for review and recommendation. Recommendations will be presented to the Board.

I would like to thank the Finance staff, particularly Susan Greer and Anne Roman for their effort in bringing this budget to you at this early time in an *easy-to-follow* format that gives ample opportunity for both the Board and the Citizens Advisory Committee to review and deliberate. Adoption of this budget will continue to provide the Public with the outstanding water quality and customer service that they have come to expect.

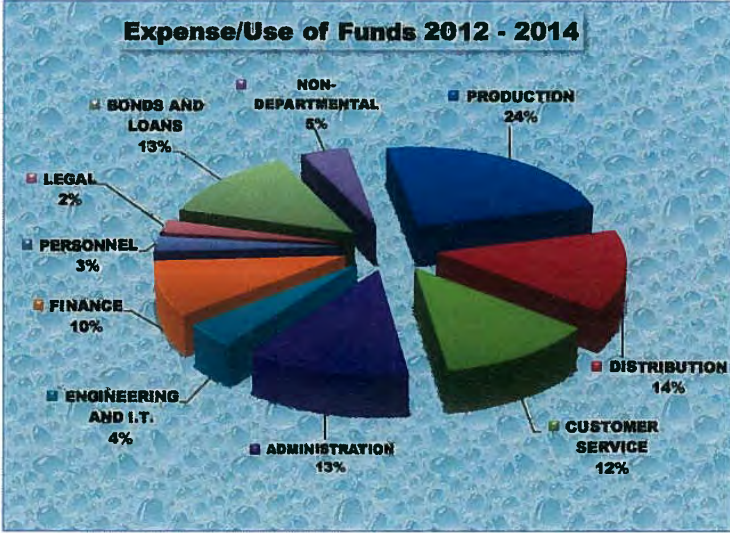
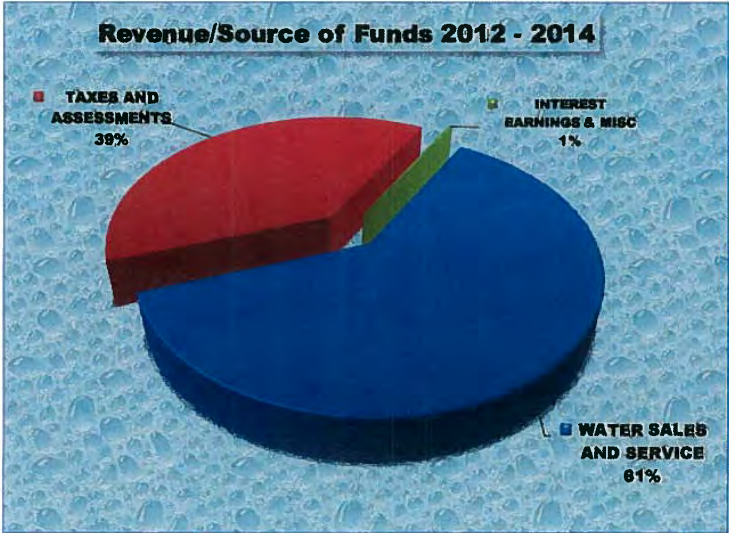
Sincerely,

Joe Guzzetta
General Manager

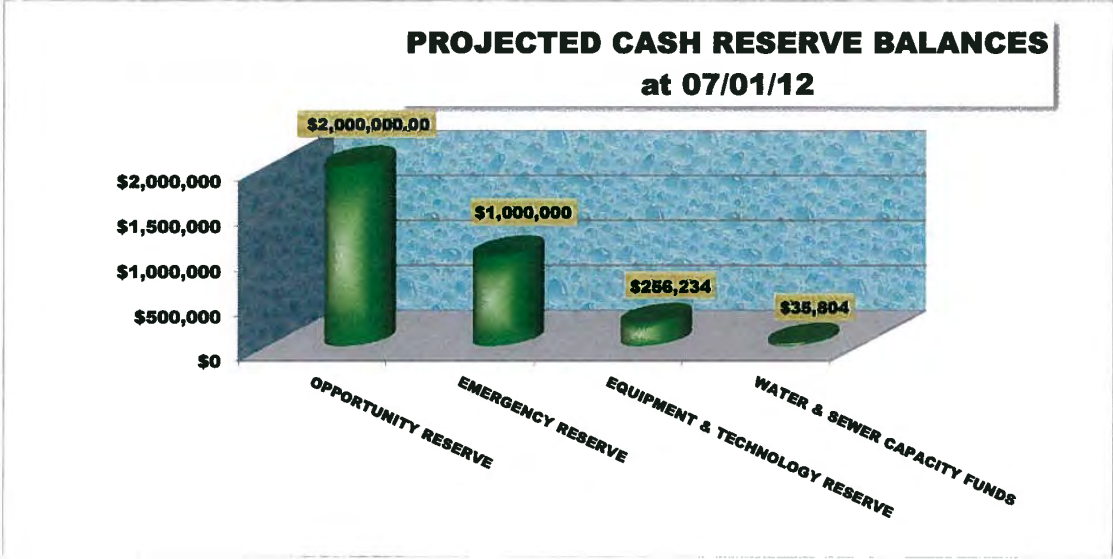
**JOSHUA BASIN WATER DISTRICT
2012/2014 PROGRAM BUDGET SUMMARY**

	11/12 BUDGET	%	12/13 BUDGET	%	13/14 BUDGET	%
<u>REVENUE/SOURCE OF FUNDS</u>						
WATER SALES AND SERVICE	\$ (2,805,943)	60%	\$ (2,882,103)	61%	\$ (2,882,103)	61%
TAXES AND ASSESSMENTS	\$ (1,867,486)	40%	\$ (1,809,655)	38%	\$ (1,809,655)	38%
INTEREST EARNINGS	\$ (39,678)	1%	\$ (13,559)	0%	\$ (9,040)	0%
MISCELLANEOUS	\$ (1,533)	0%	\$ (1,533)	0%	\$ (1,533)	0%
TOTAL	\$ (4,714,640)	100%	\$ (4,706,850)	100%	\$ (4,702,331)	100%
<u>EXPENSE/USE OF FUNDS</u>						
PRODUCTION	\$ 854,867	22%	\$ 1,054,683	24%	\$ 1,072,842	24%
DISTRIBUTION	\$ 508,987	13%	\$ 626,084	14%	\$ 629,760	14%
CUSTOMER SERVICE	\$ 556,812	14%	\$ 542,892	12%	\$ 545,868	12%
ADMINISTRATION	\$ 554,083	14%	\$ 557,783	13%	\$ 561,284	13%
ENGINEERING AND I.T.	\$ 219,677	6%	\$ 186,809	4%	\$ 188,034	4%
FINANCE	\$ 410,971	10%	\$ 423,351	10%	\$ 426,502	10%
PERSONNEL	\$ 98,387	2%	\$ 120,976	3%	\$ 121,326	3%
LEGAL	\$ 55,773	1%	\$ 104,000	2%	\$ 104,000	2%
BONDS AND LOANS	\$ 612,979	15%	\$ 595,491	13%	\$ 595,225	13%
NON-DEPARTMENTAL	\$ 100,000	3%	\$ 199,214	5%	\$ 201,215	5%
TOTAL	\$ 3,972,536	100%	\$ 4,411,282	100%	\$ 4,446,056	100%
NET (REVENUE) / LOSS	\$ (742,104)		\$ (295,569)		\$ (256,274)	

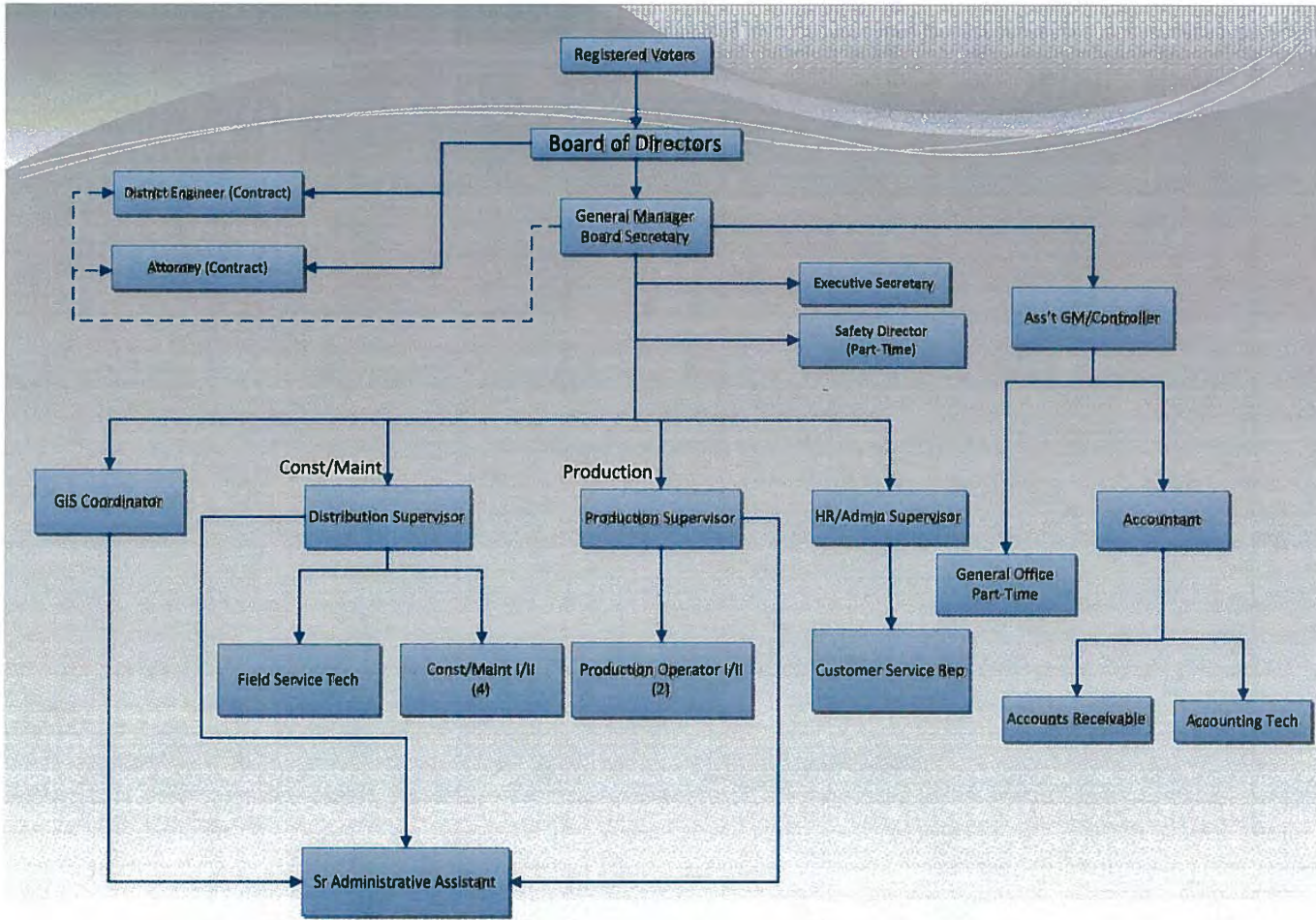
JOSHUA BASIN WATER DISTRICT



Allocated Expenses are included in departmental expense totals.



SUPPLEMENTAL BUDGET PROJECTS		FISCAL YEAR ENDED			
PROJECT NAME	PROJECT DESCRIPTION	2013	2014	2015	2016
* * * * * E S T I M A T E * * * * *					
FIELD PROJECTS					
High Desert Medical Center Waste Water Package Plant	To be paid by HDMC - see matching revenue at end of list.	\$ 1,000,000	\$ 1,000,000		
Large Meter Testing	Currently, in order to test or remove a large meter, the service needs to be disconnected. This is a serious problem for some large meters such as the hospital and Continuing Care. The bypass will allow the meters to be removed and replaced without discontinuing service.	\$ 30,000			
15,000 Feet Mainline Replacement	A portion of the total 80,000 feet that needs replacing, already designed by Nolte. The board committee has proposed that this can be completed at a substantial savings of \$700,000 by allowing construction to be completed over an extended time.				\$ 1,000,000
Valve & Fire Hydrant Maintenance Program	Repair or Replace 100 Valves at \$1,000 each.	\$ 33,333	\$ 33,333	\$ 33,334	
Replace Chlorination Pumps - 4 at \$3,000 each.	Current pumps are over 10 years old and unreliable. New pumps will operate with SCADA.	\$ 12,000			
Chlorine Analyzers with Telemetry Programming	Install analyzers to monitor chlorine residual at up to four remote sites.	\$ 20,000			
H-Zone Tank (prev. Relocate C2A Tank to Hzone)	This project has already been designed and would relocate a 500,000 gallon tank from the "C zone" where it is no longer needed, to the "H Zone" where it is severely needed. The cost will eventually be reimbursed to the operational budget from future capacity fees in the H-Zone. Staff is reviewing the cost of moving the tank in comparison to the installing of a new one. NEW TANK	\$ 510,000	\$ 90,000		
D-3-1 New Booster Pumps and Housing	The pumps at this booster station operate at a very low efficiency rate such that it is timely to replace them.	\$ 250,000			
Security (Motion Sensors) at Shop and Well 10	This would provide security to an expanded area at the shop.	\$ 20,000			
Reservoir Land Acquisition	The Master Plan identifies 27 to 37 million gallons of additional reservoir storage that will be needed to operate the District in the future. The Board has approved acquiring the land before the most ideal parcels are developed, especially for reservoirs which are constrained by altitude, proximity to the existing system, and other considerations.	\$ 50,000			
Altitude Valve at C2B Tank -- SCADA Controls at C2-B, C-1, and C-3	The three tanks in the C zone are at different altitudes. If the one at the highest altitude is filled, the other two overflow. These valves will prevent the overflowing.	\$ 75,000			
Recharge Basin & Pipeline Project	Construction Phase	\$ 3,952,000	\$ 3,952,000		
Enclosure (wall) in Shop	For safety & to block noise, fumes, arc flash	\$ 12,000			
Grizzly	Steel grate device for separating dirt, rocks and debris to enable us to stay on top of various waste material	\$ 10,000			
(2) Aluminum/Steel Carports	To cover outside equipment & PVC pipe to protect against elements and add security; 48 x 20; 2 units total:		\$ 6,000		
Interpretive Signs for Demo Garden			\$ 10,000		
VXU Meter Reading Unit			\$ 30,000		



Revised
2-8-2012

**JOSHUA BASIN WATER DISTRICT
PAYROLL SCHEDULE**

11/12 PAYROLL BUDGET

PRODUCTION (3 Positions)

Production Supervisor
Production II (2)

DISTRIBUTION (6 Positions)

Chief of Operations*
Maintenance Supervisor
Maintenance II (2)
Maintenance I (2)

CUSTOMER SERVICE (5 Positions)

HR/Administrative Services
Customer Service/Cashier (2)
Field Service Tech (2)

ENGINEERING (2 Positions)

GIS Coordinator
Senior Administrative Assistant

ADMINISTRATION (2.5 Positions)

General Manager
Executive Secretary
Safety Officer - Part Time

FINANCE (4.5 Positions)

Assistant G.M./Controller
Accountant
Accounting Tech
Accounts Receivable
General Office - Part Time

DIRECTORS (5 Positions)

Director
Director
Director
Director
Director

TOTAL PAYROLL (28)

\$ 1,458,533 **

12/13 & 13/14 PAYROLL BUDGETS

PRODUCTION (3 Positions)

Production Supervisor
Production II (2)

DISTRIBUTION (6 Positions)

Chief of Operations*
Maintenance Supervisor
Maintenance II (2)
Maintenance I (2)

CUSTOMER SERVICE (5 Positions)

HR/Administrative Services
Customer Service/Cashier (2)
Field Service Tech (2)

ENGINEERING (2 Positions)

GIS Coordinator
Senior Administrative Assistant

ADMINISTRATION (2.5 Positions)

General Manager
Executive Secretary
Safety Officer - Part Time

FINANCE (4.5 Positions)

Assistant G.M./Controller
Accountant
Accounting Tech
Accounts Receivable
General Office - Part Time

DIRECTORS (5 Positions)

Director
Director
Director
Director
Director

TOTAL PAYROLL (28)

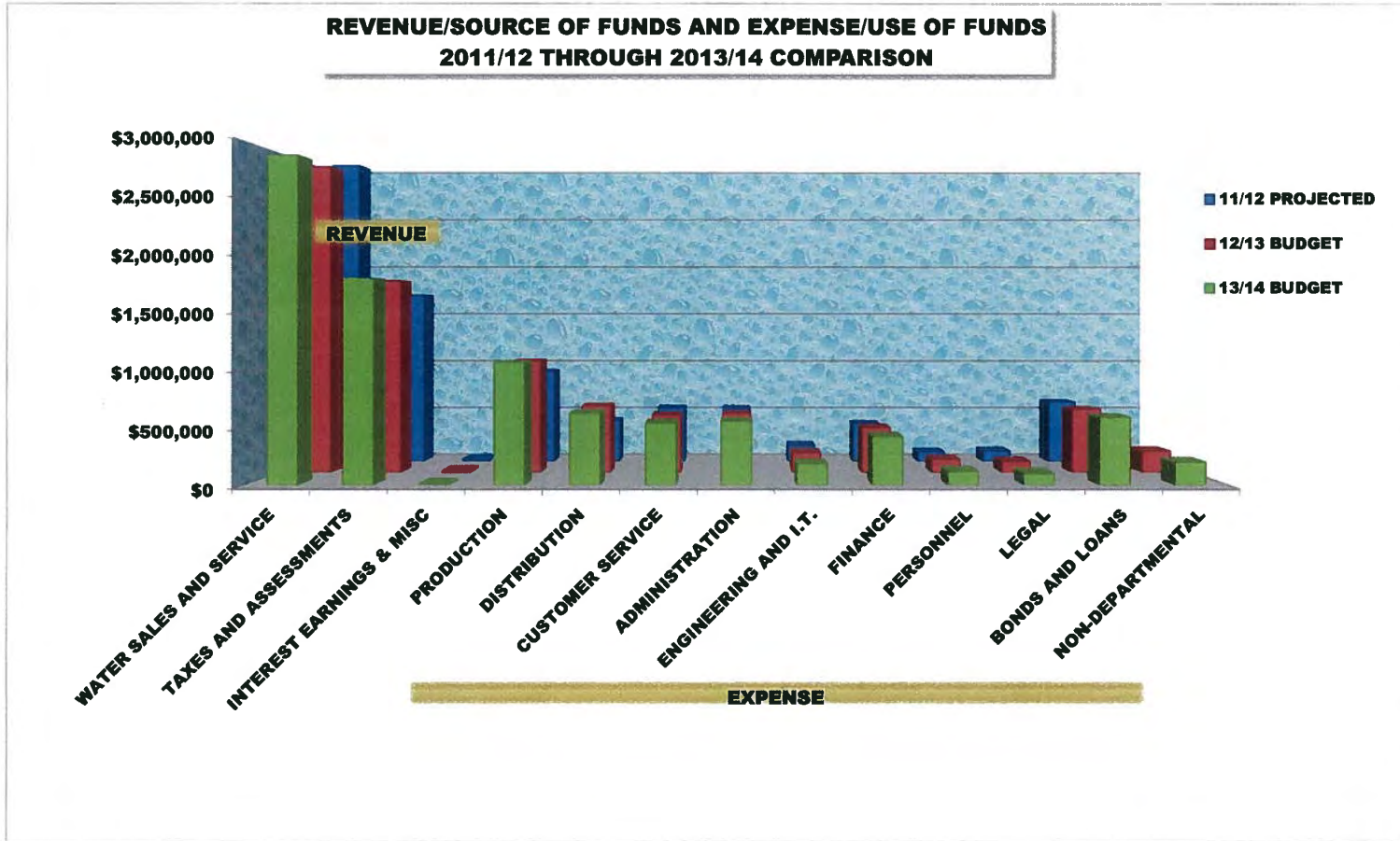
\$ 1,526,163 **

*Chief of Operations Salary is no longer funded.

** Including Directors & Compensated Leave

JOSHUA BASIN WATER DISTRICT

**REVENUE/SOURCE OF FUNDS AND EXPENSE/USE OF FUNDS
2011/12 THROUGH 2013/14 COMPARISON**



**JOSHUA BASIN WATER DISTRICT
DETAILED PROGRAM OPERATING BUDGET**

		09/10 ACTUAL	10/11 ACTUAL	11/12 BUDGET	YTD 3/31/12	11/12 PROJ	12/13 BUDGET*	13/14 BUDGET*
Revenue/Source of Funds								
Recurring General Revenue								
41010	METERED WATER SALES	\$ (1,373,343)	\$ (1,352,620)	\$ (1,332,808)	\$ (1,069,949)	\$ (1,426,599)	\$ (1,426,599)	\$ (1,426,599)
41012	ALLOW FOR WAAP/BILLING ADJ	\$ 5,384	\$ 5,299	\$ 3,529	\$ 1,869	\$ 3,529	\$ -	\$ -
41015	BASIC FEES	\$ (1,263,672)	\$ (1,318,694)	\$ (1,338,834)	\$ (1,006,922)	\$ (1,342,965)	\$ (1,323,623)	\$ (1,323,623)
41030	PRIVATE FIRE PROTECTION SERV.	\$ (18,222)	\$ (19,110)	\$ (19,410)	\$ (14,658)	\$ (19,544)	\$ (19,544)	\$ (19,544)
41040	SPECIAL SERVICES REVENUE	\$ (112,372)	\$ (108,628)	\$ (118,420)	\$ (81,097)	\$ (112,337)	\$ (112,337)	\$ (112,337)
42100	STANDBY REVENUE-CURRENT	\$ (1,071,511)	\$ (1,151,131)	\$ (1,163,341)	\$ (1,165,554)	\$ (1,165,554)	\$ (1,165,554)	\$ (1,165,554)
42110	UNCOLLECTED STANDBY/CURRENT	\$ 370,944	\$ -	\$ 250,000	\$ 429,624	\$ 250,000	\$ 250,000	\$ 250,000
42200	STNBY INCOME PRIOR	\$ -	\$ -	\$ (161,460)	\$ (111,220)	\$ (120,517)	\$ (120,517)	\$ (120,517)
42341	PRIOR YR REFUNDED REVENUE	\$ 2,979	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
43000	PROPERTY TAX - G.D.	\$ (450,804)	\$ (398,294)	\$ (414,829)	\$ (396,283)	\$ (396,283)	\$ (396,283)	\$ (396,283)
45000	INTEREST REVENUE G.D.	\$ (39,446)	\$ (25,416)	\$ (39,678)	\$ (9,040)	\$ (18,079)	\$ (13,559)	\$ (9,040)
	Total Recurring	\$ (3,950,063)	\$ (4,368,594)	\$ (4,335,251)	\$ (3,423,230)	\$ (4,348,349)	\$ (4,328,016)	\$ (4,323,497)
Non-Recurring or Dedicated Revenue								
43010	PROPERTY TAX I.D. #2	\$ (150,644)	\$ (165,958)	\$ (121,500)	\$ (120,491)	\$ (120,491)	\$ (121,500)	\$ (121,500)
43020	PROPERTY TAX REVENUE -CMM	\$ (267,519)	\$ (280,032)	\$ (256,356)	\$ (255,802)	\$ (255,801)	\$ (255,801)	\$ (255,801)
43030	CMM BOND CALL REVENUE	\$ (2,682)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
44010	WATER CAPACITY CHARGES	\$ (6,740)	\$ (42,829)	\$ -	\$ (34,693)	\$ (34,693)	\$ -	\$ -
44020	PLAN CHECK/INSPECTION FEES	\$ -	\$ (34,757)	\$ -	\$ (16,152)	\$ (16,152)	\$ -	\$ -
44025	H ZONE ML REIMB FEES	\$ -	\$ (12,210)	\$ -	\$ -	\$ -	\$ -	\$ -
44030	METER INSTALLATION FEES	\$ (1,215)	\$ (6,855)	\$ -	\$ (3,708)	\$ (3,708)	\$ -	\$ -
44035	METER REPAIR REVENUE	\$ -	\$ (611)	\$ -	\$ (871)	\$ (766)	\$ -	\$ -
44050	SEWER CAPACITY CHARGES	\$ -	\$ (26,650)	\$ -	\$ (85,920)	\$ (85,920)	\$ -	\$ -
46100	GRANT REVENUE	\$ (73,250)	\$ (641,000)	\$ -	\$ -	\$ -	\$ -	\$ -
47000	MISCELLANEOUS REVENUE	\$ (61,790)	\$ (25,038)	\$ (1,533)	\$ (2,775)	\$ (3,522)	\$ (1,533)	\$ (1,533)
47010	GAIN/LOSS ON SALE OF ASSETS	\$ 10,101	\$ -	\$ -	\$ 2,241	\$ 2,241	\$ -	\$ -
	Total Non-Recurring	\$ (553,739)	\$ (1,235,940)	\$ (379,389)	\$ (518,171)	\$ (518,812)	\$ (378,834)	\$ (378,834)
	Total: 000 - Revenue	\$ (4,503,802)	\$ (5,604,534)	\$ (4,714,640)	\$ (3,941,401)	\$ (4,867,161)	\$ (4,706,850)	\$ (4,702,331)

**JOSHUA BASIN WATER DISTRICT
DETAILED PROGRAM OPERATING BUDGET**

		09/10 ACTUAL	10/11 ACTUAL	11/12 BUDGET	YTD 3/31/12	11/12 PROJ	12/13 BUDGET*	13/14 BUDGET*
Expense/Use of Funds								
01 - Production								
501-01115	PRODUCTION SALARY	\$ 129,271	\$ 163,323	\$ 183,238	\$ 139,162	\$ 178,672	\$ 219,113	\$ 219,113
501-02205	WATER TREATMENT EXPENSE	\$ 13,299	\$ 13,387	\$ 12,923	\$ 8,235	\$ 12,923	\$ 14,400	\$ 14,400
501-03115	PUMPING PLANT REPAIR & MAINT.	\$ 39,973	\$ 53,472	\$ 18,923	\$ 18,728	\$ 31,153	\$ 76,500	\$ 76,500
501-03120	TANK & RESERVOIR MAINTENANCE	\$ 13,686	\$ 22,057	\$ 186,029	\$ 5,005	\$ 186,029	\$ 200,000	\$ 200,000
501-04005	LABORATORY SERVICES	\$ 9,042	\$ 9,580	\$ 6,417	\$ 6,758	\$ 9,151	\$ 9,500	\$ 9,500
501-06105	POWER FOR PUMPING (ELECTRIC) #	\$ 265,703	\$ 280,851	\$ 257,606	\$ 191,958	\$ 290,364	\$ 310,689	\$ 326,223
501-07005	PROPERTY INSURANCE	\$ 63,479	\$ 64,103	\$ 66,036	\$ 63,018	\$ 86,431	\$ 95,000	\$ 95,000
501-98001	EE BENEFITS ALLOCATED	\$ 82,394	\$ 105,243	\$ 101,990	\$ 76,235	\$ 101,860	\$ 109,990	\$ 112,616
501-98002	FIELD EXPENSES ALLOCATED	\$ 32,298	\$ 36,565	\$ 21,705	\$ 65,523	\$ 21,414	\$ 19,490	\$ 19,490
Total: 01 - Production		\$ 649,145	\$ 748,581	\$ 854,867	\$ 574,622	\$ 917,997	\$ 1,054,683	\$ 1,072,842
02 - Distribution								
502-01130	DISTRIBUTION SALARY	\$ 211,500	\$ 244,366	\$ 213,761	\$ 140,837	\$ 180,372	\$ 358,854	\$ 358,854
502-01140	CROSS CONN CTRL SAL (FYE12)	\$ 7,346	\$ 7,391	\$ 41,288	\$ 16,896	\$ 21,770	\$ -	\$ -
502-02920	INVENTORY-OVER & SHORT	\$ 263	\$ (1,081)	\$ 3,168	\$ (4)	\$ 3,168	\$ 2,000	\$ 2,000
502-03105	MAINLINE AND LEAK REPAIR	\$ 75,365	\$ 50,180	\$ 83,322	\$ 23,983	\$ 30,982	\$ 57,971	\$ 57,971
502-03110	EQUIPMENT RENTAL	\$ 2,878	\$ 2,743	\$ 3,023	\$ 2,040	\$ 3,023	\$ 2,933	\$ 2,933
502-03130	CROSS CONNECTION CONTROL EXP	\$ -	\$ -	\$ 679	\$ 636	\$ 1,090	\$ 1,100	\$ 1,100
502-04005	UTILITY LOCATING (DIG ALERT)	\$ 4,623	\$ 6,546	\$ 4,780	\$ 5,841	\$ 8,618	\$ 9,668	\$ 9,668
502-98001	EE BENEFITS ALLOCATED	\$ 120,952	\$ 147,015	\$ 142,786	\$ 106,729	\$ 142,604	\$ 153,986	\$ 157,662
502-98002	FIELD EXPENSES ALLOCATED	\$ 24,076	\$ 27,257	\$ 16,180	\$ 48,845	\$ 15,963	\$ 39,572	\$ 39,572
Total: 02 - Transmission/Distribution		\$ 447,002	\$ 484,417	\$ 508,987	\$ 345,803	\$ 407,590	\$ 626,084	\$ 629,760
03 - Customer Service								
503-01105	FIELD SALRY - CUSTOMER SERVICE	\$ 114,821	\$ 68,672	\$ 111,934	\$ 55,430	\$ 68,488	\$ 22,481	\$ 22,481
503-01110	OFFICE SALARY - CUSTOMER SERV.	\$ 167,214	\$ 102,342	\$ 94,439	\$ 50,335	\$ 62,557	\$ 122,181	\$ 122,181
503-01135	STANDBY SALARY (FYE12)	\$ 22,499	\$ 24,789	\$ 21,934	\$ 19,996	\$ 26,252	\$ -	\$ -
503-03105	METER SERVICE REPAIR	\$ 14,379	\$ 20,034	\$ 15,929	\$ 13,943	\$ 17,387	\$ 18,710	\$ 18,710
503-04005	PLAN CHECK/INSPECTION	\$ -	\$ 48,669	\$ -	\$ 2,794	\$ 1,873	\$ -	\$ -
503-07005	CREDIT CARD FEES (CUSTOMER)	\$ 8,464	\$ 16,947	\$ 7,448	\$ 12,827	\$ 17,000	\$ 17,000	\$ 17,000
503-07010	BAD DEBT	\$ 23,244	\$ 25,745	\$ 20,400	\$ (1,486)	\$ 25,000	\$ 25,000	\$ 25,000
503-07015	PUBLIC INFORMATION	\$ 42,354	\$ 45,371	\$ 44,737	\$ 28,550	\$ 44,737	\$ 45,770	\$ 45,770
503-07020	WATER CONSERVATION EXPENSE	\$ 19,384	\$ 44,842	\$ 18,727	\$ 22,796	\$ 33,000	\$ 45,000	\$ 45,000
503-98001	EE BENEFITS ALLOCATED	\$ 181,428	\$ 119,021	\$ 115,589	\$ 86,399	\$ 115,441	\$ 124,856	\$ 127,631
503-98002	FIELD EXPENSES ALLOCATED	\$ 2,349	\$ 2,659	\$ 1,579	\$ 4,765	\$ 1,557	\$ N/A	\$ N/A
503-98003	OFFICE EXPENSE ALLOCATED	\$ 27,266	\$ 123,880	\$ 104,096	\$ 92,129	\$ 129,427	\$ 122,095	\$ 122,095
Total: 03 - Customer Service		\$ 623,403	\$ 642,971	\$ 556,812	\$ 388,478	\$ 542,719	\$ 542,892	\$ 545,868

**JOSHUA BASIN WATER DISTRICT
DETAILED PROGRAM OPERATING BUDGET**

		09/10 ACTUAL	10/11 ACTUAL	11/12 BUDGET	YTD 3/31/12	11/12 PROJ	12/13 BUDGET*	13/14 BUDGET*
04 - Administration								
504-01105	ADMINISTRATION SALARY	\$ 201,804	\$ 217,085	\$ 238,578	\$ 174,212	\$ 214,451	\$ 236,978	\$ 236,978
504-01115	DIRECTORS SALARY	\$ -	\$ 12,746	\$ 23,465	\$ 20,816	\$ 23,465	\$ 29,170	\$ 29,170
504-01205	DIRECTORS EXPENSE (S)	\$ 24,389	\$ 13,370	\$ -	\$ -	\$ -	\$ -	\$ -
504-01210	DIRECTORS / C.A.C. EDUCATION	\$ 11,727	\$ 6,303	\$ 9,693	\$ 4,492	\$ 9,693	\$ 9,500	\$ 9,500
504-04005	LEGISLATIVE ADVOCACY	\$ 42,000	\$ 42,000	\$ 42,000	\$ 28,000	\$ 42,000	\$ 45,600	\$ 45,600
504-04015	CMC DEMO PROJECT CLEARING ACCT	\$ (41,160)	\$ 63,620	\$ -	\$ -	\$ -	\$ -	\$ -
504-07000	MISCELLANEOUS EXPENSE (S)	\$ 2,906	\$ 6,881	\$ 2,467	\$ 2,401	\$ 4,108	\$ -	\$ -
504-07005	BUSINESS EXPENSE	\$ 15,843	\$ 15,512	\$ 30,712	\$ 13,143	\$ 30,712	\$ 17,550	\$ 17,550
504-07006	SUBSCRIPTIONS (S)	\$ 3,540	\$ 1,176	\$ 3,111	\$ 1,575	\$ 3,111	\$ -	\$ -
504-07015	OUTSIDE SERVICES	\$ 37,406	\$ 29,853	\$ 31,112	\$ 21,448	\$ 31,112	\$ 27,712	\$ 27,712
504-07016	MEMBERSHIP, DUES & SUBSCRIPT	\$ 12,986	\$ 13,445	\$ 18,031	\$ 10,582	\$ 18,031	\$ 22,420	\$ 22,420
504-98001	EE BENEFITS ALLOCATED	\$ 134,391	\$ 139,003	\$ 135,987	\$ 101,646	\$ 135,813	\$ 146,654	\$ 150,155
504-98003	OFFICE EXPENSE ALLOCATED	\$ 85,693	\$ 22,524	\$ 18,927	\$ 16,751	\$ 23,532	\$ 22,199	\$ 22,199
Total: 04 - Administration		\$ 531,525	\$ 583,518	\$ 554,083	\$ 400,106	\$ 536,028	\$ 557,783	\$ 561,284
05 - Engineering/IT								
505-01105	ENGINEERING/GIS/IT SALARY	\$ 75,493	\$ 79,739	\$ 83,299	\$ 58,296	\$ 73,678	\$ 81,831	\$ 81,831
505-02305	MAPS/DRAFTING SUPPLIES	\$ 1,294	\$ 2,044	\$ 1,616	\$ 2,039	\$ 2,500	\$ 1,950	\$ 1,950
505-04005	ENGINEERING CONTRACT SERVICES	\$ 74,566	\$ 3,960	\$ 60,000	\$ 3,700	\$ 6,000	\$ 25,000	\$ 25,000
505-04010	MAPPING SYSTEM UPGRADES	\$ 7,414	\$ 2,450	\$ 8,240	\$ 2,121	\$ 8,240	\$ 4,500	\$ 4,500
505-98001	EE BENEFITS ALLOCATED	\$ 53,756	\$ 48,929	\$ 47,595	\$ 35,576	\$ 47,535	\$ 51,329	\$ 52,554
505-98003	OFFICE EXPENSE ALLOCATED	\$ 37,004	\$ 22,524	\$ 18,927	\$ 16,751	\$ 23,532	\$ 22,199	\$ 22,199
Total: 05 - Engineering/IT		\$ 249,527	\$ 159,646	\$ 219,677	\$ 118,483	\$ 161,485	\$ 186,809	\$ 188,034
06 - Finance								
506-01100	FINANCE SALARY	\$ 161,599	\$ 210,580	\$ 225,760	\$ 151,720	\$ 187,046	\$ 223,383	\$ 223,383
506-04005	ACCOUNTING SERVICES	\$ 23,582	\$ 23,582	\$ 24,970	\$ 23,582	\$ 23,582	\$ 23,582	\$ 23,582
506-98001	EE BENEFITS ALLOCATED	\$ 85,595	\$ 127,801	\$ 122,388	\$ 91,482	\$ 122,232	\$ 131,988	\$ 135,139
506-98003	OFFICE EXPENSE ALLOCATED	\$ 40,899	\$ 45,047	\$ 37,853	\$ 33,501	\$ 47,064	\$ 44,398	\$ 44,398
Total: 06 - Finance		\$ 311,675	\$ 407,010	\$ 410,971	\$ 300,285	\$ 379,924	\$ 423,351	\$ 426,502

**JOSHUA BASIN WATER DISTRICT
DETAILED PROGRAM OPERATING BUDGET**

		09/10 ACTUAL	10/11 ACTUAL	11/12 BUDGET	YTD 3/31/12	11/12 PROJ	12/13 BUDGET*	13/14 BUDGET*
07 - Personnel								
507-01100	PERSONNEL SALARY	\$ 25,518	\$ 24,107	\$ 26,455	\$ 12,840	\$ 16,137	\$ 23,956	\$ 23,956
507-01115	UNION & LABOR NEGOT SALARY (S)	\$ 592	\$ 292	\$ -	\$ 24	\$ -	\$ -	\$ -
507-01120	SAFETY SALARY	\$ 14,268	\$ 4,740	\$ 9,382	\$ 3,210	\$ 5,194	\$ 9,382	\$ 9,382
507-01215	TRAINING & EE EDUCATION	\$ 22,629	\$ 21,040	\$ 16,994	\$ 10,782	\$ 16,994	\$ 20,573	\$ 20,573
507-01905	EMPLOYMENT RECRUITING EXPENSE	\$ 1,639	\$ 129	\$ 2,046	\$ 2,072	\$ 3,527	\$ 2,800	\$ 2,800
507-01910	LABOR LEGAL FEES	\$ 14,638	\$ 18,032	\$ 12,893	\$ 12,893	\$ 17,191	\$ 30,000	\$ 30,000
507-07010	EMERGENCY PREPAREDNESS	\$ 9,375	\$ 8,552	\$ 7,555	\$ 816	\$ 7,555	\$ 8,500	\$ 8,500
507-98001	EE BENEFITS ALLOCATED	\$ 13,439	\$ 14,861	\$ 13,599	\$ 10,165	\$ 13,581	\$ 14,665	\$ 15,015
507-98003	OFFICE EXPENSE ALLOCATED	\$ 3,895	\$ 11,262	\$ 9,463	\$ 8,375	\$ 11,766	\$ 11,100	\$ 11,100
Total: 07 - Personnel		\$ 105,993	\$ 103,015	\$ 98,387	\$ 61,177	\$ 91,945	\$ 120,976	\$ 121,326
08 - Legal								
508-04000	LEGAL SERVICES	\$ 53,051	\$ 57,633	\$ 55,773	\$ 56,936	\$ 104,000	\$ 104,000	\$ 104,000
Total: 08 - Legal		\$ 53,051	\$ 57,633	\$ 55,773	\$ 56,936	\$ 104,000	\$ 104,000	\$ 104,000
09 - Bonds & Loans								
509-08105	BOND PAYABLE PRINCP 1997 BONDS #	\$ 490,000	\$ 515,101	\$ -	\$ -	\$ -	\$ -	\$ -
509-08110	I.D. #2 BONDS PYBLE-PRINCPL #	\$ 90,000	\$ 95,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 105,000	\$ 110,000
509-08115	CMM PRINCIPAL #	\$ 75,000	\$ 78,000	\$ 84,000	\$ 82,000	\$ 82,000	\$ 85,000	\$ 89,000
509-08120	MORONGO BASIN PIPELINE #	\$ 219,763	\$ 219,291	\$ 228,642	\$ -	\$ 220,000	\$ 219,797	\$ 219,696
509-08205	INTEREST EXPENSE - 1997 BONDS	\$ 55,231	\$ 31,916	\$ -	\$ (4,262)	\$ 4,262	\$ -	\$ -
509-08210	INTEREST EXPENSE I.D. #2 #	\$ 29,263	\$ 24,680	\$ 21,500	\$ 21,500	\$ 21,500	\$ 16,500	\$ 11,250
509-08215	INTEREST EXPENSE - CMM #	\$ 167,244	\$ 163,749	\$ 160,356	\$ 161,300	\$ 161,299	\$ 157,568	\$ 153,653
509-08305	TRUSTEE FEES - 1997 BONDS	\$ 2,475	\$ 2,475	\$ 2,575	\$ -	\$ -	\$ -	\$ -
509-08310	ANALYTICAL SERVICES 1997 BONDS	\$ 2,490	\$ 2,515	\$ 2,591	\$ 941	\$ 2,515	\$ -	\$ -
509-08315	ID #2 BONDS COLLECTION CHARGE	\$ 367	\$ 368	\$ 346	\$ 214	\$ 330	\$ 330	\$ 330
509-08320	GENERAL TAX COLLECTION CHARGE	\$ 1,055	\$ 1,015	\$ 969	\$ 811	\$ 1,296	\$ 1,296	\$ 1,296
509-08325	ADMINISTRATION - CMM	\$ 6,305	\$ 10,458	\$ 12,000	\$ 7,825	\$ 9,950	\$ 10,000	\$ 10,000
509-08910	AMORTIZATION OF BOND DEFERRAL	\$ 36,484	\$ 36,486	\$ -	\$ -	\$ -	\$ -	\$ -
509-08912	AMORTIZATION BOND ISSUE COST	\$ 5,034	\$ 5,032	\$ -	\$ -	\$ -	\$ -	\$ -
Total: 09 - Bonds & Loans		\$ 1,180,711	\$ 1,186,086	\$ 612,979	\$ 370,329	\$ 603,152	\$ 595,491	\$ 595,225

**JOSHUA BASIN WATER DISTRICT
DETAILED PROGRAM OPERATING BUDGET**

	09/10 ACTUAL	10/11 ACTUAL	11/12 BUDGET	YTD 3/31/12	11/12 PROJ	12/13 BUDGET*	13/14 BUDGET*
51 - Benefits Allocated							
551-01105	CONTRA SALARY-CAFE PLAN REIMB	\$ 3,700	\$ -	\$ -	\$ -	\$ -	\$ -
551-01205	EMPLOYEE EDUCATION (S)	\$ 210	\$ 300	\$ 262	\$ 314	\$ 538	\$ -
551-01210	COMPENSATED LEAVE #	\$ 206,017	\$ 200,610	\$ 185,000	\$ 165,876	\$ 219,870	\$ 198,834
551-01215	CAFETERIA PLAN EXPENSE #	\$ 195,765	\$ 217,450	\$ 195,750	\$ 137,445	\$ 180,523	\$ 213,240
551-01220	GROUP INSURANCE EXPENSE	\$ 5,793	\$ 9,304	\$ 6,562	\$ 7,997	\$ 10,936	\$ 11,298
551-01225	WORKERS COMPENSATION INSURANC	\$ 28,654	\$ 27,849	\$ 28,000	\$ 13,928	\$ 23,877	\$ 28,653
551-01230	RETIREMENT	\$ 119,306	\$ 124,029	\$ 149,304	\$ 102,447	\$ 139,077	\$ 175,150
551-01235	VEHICLE ALLOWANCE SALARY	\$ 1,800	\$ -	\$ -	\$ -	\$ -	\$ -
551-01240	UNIFORMS	\$ 7,047	\$ 7,930	\$ 6,770	\$ 3,819	\$ 6,770	\$ 6,770
551-01305	PAYROLL TAXES #	\$ 112,453	\$ 114,402	\$ 108,285	\$ 76,405	\$ 100,653	\$ 116,828
551-98000	ALLOCATED EXPENSES	\$ (671,955)	\$ (701,874)	\$ (679,933)	\$ (508,231)	\$ (682,244)	\$ (750,773)
Total: 51 - Benefits Allocated		\$ 8,790	\$ -	\$ -	\$ -	\$ -	\$ -
52 - Field Allocated							
552-02205	SHOP EXPENSE - COMBINED	\$ 10,453	\$ 9,623	\$ 11,222	\$ 8,803	\$ 11,312	\$ 10,462
552-02210	SMALL TOOLS EXPENSE - COMBINED	\$ 8,742	\$ 6,188	\$ 10,404	\$ 7,646	\$ 10,404	\$ 8,500
552-02215	SAFETY EXPENSE	\$ 7,891	\$ 2,009	\$ 5,132	\$ 3,546	\$ 5,132	\$ 5,100
552-03205	TRACTOR/TOOL REPAIR	\$ 16,014	\$ 5,440	\$ 4,145	\$ 15,948	\$ 12,820	\$ 14,000
552-03905	BUILD'G REPAIR/MAINT-SHOP/SITE	\$ -	\$ -	\$ -	\$ -	\$ 7,845	\$ 8,200
552-05005	FUEL-VEHICLES	\$ 32,136	\$ 36,205	\$ 36,494	\$ 28,846	\$ 39,448	\$ 39,500
552-05010	AUTO EXPENSE	\$ 28,881	\$ 38,127	\$ 27,050	\$ 19,589	\$ 25,852	\$ 31,100
552-05015	EQUIPMENT CLEARING ACCOUNT	\$ (1,849)	\$ (1,249)	\$ (1,718)	\$ (432)	\$ (1,000)	\$ -
552-06305	COMMUNICATIONS	\$ 10,730	\$ 11,199	\$ 10,305	\$ 9,607	\$ 15,000	\$ 15,000
552-07005	REGULATORY, PERMITS, ETC	\$ 8,050	\$ 12,760	\$ 8,115	\$ 11,636	\$ 13,194	\$ 13,200
552-07010	OVERHEAD 17 (OTHER-90)	\$ (81,486)	\$ (63,798)	\$ (96,093)	\$ (4,017)	\$ (96,093)	\$ (86,000)
552-07015	OVERHEAD 16 (LABOR-80)	\$ (7,377)	\$ (14,249)	\$ (4,381)	\$ (423)	\$ (11,500)	\$ -
552-98000	ALLOCATED EXPENSES	\$ (32,185)	\$ (42,255)	\$ (10,675)	\$ (100,749)	\$ (32,414)	\$ (59,062)
Total: 52 - Field Allocated		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
53 - Office allocated							
553-01405	TEMPORARY LABOR FEES	\$ 27,880	\$ 43,069	\$ 22,870	\$ 31,622	\$ 43,000	\$ 10,000
553-02105	OFFICE SUPPLIES & EQUIPMENT	\$ 30,310	\$ 27,069	\$ 31,212	\$ 16,259	\$ 31,212	\$ 31,400
553-02110	POSTAGE	\$ 22,540	\$ 23,829	\$ 22,866	\$ 15,473	\$ 22,866	\$ 23,200
553-03905	BUILDING REPAIR/MAINT - OFFICE	\$ 26,537	\$ 24,227	\$ 28,787	\$ 19,940	\$ 18,310	\$ 17,200
553-04005	COMPUTER PROGRAMMING EXP (S)	\$ 2,613	\$ -	\$ 2,719	\$ 500	\$ 2,719	\$ -
553-04010	OFFICE EQUIP - PURCH & REPAIR	\$ 36,618	\$ 49,738	\$ 35,658	\$ 36,775	\$ 53,169	\$ 12,494
553-04015	COMPUTER SUPPORT & LICENSES	\$ 43,181	\$ 45,482	\$ 49,359	\$ 37,900	\$ 45,560	\$ 90,896
553-06205	TELEPHONE AND UTILITIES	\$ 31,615	\$ 36,051	\$ 32,583	\$ 27,423	\$ 36,796	\$ 36,800
553-98000	ALLOCATED EXPENSES	\$ (221,294)	\$ (249,465)	\$ (226,054)	\$ (185,892)	\$ (253,632)	\$ (221,990)
Total: 53 - Office allocated		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**JOSHUA BASIN WATER DISTRICT
DETAILED PROGRAM OPERATING BUDGET**


	09/10 ACTUAL	10/11 ACTUAL	11/12 BUDGET	YTD 3/31/12	11/12 PROJ	12/13 BUDGET*	13/14 BUDGET*
99 - Non-Departmental							
599-00100 EQUIPMENT & TECH RESERVE	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ 100,000	\$ 100,000	\$ 100,000
599-00200 WELL/BOOSTER RESERVE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
599-00300 OPERATIONAL RESERVE & COLA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,214	\$ 51,215
Total: 99 - Non-Departmental	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ 100,000	\$ 199,214	\$ 201,215
GRAND TOTAL REVENUES	\$ (4,503,802)	\$ (5,604,534)	\$ (4,714,640)	\$ (3,941,401)	\$ (4,867,161)	\$ (4,706,850)	\$ (4,702,331)
GRAND TOTAL EXPENSES	\$ 4,160,822	\$ 4,472,877	\$ 3,972,536	\$ 2,616,219	\$ 3,844,840	\$ 4,411,282	\$ 4,446,056
NET (REVENUE) / LOSS	\$ (342,980)	\$ (1,131,657)	\$ (742,104)	\$ (1,325,182)	\$ (1,022,321)	\$ (295,569)	\$ (256,274)

* Cost of Living Adjustment reflected in Acct 599-00300

JOSHUA BASIN WATER DISTRICT
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

June 6, 2012

To: President and Board of Directors
From: Susan Greer 

TOPIC: Award Contract for District Audit Services

RECOMMENDATION: Board to Determine Auditor Selection and Award Contract

ANALYSIS: The District recently requested proposals for audit services from 17 different CPA firms, including all local firms we could identify. We followed up with phone calls later to be sure information had been received. We did not receive bids from any local companies, but we did receive five other bids.

Bids were solicited for three years, beginning with the audit for fiscal year ending 6/30/12, with the option to renew for another three years, for a total of six years.

Because this is a bid for professional services, we are required first to consider a proposer's ability to perform the work. Cost is considered as a last, final step in the evaluation process.

We developed an internal ranking system, used to evaluate the technical aspects of the proposals, such as expertise, experience and audit approach. Before considering cost, we ranked the proposals from best to worst, as indicated below:

	Ranking	Technical Score, out of 100
Charles Z. Fedak	1 (best)	100
Rogers, Anderson, Malody & Scott	2	88
Leaf & Cole	3	86
Sonnenberg	4	58
Messner & Hadley	5 (worst)	56

Next, we considered the cost proposals, as indicated below:

	Base Audit Amount
Messner & Hadley	\$101,280
Rogers, Anderson, Malody & Scott	\$119,992
Charles Z. Fedak	\$124,200
Sonnenberg & Co	\$132,000
Leaf & Cole	\$149,875

For reference, we paid \$23,582 to Messner & Hadley for our audit for the last three years; this would equate to \$141,492 over a six year period, assuming the same cost over entire six years.

After including consideration for cost, Staff results provide the following ranking:

	Ranking	Total Score, out of 125
Charles Z. Fedak	1 (best)	121
Rogers, Anderson, Malody & Scott	2	109
Leaf & Cole	3	103
Messner & Hadley	4	81
Sonnenberg	5 (worst)	77

While Messner & Hadley presented the best price by more than 18% or \$18,700, their technical proposal indicates that they received a "pass with deficiency" rating on their 2011 Peer Review. All other proposers received a rating of "pass" on their most recent peer review.

Peer Review is mandatory and involves review of the CPA's work by an independent evaluator, also a CPA. The reviewer visits the firm and evaluates the system of quality control, interviews staff and reviews a representative sampling of accounting and audit engagements. Three possible ratings are possible:

- **Pass:** The firm's system is suitably designed and the firm has complied with its policies and procedures so that it has a reasonable assurance of performing and reporting in conformity with applicable professional standards.
- **Pass with deficiency:** The system is suitably designed and the firm has complied with the system, except for the deficiency or deficiencies described in the report.
- **Fail:** The system is not suitably designed or has not been complied with.

The 2011 Peer Review report for Messner & Hadley indicates a rating of pass with deficiency. The deficiencies are identified in their proposal and indicate lack of documentation. I have also included copies of letters between the California Society of CPA's and Messner & Hadley. The letters indicate the corrective actions taken by Messner & Hadley as well as voluntary training that they have already completed on audit documentation. Information obtained from AICPA, the American Institute of CPA's, indicates that the only requirements for the pass with discrepancy Peer Review is a corrective action plan and nothing prohibits Messner & Hadley from continuing to practice. They will have another Peer Review by 2014 as it is required every three years.

Further information from AICPA indicates that about 8% of peer reviews result in a pass with deficiency rating, so it is pretty rare (fail is even more rare.) When asked if we should be concerned, I was told "it depends." It depends on the nature of the deficiency. Some deficiencies relate to items rarely addressed, or relate to a particular type of audit that doesn't even apply to us. Messner & Hadley's deficiencies related to audit documentation; an issue that would be a factor in every audit being performed.

Aside from the Peer Review issue, the proposal from Messner & Hadley was not as comprehensive or detailed as those presented by some of the other proposers; perhaps due to their current status as our Auditors and our assumed understanding. The majority of their current government work is for school districts and colleges versus other firms such as Charles Z. Fedak that audits over 30 water districts plus many more other governmental water agencies. Have we received satisfactory results on the audits that Messner & Hadley have done in the past? Yes. Is it possible to find a firm that could do better? I believe that is probably always possible.

If the Board lacks confidence in Messner & Hadley's work, proposals from either Rogers, Anderson, Malody & Scott or Charles Z. Fedak received excellent ratings from Staff and would be good choices.

Since the Auditors work at the pleasure of the Board, it is your decision entirely which firm you choose.

April 7, 2011

Ms. Susan Lamb
California Society of CPAs
Peer Review Program
1800 Gateway Drive, Suite 200
San Mateo, California 94404

3/3 846
APR 18 2011

Ladies and Gentlemen:

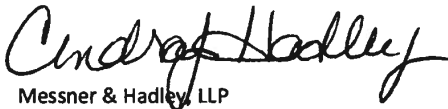
This letter represents our response to the report issued in connection with the peer review of the firm's system of quality control for the accounting and auditing practice in effect for the year ended July 31, 2010. The corrective actions discussed in this letter will be monitored to ensure that they are effectively implemented as part of our system of quality control.

1. The firm modified its quality control policies and procedures to require a detail proofread by a partner which will include checking the report against the latest examples in our PPC library. This policy change was discussed in a recent training session held in connection with a recent firm wide staff meeting.
2. The firm also modified its quality control policies and procedures to include a separate fraud audit program which will be used on all audit engagements. It is also required in the modified quality control policies and procedures to keep a workpaper file relating to fraud risk in its own section in the audit binders. This modification was also discussed in a recent training session held in connection with a recent firm wide staff meeting.

As mentioned above, these corrective actions will also be emphasized in our monitoring procedures and internal inspections.

We believe these actions are responsive to the findings of the review.

Sincerely,


Messner & Hadley, LLP

July 14, 2011

Cindra J. Hadley, CPA
Messner & Hadley, LLP
17072 Silica Rd Ste 101
Victorville, CA 92395

Dear Ms. Hadley:

On July 7, 2011 the California Peer Review Committee accepted the report on the most recent system peer review of your firm and your firm's response thereto.

The Committee accepted the aforementioned documents with the understanding that the firm will:

- Submit proof of 8 hours CPE taken in audit documentation by October 31, 2011.

Your firm's agreement to take this action voluntarily demonstrates its commitment to the objectives of the profession's practice-monitoring programs. Please acknowledge that agreement by returning a signed copy of this letter to us at the address noted on this letterhead.

Sincerely,



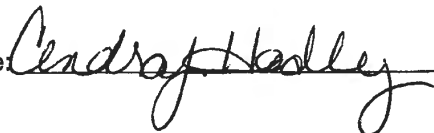
Linda McCrone
Peer Review Program

cc: Eric Hai Xin, CPA

Firm Number: 10129800

Review Number: 313846

Acknowledged for the Firm:

Signature:  Date: 7/26/11


3/31/11

December 21, 2011

Cindra J. Hadley, CPA
Messner & Hadley, LLP
17072 Silica Rd Ste 101
Victorville, CA 92395

Dear Ms. Hadley:

The California Peer Review Committee determined that your most recent peer review is complete.

The due date for your next review is January 31, 2014. This is the date by which all review documents should be completed and submitted to the administering entity. Since your firm's due date is between January and April, you may arrange to have your review a few months earlier to avoid having a review during tax season.

Sincerely,



Susan M. Lamb
Peer Review Program

cc: Eric Xin, CPA

Firm No.10129800

Review No. 313846

 CPA®