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JOSHUA BASIN WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
WEDNESDAY SEPTEMBER 5, 2012 7:00 PM
61750 CHOLLITA ROAD, JOSHUA TREE CALIFORNIA 92252

AGENDA

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. DETERMINATION OF QUORUM
4. APPROVAL OF AGENDA
5. 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.
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.
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.
 - A. Approve Minutes of August 15, 2012 Regular Board Meeting
- Pg 1-3
- Pg 4-5 7. CONSIDER ADOPTION OF BRANDING STATEMENT
Recommend that the Board adopt branding statement.
- Pg 6-8 8. BAD DEBT WRITE-OFF FOR FISCAL YEAR 11/12
Recommend that the Board approve \$20,898.92 bad debt write-off and authorize filing of liens for unpaid owners bills over \$100.
- Pg 9-10 9. H-1 RESERVOIR SLOPE GRADING REHABILITATION AWARD CONTRACT
Recommend that the Board authorize an increase in the previously awarded contract to Luna Pacific Construction, revising the award amount from \$24,777 to \$29,193, for slope rehabilitation work at the H-1 Reservoir Site and approve an increase in the budget of \$4,857 for a total budget of \$32,112 including a 10 percent contingency.
- Pg 11-51 10. DISTRICT STRATEGIC PLAN
Recommend that the Board approve the attached Strategic Plan.

- 11. AGREEMENT WITH CARPI CLAY FOR REPRESENTATION IN WASHINGTON
Recommend that the Board authorize continuation of the agreement with Carpi Clay, advocates in Washington DC for Joshua Basin Water District, at reduced cost of \$1,750 per month.
- 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. AD HOC ENGINEERING COMMITTEE: Director Long and Director Coate
- 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.
- 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 September 12 at 7:00 pm and September 19 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

August 15, 2012

1. CALL TO ORDER: 7:00 PM
President Reynolds noted that Hi Desert Medical Center Board Members Korina Cole, Marty Able, and Paul Hoffman, and Chief Executive Officer Chad Chadwick were present in the audience and thanked them for attending.
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

CONSULTANTS PRESENT: Gil Granito, District Counsel
Mike Metts, District Engineer

GUESTS
4. APPROVAL OF AGENDA
MSC Long/Luckman, 5/0
5. PUBLIC COMMENT
None
6. CONSENT CALENDAR
Vice President Luckman noted that the word “fixes” should be “fixed” in Item 2, paragraph 2 of the July 18, 2012 minutes. MSC Long/Luckman 5/0 to approve the consent calendar with the noted correction.
7. AWARD OF BID FOR PACKAGE WASTE WATER TREATMENT PLANT AT HI DESERT MEDICAL CENTER
GM Guzzetta and District Engineer Mike Metts presented the staff report. Following Board discussion, MSC Long/Luckman 5/0 to take the following action:
 - A. Award a contract to Van Dyke Plumbing in the amount of \$1,998,000 contingent upon the receipt of \$2,410,100 from the Hi Desert Medical Center.
 - B. Reject all other bids.
 - C. Authorize Dudek Engineering to provide construction management services for the project at an estimated cost of \$193,000.
 - D. Authorize a 10% contingency of \$219,100.
 - E. Increase the budget for the project to \$2,410,100.

8. REQUEST FOR PROPOSALS FOR ARCHITECTURAL SERVICES FOR OFFICE SPACE NEEDS

GM Guzzetta gave the staff report noting that this item was in the Strategic Plan adopted by the Board.

Director Wilson stated that he believed that these funds and those from the Public Information program should be spent to replace a water line on Veterans Way. Public member Steven Whitman spoke in support of the Public Information program. Public member Al Marquez spoke in opposition to funding of the Public Information program.

MSC 4/1 to receive the report and authorize staff to solicit proposals for architectural services as noted in the staff report.

Coate	Aye
Long	Aye
Luckman	Aye
Reynolds	Aye
Wilson	No

9. COMMITTEE REPORTS:

- A. PUBLIC INFORMATION COMMITTEE: Vice President Luckman and Director Long; Kathleen Radnich reported that Hi Desert Medical Center and JBWD will hold a joint ground-breaking “media event” on Thursday, September 13, at 9:00 am to recognize the beginning of the construction of the Waste Water Treatment Plant. A free landscape irrigation workshop will be held on August 22, 3:30 pm at Home Depot. Anyone wishing to reserve a place should call JBWD. The District received a thank you note from the JT Clean Team for donating surplus pipes to be used for ash cans.
- B. AD HOC GENERAL MANAGER CONTRACT NEGOTIATION: President Reynolds and Director Long; President Reynolds reported that the Committee has met several times.
- C. AD HOC STRATEGIC PLAN: Director Coate and Director Long; GM Guzzetta distributed the final copy of the Strategic Plan noting that the Committee has completed the Plan.
- D. AD HOC ENGINEERING: Director Coate and Director Long; Director Coate reported that the Committee met with District Engineer Metts and reviewed the status of the tank maintenance, recharge project, fencer project, and other projects.

10. PUBLIC COMMENT

None

11. GENERAL MANAGER REPORT

GM Guzzetta reported on the status of the Recharge Pond fence and reported that bids were opened earlier today for the groundwater recharge pipeline and pond project.

12. LEGAL COUNSEL REPORT:

Legal Counsel Granito reported that state statutes relating to “stop notices,” have changed; and that he is reviewing the changed statutes and will report material changes to the District Engineer and staff.

13. FUTURE AGENDA ITEMS:

None

14. DIRECTOR COMMENTS:

Director Wilson asked if the District had installed the backflow device at Turtle Island. He asked if it was legal and ethical for a candidate for a JBWD Board seat to volunteer at the JBWD booth at the Saturday Market. He also asked if Caltrans has been requested to correct the drainage problem at Olympic and

Highway 62 where the JBWD 12" water line is washed out during heavy rains. He noted that exactly 51 years ago the Soviet Union and former East Germany began building the Berlin Wall and that he was there.

Director Luckman was pleased that the Hi Desert Medical Center project was approved and the fact that a local contractor was the low bidder.

President Reynolds thanked the HDMC Board Members and Chief Executive Officer for attending the meeting.

15. CLOSED SESSION

The Board Recessed. The Board did not enter into closed session. The Board reconvened at 8:43 PM.

16. ADJOURNMENT

MSC Luckman/Long 5/0 to adjourn at 8:45 PM.

Respectfully submitted:

Joe Guzzetta, General Manager

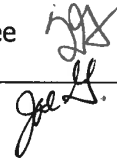
The next regular meeting of the Board of Directors is scheduled for September 5, 2012 at 7:00 PM.

JOSHUA BASIN WATER DISTRICT
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

September 5, 2012

To: President and Board of Directors
From: Susan Greer on behalf of the Public Information Committee



TOPIC: Consider Adoption of Branding Statement

RECOMMENDATION: Adopt Branding Statement

ANALYSIS: In preparation of our 50th Anniversary, Joshua Basin Water District is ready to adopt a branding statement, reflective of 'whom' we are. The American Marketing Association defines a brand as a name, term, sign, symbol or design or a combination of them intended to identify the goods and services of one seller and to differentiate them from those of other sellers. Branding is all about creating unique identities for products and services, distinguishing them from the competition.

Definitions: A slogan is a memorable motto or phrase used in a political, commercial, religious and other context as a repetitive expression of an idea or purpose, and a motto is a phrase meant to formally summarize the general motivation or intention of a social group or organization.

A good brand delivers the message clearly, confirms our credibility, connects our target audience emotionally, motivates the buyer and solidifies user loyalty. The adopted branding statement will be incorporated into the District's website and printed materials, such as water bills, newsletter and letterhead.

Here are some samples of brandings from other water districts:

- *Water Smart—Thinking in Terms of Tomorrow*
- *Made with DC Tap Water!*
- *Drink Local, Drink Tap!*
- *Drink Healthy Hechy Tap Water!*
- *Community Ownership, Control, and Savings!*
- *Quality and Service, Pure and Simple.*
- *Water Quality You Can Count On.*
- *Bottle-less Water is All We Do!*
- *Let's Make Every Drop Count!*
- *Water Is Our Future!*

After gathering input from JBWD Staff, CAC members, and the Public Information Committee, the following top three branding options are presented to the Board for consideration. You may select the winner from the following options, or any other that the Board chooses:



Joshua Tree...*it's the water!*
Trust in Every Drop!
Good Stewards—GREAT Water!

FISCAL IMPACT: No additional cost, will be incorporated into materials already being printed.

JOSHUA BASIN WATER DISTRICT
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

September 5, 2012

To: President and Members of the Board 
From: Susan Greer 

TOPIC: Bad Debt Write-off for Fiscal Year 11/12

RECOMMENDATION: Recommend the Board of Directors take the following actions:

1. Approve \$20,898.92 bad debt write-off
2. Authorize filing of liens for unpaid owners bills over \$100

ANALYSIS:

- The proposed write-off for 11/12 is \$20,898.92, a *decrease* of 23% or \$6,200 from the prior year.
- Both the number of accounts being written off and the total amount is decreasing from last year.
- Total write-off is 2% or \$500 over budget.
- Combined write-off and WAAP budgets are 4% or \$950 under budget.
- Two-thirds of all bad debt is from tenants.
- Virtually all of the accounts being written off have a previous history of paying late.
- 80% of accounts being written off had deposits when the accounts were closed—balances due exceeded deposit.

The current year bad debt amount of \$20,899 represents 183 accounts ranging in amount from 36¢ to \$844. This is compared to 234 accounts ranging in amount from 19¢ to \$2,520 for a total of \$27,100 last year.

The bad debt amount of \$20,899 is \$499 or 2% over budget. While bad debt has decreased 23% since last year, it has increased 36% since 06/07, while operating revenues have increased only 12% in the same timeframe.

When we look at bad debt, we also consider the Water Account Assistance Program (WAAP) billing adjustments already authorized by Staff as another type of bad debt. The WAAP adjustments are given to customers with unusually high bills resulting from unknown or accidental origin, such as leaks. For 11/12, the WAAP adjustments are less than half of last year and have decreased 66% since 06/07, although 06/07 is the highest year on record. The total of bad debt and the WAAP's was

budgeted at \$23,929; the actual of \$22,982 is \$947 or 4% under budget. Note the combined total of bad debt and WAAP's has increased 7% or \$1,492 in the last five years, since 06/07.

A table representing some historical results of bad debt and the WAAP adjustments is presented below.

Year	Bad Debt	WAAP	Total
11/12	\$20,899	\$2,083	\$22,982
10/11	27,100	5,299	32,399
09/10	23,229	5,384	28,613
08/09	23,292	918	24,210
07/08	15,621	2,796	18,417
06/07	15,329	6,161	21,490

Tenants continue to be responsible for the majority of bad debt. Tenants - 126 accounts, 66% of all accounts, totaling \$13,763. Owners - 28 accounts, 18% of all accounts, totaling \$3,748. Previous Owners - 29 accounts, 16% of all accounts, for a total of \$3,396. Previous owners refers to customers that were owners at the time the account was established, but no longer are; we are not able to lien these parcels now.

Only 21% of the accounts had no deposit when the accounts were closed. This means that either the deposit had previously been applied to the account or they qualified for a waiver of deposit at the time the account was established. This tells us that most accounts do have deposits but they aren't large enough. The write-off amount includes \$15,700 in deposits that were already applied as accounts were closed. Only 11 accounts had double deposits.

52% of the accounts on the list have a ratio of 50% or more penalties to bills, meaning that they have at least half as many late payments as total bills. Only 15% of the accounts have a penalty to bill ratio of 10% or less, meaning that they paid their bills late 10% of the time or less. There are only six accounts on the list that have not had a late payment.

The last four years of history (what our system tabulates easily for us) for the 183 accounts to be written off represents 4,221 bills, 1,186 late payment penalties applied (43% late payment) and 106 of the accounts (58%) had been locked off for non-payment at least once. One account had been locked off nine times. 42% of the accounts had not been locked off at all but 17% of them had three or more cutoff incidents.

Again, we note there are many accounts with multiple bad debts at one address. We have 10 addresses with two accounts being written off this year (increase from seven last year.) These 20 separate accounts at 10 different addresses total \$2,213 and represent 11% of the total bad debt for the entire year. There are another eight bad debt accounts from previous years, totaling \$837, at five of the 10 addresses where we have more than one bad debt this year. One of the addresses has three previous bad debts and we're adding two more this year, for a total of five at just one address.

The District has the ability to file liens for unpaid water charges only in cases where the *owner* of the property is the account holder or has guaranteed payment in writing. Staff proposes to file liens again for any owner-incurred bad debt with amounts over \$100. There are only 13 accounts over \$100 each, totaling \$2,944.83, that are owner-incurred bills; we propose filing liens on those properties. In total, there are 72 accounts with balances over \$100 and 13 of those are owners.

Last year, the Board referred the issue of multiple bad debts at one address to the Citizens Advisory Committee for recommendations. The CAC met and discussed this topic on two occasions. Initially, the CAC recommended that the property owner would have to put the account in their name when there had been two or more bad debts at one address within a three year period. That recommendation was rescinded later because of the manual tracking required to implement the system. At the same time, the CAC requested additional information from other agencies related to the amount of bad debt, whether they allow both owners and tenants to establish service and whether they file liens. We did not have a quorum at the last meeting where this was to be discussed. Staff will continue to pursue this issue and work with the CAC to develop recommendations for how bad debt might be reduced.

I must acknowledge the initiative from one of my staff members, Patricia Freeman, whom I believe was instrumental in reducing our bad debt by over 20% this year. Thinking on her own, Patricia started creating a "pop-up" whenever an account is closed with a balance due. This is linked to the customer name, and alerts the Customer Service Representatives anytime that they are creating a new account for someone that owes us money—they don't even have to look for it. It's working and we're catching a lot more of the closed account-holders that owe us money.

JOSHUA BASIN WATER DISTRICT
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

September 5, 2012

Report to: President and Members of the Board
From: Mike Metts, District Engineer



TOPIC: H-1 RESERVOIR SLOPE GRADING REHABILITATION AWARD CONTRACT

RECOMMENDATION: That the Board take the following action:

- 1) Authorize an increase in the previously awarded contract to Luna Pacific Construction, revising the award amount from \$24,777 to \$29,193.00, for slope rehabilitation work at the H-1 Reservoir Site.
- 2) Approve an increase in the budget of \$4,857 for a total budget of \$32,112 including a 10 percent contingency.

ANALYSIS: On May 2, 2012 the board awarded the contract in the amount of \$24,777 to Luna Pacific Construction for the slope rehabilitation work at the H-1 Reservoir Site and authorized expenditure of \$27,254 for the unallocated reserve fund including 10% contingency.

The start of project was dependent on completion of the Recharge Basin Security and Tortious Fence Project that is currently in the final stages of construction. Various issues postponed start of the fence project, which subsequently caused a delay in the commencement of the grading contract. The District has now exceeded the ninety day award date for the grading project, and, in accordance with the contract documents, the contractor has submitted a revised price to reflect increased overhead expenses. The revised contract amount of \$29,193 is an increase of \$4,416 or 17.8% from the original bid amount. Most of the increase is due to the need to renew insurance, and to some extent, increased fuel costs. Given the District's need to delay notice to proceed on the project, it is recommended that the District approve the increase in price submitted by Luna Pacific Construction, and move forward with completion of the project.

BACKGROUND:

The property immediately adjacent to the H-1 Reservoir site was graded in December 2009. The grading was performed without appropriate grading permits from the County of San Bernardino and represented an imminent threat to District facilities due to the nature of the grading activity (6- to 9-foot vertical graded slopes located 25-foot from the H-1 Reservoir, highly erodible soils and lack of erosion control BMP's). Subsequent negotiation with the property owner resulted in the District acquiring the subject property.

On February 22, 2012, the District advertised a Notice Inviting Sealed Bids in the Hi-Desert Star and one online plan room. Contractors were able to purchase plans and specifications online or purchase a data CD from the District office. The Engineer's Estimate for the work to be performed was \$20,000.

On April 9, 2012, the District received two (2) sealed bids for the construction of this project. Bids were received from Luna Pacific Construction in the amount of \$24,777 and from Joe Putrino General Contractor in the amount of \$60,442. Upon formal review of the bids, Luna Pacific Construction was determined to have provided a responsive bid and to be qualified to perform the work.

JOSHUA BASIN WATER DISTRICT
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

September 5, 2012

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



TOPIC: DISTRICT STRATEGIC PLAN

RECOMMENDATION: That the Board approve the attached Strategic Plan

ANALYSIS: In March of this year the Board conducted a strategic planning workshop facilitated by Martin Rauch of Rauch Communications.

Mr. Rauch has finalized the Strategic Plan which is attached. The Board ad hoc Strategic Plan Committee has reviewed the plan and concurs with the recommendation to approve the plan.

The Plan is consistent with the two-year budget that was adopted in June and staff is already following the Plan based on the budget.

Staff will give the Board an update of the status of the projects in the Plan.



**2012
Strategic Plan
FINAL—August 2012**



Prepared by
Rauch Communications Consultants, Inc.





2012 Strategic Plan

BOARD OF DIRECTORS

Mike Reynolds, President
Mickey Luckman, Vice president
Frank Coate, Director
Bill Long, Director
Gary Wilson, Director

DISTRICT MANAGEMENT STAFF

Joe Guzzetta, General Manager
Susan Greer, Manager/Controller

CONSULTANT

Martin Rauch, Managing Consultant

Contents

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- Strategic Planning Framework
- Key Topics Addressed in the Interviews
- How the Plan Elements Relate

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- Operating Environment
- Challenges and Opportunities Facing the District
- Priority Issues

3. The Strategic Plan

- Strategic Goals and Objectives

4. Work Plan, Supplemental Budget and Strategic Plan Summary

5. Expectations and Results

- Ensuring Results
- Looking to the Future



2012 Strategic Plan



1. INTRODUCTION

2012

Strategic Plan

Purpose of the Plan

Planning is strategic when it helps move an organization forward from its current situation to its desired future.

It is the District's highest level planning document, and represents the Board's direction for the future, and the staff plan for implementing it.

It is developed through a step-by-step process that includes recognizing the District's operating environment, strengths and weaknesses of the organization, as well as opportunities and challenges.

It identifies the agency's mission, vision, and values, while providing strategic goals and objectives that becomes a framework for all decision-making.

The Plan is also a practical working tool that provides clear direction to the staff about the Board's goals and objectives, and includes a work plan developed by the staff to meet those goals and objectives. As such, it is referred to regularly as a guide to District actions during the period covered.

To keep it fresh, it must be updated annually and rolled forward so that there is always a five-year guide to the future.

Strategic Planning Framework

The strategic plan is built from a series of logical components, described below and shown in the graphic on the following page.

Mission. The mission statement explains why the organization exists and it articulates the organizations essential work in a brief sentence or two.

Vision. The vision articulates what the agency will become at a given time in the future. It is the strategic target which, when achieved, is the fulfillment of the agency's mission. As such, it is at the heart of the strategic planning process.

Values provide guidance when an agency is faced with challenging decisions that require trade offs, options and alternatives. Values are set by the Board, govern attitudes and behaviors, and generally remain constant over time.

Goals. They describe broad, primary areas of management, operations and planning that need to be addressed in accomplishing the mission. Goals are not connected to timelines.

Objectives are more specific directions that expand upon the goals. They are set by the Board. There may be multiple objectives for each goal, and are SMART: Specific, Measurable, Attainable, Related to Goals, Time Certain.

Strategic Work Plan. Contains measurable, precise timetables and actions to accomplish the mission, goals, and objectives. They are assigned to individuals or departments. There may be multiple tasks for each objective that can be crossed-off and finished.

Key Topics Addressed in the Interviews

Below is a summary from the interviews, which provides a good brief summary of the current status of key issues.

Key Topics Addressed in the Interviews.

FINANCE. There was a general consensus that the District’s finances are strong, stable and well managed. The District is solvent, and has reasonable rates. There were strong feelings on both sides related to Pay-Go versus debt financing, with no consensus on that. It was recognized that the down economy makes it incumbent on the District to remain efficient and work to keep rates low.

PROCESSES AND PROCEDURES. This is an area of significant discussion. Prior to the current administration, the District was described as running virtually without business and administrative processes. Over time, the District has incrementally added in new processes and procedures and becoming increasingly professionalized. However, that process has not become fully integrated and institutionalized. An important challenge for the District is taking that process “over the top” and implanting a more tightly integrated system of policies, and standardized administrative, operational and management procedures.

STRATEGIC PLANNING. The District is recognized for having maintained a strong strategic outlook for many years—with good forward planning, leading to the imported water recharge project and the plan for development of the sanitary system.

BOARD ROLE. The Board is generally seen as being unified and very diligent. The Board itself indicated a desire to “up its game” and provide clearer, more consistent policy guidance and oversight.

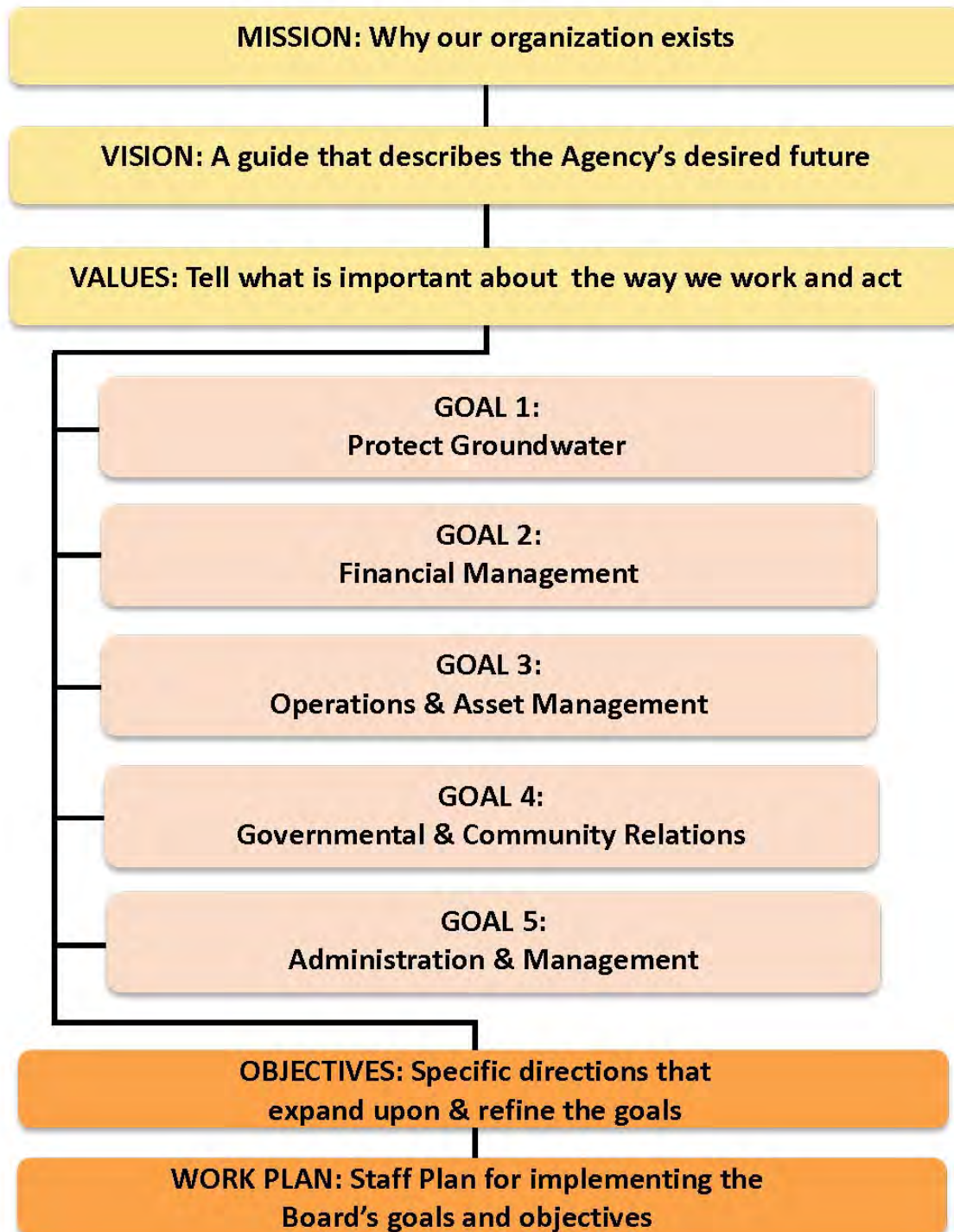
CAPITAL FACILITIES. In general the water system is reported as being well managed and operated, with maintenance being proactively scheduled and built into the budget. Many commented on the (not yet urgent but coming) need to replace about 80,000 feet of aging and undersized pipelines, and the challenge in paying for that.

INFORMATION TECHNOLOGY (IT). The District has advanced its IT: SEMS, Incode, SCADA, GIS, etc. However, these systems are not yet being fully utilized nor are they fully integrated either manually or electronically, or operating at efficiency.

ADMINISTRATION , MANAGEMENT AND PERSONNEL. The trajectory of staff development, administration and management is similar to that of processes and procedures. The District is characterized by an increasingly well-trained and capable staff, improved administrative and management procedures and a perceived readiness to increase systemization, accountability and overall efficiency.

How the Plan Elements Relate

Below are the elements of a completed plan. The mission, vision and values were discussed, but not finalized in this year's Strategic Plan.







2. DEVELOPING THE PLAN 2012 Strategic Plan

Developing the Plan

The strategic planning process was carried out in the series of steps as outlined below.

Background Research. The consultants began by holding discussions with the manager and by reviewing background documents such as: budgets, agenda packets, master plans and other pertinent information.

Confidential Interviews. This was followed by a series of confidential interviews carried out by the consultant. The goal is for interviewees to candidly express their interests and perspectives on the District's and its priorities.

The interviewees included the Board of Directors, General Manager and the entire management team.

Board Planning Workshop. The Board of Directors and senior management staff participated in a strategic planning workshop. At the workshop, the group undertook a number of exercises to examine the current state of the District, and identified critical issues and opportunities expected to confront the District in the future. Ultimately a plan was developed from this work that included an updated mission statement, vision, values, and strategic goals and objectives.

Staff Work Plan. Once the policy level portions of the plan were completed in the Board workshops the entire management team worked with the consultant to develop a detailed staff work plan designed to meet the mission of the District and strategic goals and objectives.

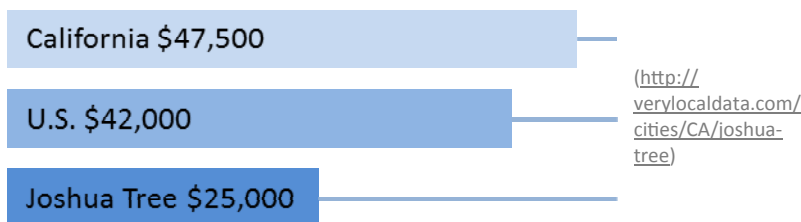
Operating Environment

Like all of the High Desert, the State and the Nation, the District is suffering from the current economic downturn. Some anecdotal information about the current economic situation is contained below, as well as this plan's response to the current operating environment.

Snapshots of the Current Economic Environment. Good service. Affordable rates. Strong finances. Joshua Basin Water District has managed to achieve these three goals in recent years. Maintaining it is likely to be increasingly challenging because of the down economy.

Joshua Tree's economic statistics trail those of much of the State and Nation and there is nothing detected on the horizon that is likely to change that. A few examples are shown below.

Median Household Income Comparisons



Poverty Level Comparisons

U.S. 12% California 14% Joshua Tree 20%

(<http://www.bestplaces.net/economy/zip-code/california/joshua-tree/92252>)

Employment Declines. Over the twelve-month period ended July 2011, nonagricultural wage and salary employment actually declined in the Inland Empire, while on an overall basis in Southern California there was a net increase.

[Bradco Companies High Desert Report, Fall 2100, Volume 49 Page 3](#)

Housing Market Flat. [Referring to housing:] The statistics suggest we probably have passed the bottom of the cycle... it is likely to take quite some time to return supply and demand conditions to those we saw in 2007. A simple extrapolation suggests that recovery to this level of market activity is unlikely to occur before 2017—about six years from now.

[Bradco Companies High Desert Report, Fall 2100, Volume 49 Page 2](#)

In the face of a difficult economy, JBWD is developing plans to further improve the quality of service, complete major projects (such as the recharge program and pipeline replacement program), and maintain competitive rates.

Challenges and Opportunities Facing the District

Below is a list of key issues and challenges identified in the process that are expected to face the District in the future.

WATER SUPPLY

Conservation — Need to encourage conservation without cutting too much revenue.

Recharge — We should strive to use the recharge project to bring Basin levels up, actually improving the water supply. We must monitor to protect long-term water quality, and to ensure that the proposed developments do not harm water supply or quality. The recharge project must be completed to begin recharging the aquifer. (absolute deadline 2022).

Sanitation — Full wastewater authority to operate a central plant should be obtained from LAFCO before it is needed and while it is doable. Complete the Memorandum of Understanding with the Regional Board to provide formal authority for JBWD to require a package wastewater treatment plant when the District’s policies require it. Currently, the Regional Board retains that authority, although they have informally agreed to allow JBWD to make that decision.

State Water Project — We should insulate the District as much as possible against potential water supply cut backs and cost increases.

Groundwater. Groundwater is our most valuable asset and it must be protected and enhanced.

Water Supply Planning. Complete the 2010 Urban Water Management Plan and update the Groundwater Management Plan.

FINANCIAL MANAGEMENT

Finance — Need to increase revenue to continue providing quality service, while controlling costs as much as possible.

Rates should be raised incrementally to avoid rate shocks.

Cost controls need to be a priority to minimize cost rate impacts on the community.

The Budget should be linked to the strategic plan to clarify the sources and availability of resources to accomplish the Plan.

An Integrated Finance Plan should be developed in 2013 to identify revenue needs, rates, borrowing vs. pay/go to meet all needs, including pipeline replacement, and the cost of buying state water.

A Rate Study and strategy should be conducted in 2013 to ensure costs and revenue are appropriately balanced and that the rate structure is up-to-date and equitable.

Form a consulting and Finance Committee to assist with monitoring of financial plan and rate study and that it is coordinated with the requirements of the employee MOU.

Challenges and Opportunities Facing the District (Continued)

ADMINISTRATION, OPERATIONS AND ASSET MANAGEMENT

Information Technology — District needs to complete the transition to full utilization of IT systems, and continue to update the system to effectively meet District needs for SCADA/customer service, and storage of information over time.

Facilities Plan — The District is out of space and needs to develop a long-term headquarters facilities master plan. The maintenance management program should be refined for increased effectiveness.

Infrastructure — The District should carry out the planning, oversight and funding to ensure priority projects get completed with existing staff.

Emergency management — The District has emergency plans in place but a more robust mutual aid program would be beneficial in a large emergency.

Personnel — We must continue to attract and retain qualified personnel.

Board/Staff Communication — Maintain clear communication between the Board and Manager so they can provide property oversight and policy direction

Systemization. Current initiatives should be intensified to strengthen administration and management for increased consistency, performance and individual accountability.

Effective Management — The District needs to continue finding ways to get more work done with a limited staff and resources to keep costs down and quality up.

Asset Management. Current initiatives to strengthen asset management must be completed (SOP's, tracking, recording /cost/benefit/replacement timing in) in order to obtain cost, effective and reliable service from equipment and facilities.

Property Plan. Long-term property needs should be identified, and appropriate properties identified and purchased at reasonable prices to ensure their availability when needed.

Development procedures should be updated while there is little development activity so the District is prepared for future potential demands.

Staff-level project management of significant projects (E.G, Recharge) need to be increased to ensure an exceptional level of confidence that they will proceed on time, cost-effectively and without major problems.

Board-level oversight of significant projects should be enhanced through formation of an ad-hoc engineering committee.

Challenges and Opportunities Facing the District (Continued)

ADMINISTRATION, OPERATIONS AND ASSET MANAGEMENT, CONTINUED

The sewer and redundant water supply projects for the hospital need to be completed to ensure reliable service.

Opportunities for cost-savings and revenue enhancement should be investigated through power management, comprehensive meter testing, etc.

The personnel manual should be completed and utilized to increase consistency and efficiency in staff activities and management.

Chain of command should be known, understood and respected by board, manager and Staff.

GOVERNMENTAL AND COMMUNITY RELATIONS.

Regional Collaboration — Need to continue to collaborate regionally to protect groundwater management authority, to get grants, and gain full sewer treatment authority.

Effective Outreach — The District must maintain community understanding and support on many issues.

Preservation of Independence and Local Control for best service to the community.

Clear communication between the Board and Manager so they can provide proper oversight and clear policy direction.

Priority Issues

Having looked at numerous current and future issues, the participants identified the items below as being truly important to deal with in the coming years. The facilitator reminded the group that it is important to focus on just a few priority issues, recognizing that in practice it is not possible to accomplish everything at once and that there are limits on time, money and personnel resources.

Groundwater Supply. Protecting and enhancing the groundwater supply is a top priority.

Strong Finances. Maintaining strong finances and avoiding rate shocks is critical. The Budget should be linked to the strategic plan to clarify the sources and availability of resources to accomplish the Plan.

Facilities Management. Proactive master planning and maintenance management is important to ensure reliability, cost-effectiveness and the ability to ensure there are adequate finances to fund priorities.

Staff Board Communications. Excellent two-way communication between the Board and Manager is critical so the Board can provide proper oversight and clear policy direction on key initiatives, such as major maintenance and tank maintenance, upgrades, replacement, and financial.

Outreach. Continue effective communication and outreach programs

Management. Continue progress in implementing systems and procedures to enhance accountability, effectiveness and reliability.

Regional Collaboration. Continue to actively participate in regional activities to protect groundwater management authority, get grants and obtain sewer authority.

Facilities. The sewer and redundant water supply projects for the hospital need to be completed to ensure reliable service.

Information Technology. The IT system needs to be completed and serving the staff.

Staff. Maintain adequate staff resources and training to meet plan priorities. Develop a merit performance system

Cost Savings. Opportunities for cost-savings and revenue enhancement should be investigated through power management, comprehensive meter testing, etc.





3. THE STRATEGIC PLAN 2012 Strategic Plan

Strategic Goals and Objectives

The strategic goals and objectives on this and the following pages reflect the Board of Director’s policy-level direction. The following section contains the staff work plan, which details the activities the staff will undertake to meet the Board’s goals and objectives.

GOAL 1. PROTECT GROUNDWATER. Recognized groundwater as the District's most valuable asset and protect it as a top priority.

#	Objectives
1.1.0	Slow and eventually reverse declining groundwater levels and protect the imported water entitlement.
1.2.0	Obtain additional authority to manage the Basin.
1.3.0	Manage the Basin effectively to protect groundwater supply and quality.

Strategic Goals and Objectives

GOAL 2. FINANCIAL MANAGEMENT. Continue strong and conservative financial management that is cost conscious, reliable and avoids rate shocks.

#	Objectives
2.1.0	Develop mechanisms to link strategic plan initiatives so both the staff and board can track progress and not approve projects that exceed resources.
2.2.0	Provide reliable financial resources to meet critical projects within legal and revenue requirements, are incremental, and are perceived as fair to the public without rate shocks.
2.3.0	Seek to maximize grant funding, especially for large capital projects.
2.4.0	Improve Board oversight of finances.

Strategic Goals and Objectives

GOAL 3. OPERATIONAL AND ASSET MANAGEMENT. Design, build, operate and maintain facilities for reliability and cost efficiency.

#	Objectives
3.1.0	Carry out a strong maintenance management program that is fully proactive and documented.
3.2.0	For large projects, provide a high level of project management to ensure project proceeds on time, on budget and to plan. Assure there is independent review and assessment of engineering and construction set up so that those involved clearly represent the District's interests.
3.3.0	Ensure redundancy and reliability of key parts of the water and wastewater system.
3.4.0	Design and operate the water and wastewater system for cost efficiency.
3.5.0	Provide appropriate, safe facilities with adequate space to effectively carry out the District's goals and objectives.

Strategic Goals and Objectives

GOAL 4. GOVERNMENTAL AND COMMUNITY RELATIONS. The District acts as a good neighbor and partner that is highly regarded in the community.

#	Objective
4.1.0	Take actions needed to ensure the community understands and supports the District.
4.2.0	Be an active and collaborative leader and partner with other organizations throughout the region to meet District goals, including obtaining grants, groundwater management authority and sewer authority.
4.3.0	Ensure clear communication between the Board and manager, so the Board can provide proper oversight and clear policy direction.
4.4.0	Preserve local control and independence in order to provide the best service to the community.

Strategic Goals and Objectives

ADMINISTRATION AND MANAGEMENT. Continue strengthening administration and management for increased consistency, performance and individual accountability.

#	Objective
5.1.0	Continue to standardize and systematize training and procedures.
5.2.0	Staff should have clear goals and priorities that align with the strategic plan, and be evaluated and rewarded base on performance.
5.3.0	The District will provide the tools, training and support so that staff can grow and improve their careers.
5.4.0	The District's chain of command at all levels will be clearly articulated, understood and followed.
5.5.0	The District's IT system will be fully functional.
5.6.0	Ensure there is a thorough Emergency Management Program and that it is tested and exercised.



4. STRATEGIC PLAN SUMMARY 2012 Strategic Plan

WORK PLAN, SUPPLEMENTAL BUDGET, AND STRATEGIC PLAN SUMMARY

The following pages contain the Strategic Plan Summary, which incorporates into a single-document elements of the Strategic Work Plan developed during the strategic planning process, the Project Priority List and the Supplemental Budget.

The Strategic Plan Summary incorporates the remaining items on the District's Project Priority list, and identifies where they appear in the strategic plan and budget for easy cross referencing. It contains the following information:

- The strategic goal and objective fulfilled by each action
- Common numbering system linking each project in the Project Priority List to the Strategic Plan
- What budget line certain projects occupy
- A project number from the Project Priority List
- The name of the person or Board committee responsible for the action
- Budgeted amount in fiscal years ending 2013 through 2016.
- Progress notes
- Percent completed
- Estimated completion date
- Cost to-date
- Expected revenues
- Supplemental balance

The Strategic Plan Summary is shown on the following pages.

Joshua Basin Water District Strategic Plan Summary

Strategic Line#	Budget Line#	Project #	Project Manager	PROJECT NAME	PROJECT DESCRIPTION	FISCAL 2013 *****	YEAR 2014 ***** ESTI	ENDED 2015 MATE**	IN 2016 *****	PROGRESS NOTES	% Comply	Estimated Completion	Cost To Date (Identifiable)	Expected Revenues	Supplemental Balance	Category
1.0.0 GOAL 1.0 PROTECT GROUNDWATER. Recognize groundwater as the District's most valuable asset and protect it as a top priority																
1.1.0 Slow and eventually reverse declining groundwater levels and protect the imported water entitlement																
1.1.1			JG	Groundwater Recharge Project	Complete the project and get water in the ground with an absolute deadline to begin using imported water in 2022.							1/1/2022				SP
1.1.2			JG	Groundwater Recharge Project Funding	Complete the project even if grant money falls short.							1/1/2015				SP
1.1.3			JG	Groundwater Recharge Construction	Complete phase 1 Groundwater Recharge Project construction to utilize available \$4 million grant funding.					Engineering Complete. Goes to bid April 2012. +/- 18 month Construction		12/1/2013				SP
1.1.4	SF-1224 (see note 1 below for explanation of this code)	808 / 834	JG	(FP) Recharge Basin & Pipeline Project	Construction Phase. \$6.2 mil from prop 84 plus \$1.3 million left from MWA. Per JG, MWA contributed \$1.6 million, of which \$300k spent but is not reflected here since it is not construction costs. Balance of project inserted in anticipated grants (if funding doesn't materialize, project will be stalled).	\$ 3,952,000	\$ 3,952,000			Final design is 100%. Construction contingent on Prop. 84 + other funding. Approx. \$7.5 million in grant funds awarded. Protected vegetation removed and relocated from the site. Awaiting Caltrans permits for final pot holes. Estimated time to go to bid is March or April. (\$7,820,000 including 20% contingency)	0%	12/31/2013	\$ -	\$ 7,904,000	\$ -	FP
1.1.5	SF-1508		JG	(FP) Water Purchase	1,100 acre feet of water to replenish aquifer.				\$ 500,000			6/30/2016				FP
1.2.0 Obtain statutory authority to manage the Basin																
1.2.1			JG	Centralized Treatment Authority	Apply for Authority from LAFCO to construct a centralized treatment plant early, before it is needed.					Prioritize before needed		4/1/2015				SP
1.2.2			JG	Centralized Treatment MOU	Complete the MOU with the Regional Water Quality Control Board to give the agency authority to decide when a package waste water treatment plant needs to be required by a developer.					Dependent on USGS study and RWQCB		4/1/2016				SP
1.3.0 Manage the Basin effectively to protect groundwater supply and quality																
1.3.1				USGS Wastewater Density Study	Complete the USGS study to understand allowed building density based on wastewater.					USGS Late. We are pressing them to work		??				SP
1.3.2			JG	Urban Water Management Plan.	Complete the Urban Water Management Plan.							12/1/2013				SP
1.3.3	SO-1502		JG	(OP) Groundwater Mgmt. Plan	Update AB3030 ground water management plan	\$ 50,000						12/31/2013				OP

Joshua Basin Water District Strategic Plan Summary

Strategic Line#	Budget Line#	Project #	Project Manager	PROJECT NAME	PROJECT DESCRIPTION	FISCAL 2013 *****	YEAR 2014 *****ESTI	ENDED 2015 MATE**	IN 2016 *****	PROGRESS NOTES	% Comply	Estimated Completion	Cost To Date (Identifiable)	Expected Revenues	Supplemental Balance	Category
2.0.0 GOAL 2. FINANCIAL MANAGEMENT. Continue strong and conservative financial management that is cost conscious, reliable and avoids rate shocks																
2.1.0 Develop Mechanisms to link strategic plan initiatives so both the staff and board can track progress and not approve projects that exceed resources.																
2.1.1			SG	Tie Budget to Strategic Plan	Tie the Budget to strategic plan initiatives							6/1/2012				SP
2.2.0 Provide reliable financial resources to meet critical projects within legal and revenue requirements, are incremental, and are perceived as fair to the public without rate shocks.																
2.2.1			SG	Integrated Financial Analysis	Carry out analysis needed to identify revenue needs associated with all district initiatives, most importantly to carry out pipeline replacement and for buying water					Start January 2013		1/1/2014				SP
2.2.2	SO-1503		SG	(OP) Rate Study	Conduct rate study, including review and update of structure and analysis of pay/go versus debt financing.	\$ 30,000						1/31/2014				OP
2.2.3	SO-1228	Z49	SG	(OP) Update District Fees	Carry out study to identify needed and fair fees.	\$ 15,000					10%	12/1/2012	\$ -	\$ -	\$ 15,000	OP
2.3.0 Seek to maximize grant funding, especially for large capital projects																
2.3.1			JG	Funding Lobbyist	Once the recharge is project is underway consider not funding lobbyist.							3/1/2013				SP
2.3.2			JG	Seek Grant Funding	Monitor for local and regional grant opportunities.							3/1/2013				SP
2.3.3			JG	Regional Grant Funding with MWA	Continue working with MWA to seek regional grant funding.							3/1/2013				SP
2.4.0 Improve Board oversight of finance																
2.4.1			Board	Establish Finance Committee	Goal is to improve board policy guidance and oversight.							4/1/2012				SP
3.0.0 GOAL 3. OPERATIONAL AND ASSET MANAGEMENT. Design, build, operate, and maintain facilities for reliability and cost efficiency																
3.1.0 Carry out a strong maintenance management program that is fully proactive and document																
3.1.1			RL	DEVELOP Maintenance Management System for Production Operations	Identify features of a fully proactive and documented maintenance management program for production operations: wells, pumps, booster stations, reservoirs, including: tracking, recording, cost/benefit analysis, replacement timing.							9/1/2012				SP
3.1.2			RL	IMPLEMENT Maintenance Management System for Production Operations	Implement Phase 1 of fully documented Maintenance Management Program for production operations.							9/1/2013				SP
3.1.3			JC	DEVELOP Maintenance Management System for Distribution Operations	Identify features of fully proactive and documented Maintenance Management Program for distribution operations. Set Priorities and phases to incorporate parts of the distribution system: Vehicles, valves, meters, equipment, hydrants, Main lines, services, air vacs, blow-offs, asphalt and other processes. include tracking, recording, cost/benefit analysis, replacement timing, and training.							9/1/2012				SP

Joshua Basin Water District Strategic Plan Summary

Strategic Line#	Budget Line#	Project #	Project Manager	PROJECT NAME	PROJECT DESCRIPTION	FISCAL 2013	YEAR 2014	ENDED 2015	IN 2016	PROGRESS NOTES	% Comply	Estimated Completion	Cost To Date (Identifiable)	Expected Revenues	Supplemental Balance	Category
						*****	***** ESTI	MATE**	*****							
3.1.4			JC	IMPLEMENT Maintenance Management System for Distribution Operations	Implement Phase 1 of fully documented Maintenance Management Program for distribution operations.							9/1/2013				SP
3.1.5	SF-1507		TS	(FP) VXU Meter Reading Unit	Provide for a backup VXU for meter reading		\$ 30,000					6/30/2014		\$ 30,000		FP
3.1.6 PPL	SF-1202		JC	(FP) Large Meter Testing	Establish a program for regularly testing large customer meters	\$ 30,000				3/6/12: Jim studying to determine for 1 1/2' & up	0%	6/30/2012		\$ -	\$ 30,000	FP
3.1.7	SF-1501		JC	(FP) Enclosure (Wall) in Shop	For safety & to block noise, fumes, arc flash.	\$ 12,000						??				FP
3.1.8	SF-1502		JC	(FP) Grizzly	Steel grate device for separating dirt, rocks and debris to enable us to stay on top of various waste material.	\$ 10,000						6/30/2013				FP
3.1.9	SF-1503		JC	(FP) (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					6/30/2014				FP
3.2.0 For large projects, provide a high level of project management to ensure project proceeds on time, on budget and to plan. Assure there is independent review and assessment of engineering and construction set up so that those																
3.2.1			JG	Maintenance Management Oversight and Reporting	Review, update and document process for project management, oversight and reporting.							12/1/2013				SP
3.3.0 Ensure redundancy and reliability of key parts of the water and wastewater system																
3.3.1 PPL	SF-1208	802	RL	(FP) H-Zone Tank (prev. Relocate CZA Tank to Hzone)	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					6/30/2014	\$ 97,244	\$ -	\$ 502,756	FP
3.3.2	SF-1201	Z37	JG	(FP) High Desert Medical Center Waste Water Package Plant	Complete the sewer project for the Hospital. To be paid by HDMC - see matching revenue at end of list.	\$ 750,000	\$ 750,000				0%	9/30/2013	\$ 30,427	\$ 1,500,000	\$ (30,427)	FP
3.3.3			JG	Hospital Water Supply Outage Plan	Complete an emergency plan for water outage at HDMC.					for emergency if temporary off line		11/1/2013				SP
3.3.4			JG	Emergency Line to Hospital	Prepare plan for the redundant water service line for the hospital. Construction contingent on funding.					Dependent on funding and hospital decisions for permanent line		6/1/2013				SP
3.3.5	SE-1217	831	JG	(EP) System Reliability Upgrade for Hospital and County Complex C, B and D-3 Zones - PHASE 1	Develop emergency plan for water outage at HDMC.					No cost associated; basically staff & possibly at little Dudek time.		11/30/2012	\$ 34,101	\$ -	\$ (34,101)	EP
3.3.6	SE-1217	831	JG	(EP) System Reliability Upgrade for Hospital and County Complex C, B and D-3 Zones - PHASE 2	Have plans prepared for the redundant water service line for the hospital. Construction contingent on funding. June 2013.		\$ 129,000	\$ 129,000				7/31/2015		\$ 129,000	\$ 129,000	EP

Joshua Basin Water District Strategic Plan Summary

Strategic Line#	Budget Line#	Project #	Project Manager	PROJECT NAME	PROJECT DESCRIPTION	FISCAL 2013 *****	YEAR 2014 *****ESTI	ENDED 2015 MATE**	IN 2016 *****	PROGRESS NOTES	% Comply	Estimated Completion	Cost To Date (Identifiable)	Expected Revenues	Supplemental Balance	Category
3.3.7 PPL	SF-1216	911	JG	(FP) 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				M. Melts engineering began Feb. 2012, 3/6/12: start by Fall 2012	0%	10/31/2012	\$ -	\$ -	\$ 75,000	FP
3.3.8 PPL	SF-1509		RL	(FP) Reservoir Maintenance/Renovation	Tank Recoat tanks..					funding in operating budget; 4 by 06/30/13		6/30/2013				FP
3.3.9 PPL	SF-1205	901	JC	(FP) Valve & Fire Hydrant Maintenance Program	Repair or Replace 100 Valves	\$ 33,333	\$ 33,333	\$ 33,334		3/6/12: Jim will prioritize & start		?	\$ -	\$ -	\$ 100,000	FP
3.4.0 Design and operate the water and wastewater system for cost-efficiency																
3.4.1			JC	Meter Testing and Replacement Program	Carry out a comprehensive meter testing and replacement program (see 3.1.3) Prioritize meters.					Commercial Meter Program.		6/1/2012				SP
3.4.2			SG	Identify Cost Savings	Identify cost savings opportunities in the operation and management of capital facilities, including through power management					Utilize outside consultant.		6/1/2015				SP
3.5.0 Provide appropriate, safe facilities with adequate space to effectively carry out the District's goals and objectives																
3.5.1 PPL	SF-1210			(FP) Security (Motion Sensors) at Shop and Well 10	This would provide security to an expanded area at the shop.	\$ 20,000						6/30/2013	\$ -	\$ -	\$ 20,000	FP
3.5.2	SO-1223			(OP) Customer Service Account Filing System	Parcel files have expanded past our current storage area and can't be locked. This will allow us to store, secure and access our current files and any new files for the foreseeable future.	\$ 30,000					0%	6/30/2013	\$ -	\$ -	\$ 30,000	OP
3.5.3			SG	Facilities Plan and Assessment	Conduct a facilities plan and assessment to identify space needs, estimated costs, etc. for a new or upgraded headquarters building.							6/1/2013				
3.5.4	SO-1229		JG	(OP) Space Needs Assessment for Office Building Addition	A needs assessment will determine how much space the District needs for an Emergency Operating Center in order to apply for grant construction funds.	\$ 10,000					0%	12/31/2012	\$ -	\$ -	\$ 10,000	OP
3.5.5			JG	Property Needs Assessment	Conduct a property needs assessment: what facilities will be needed over time, in what locations and what size.					underway		12/1/2012				SP
3.5.6	SF-1214	Z28	JG	(FP) 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				3/6/12: 2 - 4 sites should be acquired by 09/30/12.		12/31/2012	\$ 28,592	\$ -	\$ 21,408	FP

Joshua Basin Water District Strategic Plan Summary

Strategic Line#	Budget Line#	Project #	Project Manager	PROJECT NAME	PROJECT DESCRIPTION	FISCAL 2013 *****	YEAR 2014 *****ESTI	ENDED 2015 MATE**	IN 2016 *****	PROGRESS NOTES	% Comply	Estimated Completion	Cost To Date (Identifiable)	Expected Revenues	Supplemental Balance	Category
3.5.7	SO-1224	Z53	JG	(OP) Office Carpet	This provides for -carpeting of all offices.	\$ 13,000				Board room done for \$11415 against \$10,000 budget. Office carpet remains.		12/31/2012		\$ -	\$ 13,000	OP
3.5.8			JG	Property Purchase	Identify and purchase properties as appropriate.					Underway.		12/1/2013				
3.6.0 Plan new facilities, upgrade and replacements in a way that promotes long-term reliability and cost-effectiveness																
3.6.1			SG/Brd	Pipeline replacement plan	Develop plan, timeline and funding for replacing aging pipelines.					(see 2.2.0)		1/1/2014				SP
3.6.2 PPL	SF-1206	021	RL	(FP) 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				Purch'd 1 from Tri-State Pump; Forshock will also bill; 3/6/12: R.L. to order	25%	6/30/2012	\$ 2,563	\$ -	\$ 9,437	FP
3.6.3 PPL	SF-1207	022	RL	(FP) Chlorine Analyzers W/Telemetry programming	Install analyzers to monitor chlorine residual at up to four remote sites.	\$ 20,000					0%	6/30/2013	\$ -	\$ -	\$ 20,000	FP
3.6.4 PPL	SF-1209	023	RL	(FP) 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				M. Metts engineering began Feb. 2012; 3/6/12: outsource inspection?	0%	5/31/2013	\$ -		\$ 250,000	FP
3.6.5	SF-1203	817	JG	(FP) 15,000 Feet Mainline Replacement	A portion of the total 90,000 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	Only plans are done (excluded from this cost)	0%	1/31/2014	\$ -	\$ -	\$ -	FP
3.7.0 Coordinate with the customer service representatives to develop standardized approaches to providing customer service																
3.7.1			JS	Customer Service Procedure for Leaks	Complete customer service procedure around leaks, including water conservation survey.							9/1/2012				SP
3.7.2				Complete SOPs	See 5.11 and 5.14					(see 5.1.3 and 5.1.4)		6/10/2013				SP
4.0.0 GOAL 4. GOVERNMENTAL AND COMMUNITY RELATIONS. The District acts as a good neighbor and partner that is highly regarded in the community																
4.1.0 Take actions needed to ensure the community understands and supports the District																
4.1.1			KR	Public Outreach Plan & Program	Carry out ongoing public outreach plan and program.					PI Committee.		Annual report				SP
4.1.2			KR	Update the Website								6/1/2012				SP
4.1.3	SF-1504		JG	(FP) Interpretive Signs for Demonstration Garden			\$ 10,000					6/30/2014				FP
4.2.0 Be an active and collaborative leader and partner with other organizations throughout the region to meet District goals, including obtaining grants, groundwater management authority and sewer authority																
4.2.1			Board	Board Interface with Mojave Water Agency	Board members attend meetings on ongoing basis.					Staff and Board.		Ongoing				SP
4.2.2				Staff Attend TAC								Ongoing				SP

Joshua Basin Water District Strategic Plan Summary

Strategic Line#	Budget Line#	Project #	Project Manager	PROJECT NAME	PROJECT DESCRIPTION	FISCAL 2013	YEAR 2014	ENDED 2015	IN 2016	PROGRESS NOTES	% Comply	Estimated Completion	Cost To Date (Identifiable)	Expected Revenues	Supplemental Balance	Category
						*****	***** ESTI	MATE**	*****							
4.2.3			Board / Staff	Attend MAC meetings	Board and staff attend MAC meetings. Review LAFCO and County agendas for relevant materials, Board attends ASBCSD meetings.							Ongoing				SP
4.3.0 Ensure clear communications between the Board and Manager so the Board can provide proper oversight and clear policy direction																
4.3.1			JG	Board Tours	Plan and carry out Board tours of administrative, management and operational activities and facilities.							Ongoing				SP
4.3.2			JG	Board Member Orientation	Form and ad-hoc Board Committee to develop new Board member orientation.					Committee and staff.		Ongoing				SP
4.3.3			JG	Develop New Reporting to Board	Develop new monthly reporting practices to the Board.							9/1/2013				SP
4.3.4			JG	Bi-monthly Board Workshops	Plan and conduct bi-monthly board workshops to provide enhanced communication on important District activities and progress.							Ongoing				SP
4.4.0 Preserve local control and independence in order to provide the best service to the community																
4.4.1			MR	Board Engagement in Regional Initiatives	Increase Board engagement in local and regional initiatives. E.G. LAFCO etc. to increase District visibility.					Board initiative.		Ongoing				SP
5.0.0 ADMINISTRATION AND MANAGEMENT. Continue strengthening administration and management for increased consistency, performance and individual accountability																
5.1.0 Continue to standardize and systematize training and procedures																
5.1.1			TS	Personal Manual	Complete Personnel Manual.							6/1/2013				SP
5.1.2			JG	Standard Operating Procedures	Identify and develop key standard operating procedures and timeline for less critical procedures.							6/1/2013				SP
5.1.3			JG	Training Manuals and Procedures	Develop standard training manuals and procedures.					Each operation.		1/1/2014				SP
5.2.0 Staff should have clear goals and priorities that align with the strategic plan and be evaluated and rewarded bases on performance																
5.2.1			Mgmt.	Performance evaluations	Update performance, evaluations and accountability approach. For example, consider options for a merit performance system and staff evaluations.					All supervisors and managers.		Begin 12/1/2013				SP
5.3.0 The District will provide the tools, training and support so that staff can grow and improve in their careers																
5.3.1				Staff communications re: evaluations	Continue existing programs but communicate to staff more clearly what is available to staff during the annual evaluation process and at staff meetings.					All supervisors and managers.		Begin 12/1/2013				SP
5.3.2	SO-1501			(OP) Employee & Volunteer Appreciation Fund			\$ 3,000					??				OP
5.4.0 The District chain of command at all levels will be clearly articulated , understood and followed																
5.4.1				Chain of Command	Reminder to enforce current practices at all levels.							Ongoing				SP
5.5.0 The District's IT system will be fully functional																
5.5.1			KF	GIS Strategic Plan	Develop GIS strategic plan.							6/1/2012				SP

Joshua Basin Water District Strategic Plan Summary

Strategic Line#	Budget Line#	Project #	Project Manager	PROJECT NAME	PROJECT DESCRIPTION	FISCAL 2013 *****	YEAR 2014 ***** ESTI	ENDED 2015 MATE**	IN 2016 *****	PROGRESS NOTES	% Comply	Estimated Completion	Cost To Date (Identifiable)	Expected Revenues	Supplemental Balance	Category
5.5.2			SG	Incode Implementation	Evaluate manual or electronic integration of SEMS with version 10.							12/1/2014				SP
5.5.3	SO-1227		SG	(OP) Incode Version 10 Upgrade	Upgrade to more user-friendly software version, including more reporting and search capability, in addition to adding some lacking features. \$20,000 budgeted in Year 1 has not been spent; this replaces that budget.		\$ 65,000				0%	6/30/2014	\$ -	\$ 65,000	\$ -	OP
5.5.4			KF	SEM implementation	Continue implementing SEMS including evaluation of manual or electronic integration with Incode.					20% loaded complete in 2013.		9/1/2013				SP
5.5.5	SO-1226		SG	(OP) Record Archival System	This will eventually enable the District to maintain more electronic files for easier access and less physical storage.	\$ 37,500	\$ 37,500				0%	6/30/2014	\$ -	\$ -	\$ 75,000	OP
5.6.0 Ensure that there is a thorough emergency management program that is tested and exercised																
5.6.1	SE-1220	024	RL	(EPI) Earthquake Shut Off Valves or Retrofit for Three Tanks -- C2-B, C-1 and B	Currently, if a pipe from a reservoir is broken the entire reservoir can be drained unless a valve is manually located and shut off. This, or another similar system, will provide a feature to the two major C tanks and the B tank serving the hospital, that will shut off in the event of an earthquake or other event that results in an unusually large amount of water draining from the tank.	\$ 80,000					0%	3/31/2013	\$ -	\$ -	\$ 80,000	EP
5.6.2	SE-1222			(EPI) Emergency Supplies	These include food, water, cots, etc. for serious emergencies for employees.	\$ 17,000						6/30/2013	\$ 816	\$ -	\$ 16,184	EP
5.6.3	SE-1221		RL	(EPI) Transfer Switches at Remaining Booster Sites	These switches are needed in order to be able to use the emergency generators at the pump stations.	\$ 60,000					0%	9/30/2013	\$ -	\$ -	\$ 60,000	EP
5.6.4	SE-1218		RL	(EP) Well 10 & 14 Soft Start Bypass - Generator Controls	The new 600 KW generators need this equipment in order to operate properly at the two largest producing wells, well 10 and well 14.	\$ 20,000				Not yet; RL would like to do soon.	0%	8/31/2012	\$ -	\$ -	\$ 20,000	EP
5.6.5			RC	Table Top Exercises	Continue annual table tops internally, and windshield survey, update the manual.					Constant updates manual by Sept.		9/1/2012				
REPLACEMENT RESERVE FUNDED																
Total Funding Req'd						\$652,833	\$ 148,833	\$ 33,334	\$ 1,000,000	\$ 835,000			\$ 193,743	\$ 1,694,000	\$ (1,052,743)	
Less:															\$ 1,367,257	
<i>Income from HDMC Waste Water Package Plant</i>						\$ 1,500,000										
<i>Replacement Reserve Annual Allotment</i>						\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000							
Final Total						\$ (947,167)	\$ 48,833	\$ (66,666)	\$ 900,000							
Less:						#REF!	#REF!	#REF!	\$ -	#REF!						

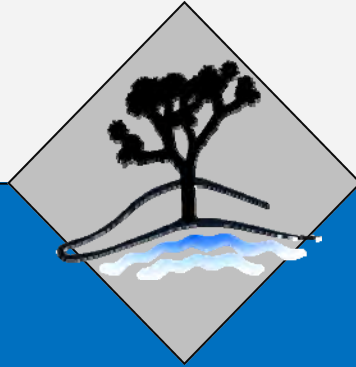
Joshua Basin Water District Strategic Plan Summary

Strategic Line#	Budget Line#	Project #	Project Manager	PROJECT NAME	PROJECT DESCRIPTION	FISCAL 2013	YEAR 2014	ENDED 2015	IN 2016	PROGRESS NOTES	% Comply	Estimated Completion	Cost To Date (Identifiable)	Expected Revenues	Supplemental Balance	Category		
						*****	***** ESTI	MATE**	*****									
					<i>Projected Gain from Operating Budget</i>	\$ 304,208	\$ 269,437	\$ 239,799	\$ 213,421	\$ 813,444								
					<i>Funding from Equip & Tech Reserves</i>	\$ 30,000	\$ 65,000			\$ 95,000								
					<i>Funding From Unrestricted Reserves</i>	#REF!	#REF!	#REF!	\$ 786,579	#REF!								
					Unfunded Projects	#REF!	#REF!	#REF!	\$ -	#REF!								
						#REF!	#REF!	#REF!	\$ 786,579	#REF!								
<p>Note 1 Supplemental budget projects are projects that are pre-authorized by the Board, and but must be individually authorized if they exceed General Manager's spending authority. The codes like the example shown in brackets [SF-1224] are using the codes below: S = Supplemental F = Field E = Emergency O = Office R = Replacement Reserve 12 = Budget Year Originally Scheduled 01 = Sequence</p> <p>Note 2 In the "Category" column the acronyms mean the following: FP = Field Project OP = Office Project EP = Emergency Project</p>	SOURCE OF FUNDING				<i>FOR INTERNAL USE ONLY</i>													
	4/19/2012									PROJECTED								
					CURRENT BALANCE				<i>(COMMITTED) / REPLENISHED</i>				FINAL BALANCE		<i>CONTINGENT LIABILITIES (NOT REFLECTED ABOVE)</i>			
					Regular Cash balances:	\$	164,068				\$	164,068			COMPUTER GALLERY	4054		
					Unrestricted LAIF:										INLAND WATER WORKS	6519		
					LAIF Investment Fund	\$	1,292,162.00				\$	1,292,162			KRIEGER & STEWART	14995		
					(Consumer Deposit Liabilities)	\$	(198,342)				\$	(198,342)			USGS	14855		
					(Project Deposit Liabilities)	\$	(74,084)				\$	(74,084)			TOTAL	40,423		
					(Contingent Liabilities)	\$	(40,423)				\$	(40,423)						
					LAIF Used for Projects (above)			#REF!	#REF!	#REF!	\$ (786,579)	#REF!						
					Unrestricted LAIF Balance (Deficit) @ FYE	\$	979,313	#REF!	#REF!	#REF!	#REF!	#REF!						
					Board Restricted LAIF:													
					LAIF Equipment & Technology Fund*	\$	256,234	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$	656,234					
					LAIF Used for Projects (above)			\$ (30,000)	\$ (65,000)	\$ -	\$ -	\$	(95,000)					
					LAIF Well & Booster Fund**			\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$	200,000					
					LAIF Emergency Fund	\$	1,000,000					\$	1,000,000					
					LAIF Opportunity Fund	\$	2,000,000					\$	2,000,000					
					Legally Restricted LAIF:													
					LAIF Water Capacity Fund	\$	(77,013)					\$	(77,013)					
					LAIF Sewer Capacity Fund	\$	112,817					\$	112,817					
					LAIF CMM Redemption Fund	\$	246,076					\$	246,076					
					LAIF CMM Reserve Fund	\$	273,036					\$	273,036					
					LAIF CMM Prepayment Fund	\$	2,959					\$	2,959					
					Total Adjusted Cash in Bank***	\$	4,957,490	#REF!	#REF!	#REF!	#REF!	#REF!						

Joshua Basin Water District Strategic Plan Summary

Strategic Line#	Budget Line#	Project #	Project Manager	PROJECT NAME	PROJECT DESCRIPTION	FISCAL 2013 *****	YEAR 2014 *****ESTI	ENDED 2015 MATE**	IN 2016 *****	PROGRESS NOTES	% Comply	Estimated Completion	Cost To Date (Identifiable)	Expected Revenues	Supplemental Balance	Category
					* Operating Budget provides \$100,000 annual replenishment.											
					** To be established 07/01/13 w/ \$50,000 annual replenishment through Operating Budget											
					*** Adjusted for Liabilities											





5. EXPECTATIONS & RESULTS 2012 Strategic Plan

Ensuring Results

In order to ensure results are achieved, it is important to take steps to implement the strategic plan and monitor the implementation on a regular basis.

Below are some steps we recommend that the Board and staff take to implement and monitor the plan.

1. Publish key elements of the strategic plan on posters and handouts, and display them around the District.
2. Incorporate key elements of the strategic plan into the employee handbook as well as orientation and training materials for new employees.
3. Publish the Work Plan, Supplemental Budget and Strategic Plan Summary, and regularly refer to it.
4. Add a standing Agenda item to provide an update on the status of the Work Plan, Supplemental Budget and Strategic Plan Summary so that the Board can measure progress.
5. Review and update the strategic plan annually and roll it forward. Usually this is accomplished through a half-day Board workshop followed by staff updating the work plan (Some District's update it every two years, usually through a whole-day workshop).

Develop Performance Measures

We recommend that the District develop a reasonable number of performance indicators to help measure and assess progress toward achieving the goals and objectives. This action can be saved for next year when the Strategic Plan is updated. Whatever performance measures are chosen, they should be meaningful and not overly burdensome for a small staff like the one at JBWD to collect.

Looking to the Future

Even the best strategic plan will fail if it is not adequately resourced through the budgeting process. The goals and objectives of the plan will not succeed without adequate people, time, money and other key resources.

Some Additional Steps the District can Consider for the Future

Aligning resources validates that initiatives and action plans comprising the Strategic Plan support the strategic objectives.

Below is a table summarizing the results of an academic study on strategic planning. It identifies the percent of cities with strategic plans that took the steps identified in the table. The more steps taken, the higher likelihood that implementation of the strategic plan was reported as successful.

We recommend that the District consider incorporating these steps over time.

- The annual budget prepared by the General Manager strongly supports the goals, objectives and priorities established in your strategic plan.
- The Board considers strategic goals and objectives when reviewing the annual budget.
- The capital budget reflects the goals, objectives, and priorities established in the strategic plan.
- New money in the budget is targeted to achieving strategic goals and objectives.
- The strategic plan has strong influence on the budget requests submitted by managers.
- Performance data tied to strategic goals and objectives play an important role in determining resource allocations.
- Progress toward meeting strategic plan goals and objectives is a factor in performance evaluations.



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JOSHUA BASIN WATER DISTRICT
SUPPLEMENTAL DATA SHEET

Regular Meeting of the Board of Directors

September 5, 2012

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



TOPIC: AGREEMENT WITH CARPI CLAY FOR REPRESENTATION IN WASHINGTON

RECOMMENDATION: That the Board authorize continuation of the agreement with Carpi Clay, advocates in Washington DC for Joshua Basin Water District, at reduced cost of \$1,750 per month.

ANALYSIS: Carpi Clay has represented the District for the past several years at a cost of \$3,500 per month in order to secure grants particularly for the ground water recharge project. The District received \$300,000 from the Environmental Protection Agency based on their work. More importantly, the \$300,000 EPA grant set in place a strategy that would have given JBWD a tremendous advantage in funding the remainder of the recharge project. Before that could be completed, the District received two state grants that will pay for the cost of the project.

The District still has funding needs which may be able to be met through federal funding, particularly for the following:

- Replacement of Existing Pipeline
- Electronic Records Retention Program
- Upgrade to the Incode Computer program
- Emergency facilities such as earthquake shut-off valves to the reservoirs
- Re-coating of reservoirs
- Construction of an Emergency Operating Center
- Expansion of District offices

Item 2.3.1 of the Board's Strategic Plan is to "Consider eliminating the cost of representation in Washington once the recharge project is funded." However, Item 2.3.2 is to "Monitor for local and regional grant opportunities" which will require assistance.

The proposed reduction in cost would address both of the provisions in the Strategic Plan at a reasonable cost.