



JOSHUA BASIN WATER DISTRICT
REGULAR MEETING OF THE CITIZENS ADVISORY COMMITTEE
TUESDAY, JANUARY 9, 2018, AT 6 PM
61750 CHOLLITA ROAD, JOSHUA TREE, CA 92252

AGENDA

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. DETERMINATION OF QUORUM
4. APPROVAL OF AGENDA
5. PUBLIC COMMENTS
This public comment portion of this agenda provides an opportunity for the public to address the Committee on items not listed on the agenda that *are of interest to the public at large* and are within the subject matter jurisdiction of this Committee. The Committee is prohibited by law from taking action on matters discussed that are not on the agenda, and no adverse conclusions should be drawn if the Committee does not respond to public comments at this time.
6. CONSENT CALENDAR
 - Approve draft minutes of the Special Workshop Committee meeting of December 6, 2017
7. RESERVE FUND POLICY DISCUSSION –
8. TALKING POINTS RATE INCREASE-
9. DISCUSS FEE PORTION OF RATE/FEE STUDY-
10. GENERAL MANAGER REPORT –
11. CONFIRM DATE FOR NEXT CITIZENS ADVISORY COMMITTEE MEETING
 - March 13, 2018, at 6 PM
12. ADJOURNMENT

Pages 2-3

Pages 4-13

Pages 14-15

Pages 16-20

INFORMATION: State your name and have your information prepared and be ready to provide your comments to the Committee. The District is interested and appreciates your comments. A 3-minute time limit will be imposed. Thank you.

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

JOSHUA BASIN WATER DISTRICT
Minutes of the
SPECIAL WORKSHOP MEETING OF THE CITIZENS ADVISORY COMMITTEE
December 6, 2017

1. CALL TO ORDER 6:00 p.m.
2. PLEDGE OF ALLEGIANCE
3. DETERMINATION OF QUORUM:

Jeff Dongvillo	Absent
Tom Kayne	Present
Shari Long	Present
Karen Morton	Present
Karyn Sernka	Absent
Karen Tracy	Present

- STAFF PRESENT:

Curt Sauer, General Manager
Susan Greer, Assistant General Manager
Beverly Waszak, Executive Assistant

- CONSULTANTS:

Alex Handlers, Bartle Wells Associates
Kathleen Radnich, Public Information & Outreach

- GUESTS: 4
4. APPROVAL OF AGENDA

MSC Kayne/Long 4/0/2 to approve the agenda for the Special Workshop Meeting of the CAC for December 6, 2017.
5. PUBLIC COMMENT –

Ed Vallerand gave a hand-out with cost comparisons between JBWD and Twentynine Palms.
Steve Tuttle asked questions on the rate increase.
6. CONSENT CALENDAR
 - A. Regular Workshop Draft Minutes – November 14, 2017

MSC Kayne/Long 4/0/2 to approve the draft minutes of November 14, 2017.
7. WORKSHOP – RATE INCREASE – ONGOING RATE DISCUSSION

Alex Handlers, Bartles Wells Associates, gave an updated presentation followed by a Q&A period.
8. ELECTION OF COMMITTEE CHAIR AND VICE CHAIR –

MSC Kayne/Morton 4/0/2 for Karen Tracy to continue as Chairperson and Shari Long as Vice Chairperson.
9. GENERAL MANAGER REPORT- GM Sauer gave an update on Well 14 and meters.

10. CONFIRM DATE FOR NEXT CITIZENS ADVISORY COMMITTEE- January 9, 2018, at 6 p.m.
11. ADJOURNMENT:
MSC/Long/Kayne 4/0/2 to adjourn the December 6, 2017, Special Workshop Meeting of the Citizens Advisory Committee at 3:17 p.m.

Respectfully submitted,

Curt Sauer, General Manager

DRAFT

JOSHUA BASIN WATER DISTRICT
MEETING AGENDA REPORT

Meeting of the Citizens Advisory Committee

January 9, 2018

Report to: Committee

Prepared by: Susan Greer

TOPIC: REVIEW OF PROPOSED RESERVE FUND POLICY

RECOMMENDATION:

Review and recommend to the Board for approval at the appropriate time.

ANALYSIS:

A copy of the draft Reserve Fund Policy is attached again for your review and consideration. The document was presented to the Board at their last meeting, requesting that they provide any suggested changes to the Finance Committee members. The policy has also been sent to the CAC and our rate study consultant, Alex Handlers, for input. We have already received input from the reserve policy trainer, David Becker. We will discuss any proposed amendments and continue the process until the Committee is prepared to send the policy to the Board for approval.

I have received information about the SCADA replacement requirements and will update that at the meeting, which impacts the Equipment & Technology Replacement Reserve.

FISCAL IMPACT:

N/A

UPDATES FROM ALEX HANDLERS OF BARTLES WELLS ASSOCIATES

JOSHUA BASIN WATER DISTRICT

RESERVE FUND POLICY

Adopted XX/XX/XX

PURPOSE

It is the Joshua Basin Water District Board of Director's intent through this Policy to describe how and why specific reserves are established and maintained and to provide District ratepayers and taxpayers with assurance that reserve balances will be maintained at prudent and fiscally responsible levels.

Maintaining adequate cash reserves is an essential part of sound financial management, in order to meet both short-and long-term financial obligations. Reserves play a critical role in providing reliable service for our ratepayers, financing of long-term capital projects and responding to emergencies. Reserves can provide the savings necessary to balance budgets during periods of diminished ~~reserves~~ revenues, allow for emergency preparedness, assist in maintaining stable water service rates, and preserve the financial stability of the District against present and future uncertainties in an ever-changing environment.

Suggested reserve funding balances are necessary to maintain Joshua Basin Water District's fiscal strength and flexibility and to adequately provide for:

- Compliance with applicable statutory requirements.
- Financing of future capital projects, and repair and replacement of existing assets.
- Cash flow requirements.
- Economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy.
- Contingencies or unforeseen operating or capital needs.

GUIDING PRINCIPLES

1. The District will prudently manage the resources entrusted to it by our ratepayers.
2. The District will maintain reserve funds in designated accounts in a manner that ensures its financial soundness and provides transparency to its ratepayers.
3. The District will maintain reserve funds that :
 - Are designated for specific purposes;
 - Are consistent with other financial policies, budgetary practices, District programs and legal requirements;
 - Allow the District to provide a high level of emergency preparedness for our ratepayers;
 - Provide funding for well-maintained infrastructure for current and future ratepayers; and
 - ~~Permit investment in the future; and~~
 - Allow the District to respond to changing circumstances.

AUTHORITY

Joshua Basin Water District has authority under Article XIIB of the California Constitution to establish such reserves as are deemed reasonable and proper.

DEFINITIONS

Restricted Reserves: Limitations on the use of restricted reserves are imposed by an outside source such as creditors, grantors, contributors, or laws or regulations of other governmental entities.

UPDATES FROM ALEX HANDLERS OF BARTLES WELLS ASSOCIATES

Unrestricted Reserves: Have no externally imposed use restrictions. The use of unrestricted reserves is at the discretion of the JBWD Board of Directors. There are two categories of unrestricted reserves – Designated and Undesignated. Currently, all Unrestricted Reserves at Joshua Basin Water District are Designated Reserves.

Designated Reserves: Set aside for a specific purpose, which is determined at the sole discretion of the Board of Directors. The Board of Directors also has the authority to redirect the use of these reserve funds as the needs of the Joshua Basin Water District change.

RESTRICTED RESERVE FUNDS: JBWD has the following types of restricted reserve funds:

Water Capacity Charges – Regulated per per Government Code 66013(b)(3). Water capacity charges are used to provide funding for water system infrastructure that will be required to be constructed in the future, or to pay-back the District for pre-built water system infrastructure already in existence at the time new water service connection is requested, as a pro-rata share of the costs to construct such facilities. Water capacity charges can fund either future system expansion required because of growth or may be used to ~~fund-reimburse the District for previously-funded~~ capital replacement for facilities ~~that have been pre-previously built by current users that will provide~~ benefit to future users.

Wastewater/Sewer Capacity Charge – Regulated per Government Code 66013(b)(3). Wastewater/sewer capacity charges are used to provide funding for wastewater/sewer system infrastructure that will be required to be constructed in the future, or to pay-back the District for pre-built water system infrastructure already in existence at the time new wastewater/sewer connection is requested, as a pro-rata share of the costs to construct such facilities. Wastewater/sewer capacity charges can fund either future system expansion required because of growth or may be used to ~~reimburse the District for previously-funded capital facilities previously that provide benefit to future users.~~ fund capital replacement for facilities that ~~have been pre-built by current users that will benefit future users.~~

Consumer and Project Deposits – good faith guarantee deposits provided by ratepayers for water service accounts or for construction projects.

Copper Mountain Mesa Assessment District (CMMAD) funds – the District collects debt service and lien payoffs for the CMMAD, which funds are due to the bondholders. In addition, a reserve fund is established for CMMAD as required by the ~~bondholder bonds~~, and those reserve funds will be ~~used applied~~ towards the final debt service payment ~~to the bondholder on the bonds~~.

Investment earnings from Restricted Reserves - shall be credited to the respective reserve funds.

UNRESTRICTED RESERVE FUNDS: JBWD has the following types of unrestricted reserve funds:

Operating Reserve -This reserve is considered a cash flow requirement. It bridges the gap between the time expenses are paid and revenues are collected from ratepayers, ensuring that the District preserves credit worthiness and provides for liquidity throughout the fiscal year. The purpose of the Operating Reserve is to ensure that the District will at all times have sufficient funding available to meet ~~annual~~ operating ~~and debt service?~~ costs. These funds are also available to support operating costs in order to minimize drastic fluctuations in rates, such as in the event of a drought when water use decreases, thus impacting operating revenues.

UPDATES FROM ALEX HANDLERS OF BARTLES WELLS ASSOCIATES

The goal of the Operating Reserve fund is to maintain six months' average operating and debt service expenses excluding depreciation.

Emergency Capital Replacement Reserve - This reserve is provided for emergencies or unplanned infrastructure failures.

The goal of the Emergency Reserve fund is to maintain a \$2 million balance.

CIP Reserve

This reserve provides funding for infrastructure projects in the approved Capital Improvement Plan (CIP.) The CIP identifies annual infrastructure projects for pipelines, wells, boosters and reservoirs.

Funding for CIP projects is set forth in the Capital Budget. In addition, **50% of annual operating net revenue**, as determined by the annual audit, will be deposited into the CIP Reserve fund after audit acceptance by the Board of Directors. Depending on the District's cash flow requirements, CIP Reserves funded during any fiscal year may or may not be available for use at the start of the fiscal/budget year.

This reserve is to be used for priority capital projects that will be reviewed and approved by the Board of Directors, so *no maximum reserve level is recommended*. Because of the discretionary nature of this reserve, the ability to decide which projects will be funded and when, *no minimum balance is required*.

Note that CIP projects may be concurrently funded and constructed within the same fiscal year, or, because infrastructure project costs are significant, projects may take more than one fiscal year to either plan/construct or be fully funded.

Individual Replacement Reserves

In addition to the water infrastructure projects funded via the CIP Reserve (above,) the District has other capital replacement requirements. Individual replacement reserves are established for the following purposes, which are not otherwise funded via the Capital Improvement Plan:

Building Replacement Reserve – is designated for future office/shop building expansion or replacement. Target funding level of \$315,000 is based on 1,000 square foot expansion of both shop and office buildings within the next 10 years. Replacement cost is based on ACWA/JPIA annually escalated insurance replacement cost.

Equipment & Technology Replacement Reserve – provides for regular replacement of vehicles, heavy equipment and computers, software and peripherals, office equipment and SCADA with a cost of at least \$1,000. Waiting on info from RM about SCADA replacement, which hasn't been replaced in 30 years – quote hopefully by Friday, 12/15, some upgrades will be due.

Meter Replacement Reserve – targets replacement of water meters approximately every 20 years. Meter replacement is overdue at the time this policy was written, and the District intends to replace meters over the next five fiscal years (2018/19 – 2022/23) at an estimated cost of \$2,500,000, requiring annual funding of \$500,000 through 2022/23. In 2023/24, or after meter replacement is complete, the annual funding will decrease so that the meter replacement fund achieves the appropriate balance after 20 years, (based on an updated estimated future replacement cost apportioned over 20 years), to provide funding for the subsequent meter replacement cycle.

Studies & Reports Replacement Reserve – funding for periodic updates to studies and reports such as the Urban Water Management Plan, Rate Studies, Compensation Studies, Water Master Plan. JBWD spends

UPDATES FROM ALEX HANDLERS OF BARTLES WELLS ASSOCIATES

approximately \$50,000 per year on average for such studies and reports, although individual studies and reports can exceed that cost. Target funding level is \$100,000.

In addition, a Wells, Boosters, Reservoir replacement reserve was previously established and currently has a balance of \$382,788 available for funding of appropriate projects. This Reserve will no longer be funded beginning in fiscal 18/19 and the current balance will be transferred to the CIP Reserve account.

Totals and Inflation

Annual funding from the 17/18 operating budget for all of the existing Capital Replacement Reserves is approximately \$247,000. Including additions for the newly-identified reserves for meter replacement and studies & reports, and elimination of future funding for wells, boosters and reservoir replacement reserves, future reserve funding should be approximately \$690,000 per year as of the date of this policy. However, JBWD does not currently generate adequate revenues to fund this level of reserves, but plans to increase annual reserve funding in future years, and such funding has been included in the 17/18 Rate Study. Reserve funding should be increased each year in order to keep up with inflation. Funding levels for the Meter Replacement reserve will decrease after 5 years or when all water meters are replaced.

Investment earnings from Unrestricted Reserves - shall be credited to the General Fund.

PROCEDURES

Policy Review - The Reserve Policy and its funding levels shall be reviewed every two years prior to adoption of the two-year budget. The Reserve Policy and funding levels will also be reviewed during the mid-term review of the budget that occurs during the second year of the two-year budget cycle.

Utilization of Reserves for Cash Flow Purposes - The Operating Reserves may be used at any time to meet cash flow requirements of District operations, as authorized by the Assistant General Manager/Controller. Authority to use the funds will be consistent with all of the District's financial policies.

Use of the Emergency Reserves can be authorized by the General Manager.

Use of Capital Replacement Reserves must be authorized by the JBWD Board of Directors.

Reallocation of Funds - The Board shall approve any reallocation of funds, transfers among reserve funds, or action that is inconsistent with this policy.

SUMMARY

The Reserve Fund Policy states that designated reserves will be maintained to allow for funding of the District's operating, capital and debt service obligations, as well as funding for unforeseen events. Reserves will be established, replenished, and used only in a manner which allows the District to fund costs consistent with the Capital Improvement Plan, Financial Plan and Rate Study, and other Board adopted actions, ~~and in a manner that requires minimal annual adjustment to water rates.~~ The District's Reserve Fund Policy shall be periodically reviewed and adjusted to meet the needs of the District.

JOSHUA BASIN WATER DISTRICT
RESERVE FUND POLICY
Adopted XX/XX/XX

PURPOSE

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Because of the need to maintain infrastructure on a systematic basis, the CIP Reserve will act as the source of funding for water system infrastructure.

This reserve is to be used for priority capital projects that will be reviewed and approved by the Board of Directors, so *no maximum reserve level is recommended*. *Because of the discretionary nature of this reserve, the ability to decide which projects will be funded and when, no minimum balance is required.* I would recommend a minimum based on a percentage of the current capital improvement plan. For example, if the current capital improvement plan is \$50 million and you want to have at least 10%, your minimum would be \$5 million. This may be helpful in the event you need financing for a significant project.

Note that CIP projects may be concurrently funded and constructed within the same fiscal year, or, because infrastructure project costs are significant, projects may take more than one fiscal year to either plan/construct or be fully funded.

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In addition, a *Wells, Boosters, Reservoir* replacement reserve was previously established and currently has a balance of \$382,788 available for funding of appropriate projects. This Reserve will no longer be funded beginning in fiscal 18/19 and the current balance will be transferred to the CIP Reserve account. I don't think this needs to be in your policy. I believe when you approve the policy you can also approve moving those funds since is no longer an established reserve account. You actually capture it below when you talk about reallocation of funds.

Totals and Inflation

Annual funding from the 17/18 operating budget for all of the existing Capital Replacement Reserves is approximately \$247,000. Including additions for the newly-identified reserves for meter replacement and studies & reports, and elimination of future funding for wells, boosters and reservoir replacement reserves, future reserve funding should be approximately \$690,000 per year as of the date of this policy and such funding has been included in the 17/18 Rate Study. Reserve funding should be increased each year in order to keep up with inflation. Funding levels for the Meter Replacement reserve will decrease after 5 years or when all water meters are replaced.

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You may want to consider a debt financing reserve account. If you have a large project that needs to be financed, it could be used as a down payment or for future or final debt service payments. Finance people like to see that you have reserves specifically for payment of any debt.



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THE DISTRICT WILL FIRST ADDRESS THESE FOUR CAPITAL IMPROVEMENTS WITH THE NEW RATE INCREASE DURING YEARS 1-5

The initial tasks in development of the Capital Improvement Plan focus on reviewing the District's existing assets:

- The District's water system assets include approximately:*
- ▶ 1,695,500 linear feet (321 miles) of distribution pipeline
 - ▶ 236 air vacuum valves
 - ▶ 149 blow-off assemblies
 - ▶ 1,313 fire hydrants
 - ▶ 13 master meters
 - ▶ 4,418 service meters
 - ▶ 12 pressure reducing stations
 - ▶ 1,803 in-line valves

In addition to the distribution system facilities, other District facilities include:

- ▶ 5 groundwater wells
- ▶ 32 pumps and motors
- ▶ 19 storage tanks
- ▶ 9 standby power generators
- ▶ 22 vehicles
- ▶ a District Office
- ▶ an Operations Shop
- ▶ 6 recharge ponds and its supply pipeline

1	<p>Pipe replacement for aging pipes that are 50-70 years old: on-going, at a cost of up to \$1,000,000.00 per year</p> <ul style="list-style-type: none"> ➤ Top Priority: 8900 ft. on Tillford Way Project (undersized & 60+ yrs.old) ➤ Second Priority: 7,600 ft. of 4 and 6 inch steel pipelines for the Outpost Pipeline Project, including the installation of 37 valves that were never installed in the 1970s, and 23 fire hydrants to meet today's standards. 	
2	<p>Meter replacement: this is a 5-year plan to replace 4,800 aged-out meters</p> <ul style="list-style-type: none"> ➤ Aged, malfunctioning meters are under reporting water use by 2% to 4%. ➤ This "phased" replacement approach will allow systematic replacement 20 years from now, lessening the "all at once" replacement costs to the District. 	
3	<p>All Pumps and Motors will be replaced</p> <ul style="list-style-type: none"> ➤ 29 of our 32 pumps and motors are already 15-20 years past their life expectancy 	
4	<p>Maintenance of 17 water reservoirs (tanks)</p> <ul style="list-style-type: none"> ➤ Every year, one to two reservoirs will undergo a systematic rehab program to maintain safe water quality. 	



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WHY ARE RATE INCREASES NEEDED?

1. Rate increases are needed to help address a number of financial challenges and support safe, reliable, and sustainable water service.

A. Repair and replace aging water system infrastructure.

- (1) Roughly 175 miles of JBWD's water pipelines were installed 40 to 70 years ago and are approaching the end of their useful lives. Many old pipelines are inadequately sized and may no longer meet fire flow requirements.
- (2) Other aging facilities – including old pump stations, wells and water tanks – will need to be rebuilt or refurbished in upcoming years.
- (3) Rate increases are also needed to fund a five-year, \$2.5 million meter replacement program to replace old water meters that are now reaching the end of their useful lives.

B. Fund imported water purchases from Mojave Water Agency to help recharge the groundwater basin and reduce further depletion.

C. Keep up with cost inflation. Rate increases are needed to restore financial stability and help keep revenues in line with future cost inflation.

2. District rates compare favorably to other local and regional agencies.

A. We have historically been below average in rates commonly needed for sustainability. The new rate structure places us in the upper middle range.

B. Rates will be phased in over 5 years:

- (1) Tier one users will see an average of \$0.70 / per unit per month increase in 2018, that's less than 1/2 cent per gallon (water usage at other tier levels will incur additional rate increases at those levels.)
- (2) Tier two users will see an average of \$0.90 / per unit of tier two usage per month increase in 2018.
- (3) Tier three users will see an average of \$1.10 / per unit of tier three usage per month increase in 2018.
- (4) Tier four users will see an average of \$1.30 / per unit of tier four usage per month increase in 2018

3. What do our rates pay for?

A. Operating and maintenance account for approximately 70.3% of our budget.

B. The meter replacement program will cost about 6.1% of the budget.

C. Water purchases are expected to cost 8.4% of our total budget.

D. Capital improvements, Projects and Studies represent the balance, at about 15.2%

4. What is the District doing to keep costs down?

A. In recent years, JBWD has minimized staffing and insurance costs.

B. JBWD has aggressively gone after grants. and has been awarded them as good stewards of funding.

JOSHUA BASIN WATER DISTRICT
MEETING AGENDA REPORT

Meeting of the Citizens Advisory Committee

January 9, 2018

Report to: Committee Members

Prepared by: Susan Greer

TOPIC:
DISCUSS FEE PORTION OF RATE/FEE STUDY

RECOMMENDATION:
Discussion only.

ANALYSIS:

The Rate/Fee Study is currently underway, and there has been much discussion about rates, and none about fees. Rates are subject to Prop 218, requiring mailed notification of proposed increases to customers and a public hearing. Fees, because they are not “property related fees and charges” as defined by Prop 218, aren’t subject to the same regulatory process as rates and the Board can adopt fees as they see fit. By law, fees must still be reasonable, which means they have a relationship to the actual cost. Fees are essentially based on staff labor, equipment and materials costs.

The existing fee schedule is attached. Note that a review and overhaul of *all fees* has not occurred in about 20 years although individual fees have been added and others increased over the years. Initial review finds significant increases to costs compared to existing fees and we will discuss some of those examples at the meeting. Inflation, technology, regulatory requirements, and our own procedures naturally change costs over time and fees are supposed to cover those costs.

FISCAL IMPACT:
Discussion only.

JOSHUA BASIN WATER DISTRICT
RATE and FEE SCHEDULE (effective 1/1/18)

Basic Fee

Meter Size	Flow (G.P.M.)	Monthly rate
3/4" and 1"	30 & 50	\$ 25.78
1 1/2"	100	\$ 85.93
2"	160	\$137.49
3"	300	\$257.79

Private Fire Protection

Device Size	Monthly Rate
2"	\$12.62
3"	\$25.25
4"	\$50.50
6"	\$75.76
8"	\$113.62

Monthly Water Flow Charges

3/4" AND 1" METERS

Consumption Amount	Rate per unit
0 – 5 units	\$3.00
6 – 10 units	\$3.50
11 – 20 units	\$4.00
21 + units	\$4.50

1-1/2", 2" AND 3" METERS

Consumption Amount	Rate per unit
All Usage	\$3.79

1 unit = one hundred cubic feet = 748 gallons

Miscellaneous Charges

Tag/Letter Fee	\$ 10.00
After Hours Turn on Fee	\$85.00
Backflow/Cross Connection Devices	\$25.00 per year
Broken Lock Fee	\$ 25.00
Cancellation of New Meter Installation After Application Process and Payment of Fees	\$50.00
Customer-Requested Meter Testing	3/4" or 1" - \$40.00 1-1/2" - \$75.00 Larger – cost + 15% Plus a water account adjustment for any discrepancy identified by the test, either under or over-recording
Delinquent Account Service Charge	1.5%/ month plus a one-time 10% penalty
Delinquent Account Unlock Charge	\$ 25.00
Document Charge – photocopies computer printout	\$ 0.25/page \$1.00/page with \$2.00 minimum
Fire Flow Test/Hydrant Testing	\$ 55.00

Guarantee Deposit – Temporary Service	\$250.00
Guarantee Deposit- Regular Service	\$100.00 unless waived with good credit
Meter Accuracy Testing	Based on meter size; minimum \$40
Meter Reinstallation Charge	\$ 40.00
Meter Exchange	Upgrade ¾" to 1" - \$335 Other upgrades and downgrades at actual cost
Meter Damage	Minor/Broken Ball Valve - \$150 Extensive Damage at actual cost
New Account Deposit	\$100.00
Permit to Supply Water for Domestic Irrigation to Adjoining Same Ownership Parcel	¾" meter - \$30.000 per year 1" meter - \$501.00 per year
Plan Check, Processing and Inspection Fees	Actual cost of services plus 15% for administration
Refund Agreement Processing Fee	Initial preparation - \$25.00 plus \$25.00 for each separate parcel covered. Annual processing costs - \$5.00 for each collection made
Returned Check Charge	\$ 20.00
Sale of Water to Other Water Agencies	\$9.53 per unit (100 cubic feet) Plus direct labor, material and equipment costs
Standard Front Footage Fee (mainline or wastewater)	Most recently-calculated front footage reimbursement (e.g. 2008 H Zone, \$37 per foot) as approved by Board of Directors
Standby (Water Availability) Fees (billed through property taxes)	See attached schedule
Temporary (Construction) Meter Minimum Charge and Quantity Rates	50% surcharge on Basic Fee and Flow charges
Temporary Service Installation Charge	\$30.00
Turn on Charge	\$ 15.00
Variance Application Processing Fee	\$25.00

Meter Installation and Capacity Charges

Each meter installation with require payment of either tract or non-tract installation charge, depending on location, plus the corresponding capacity charges.

Meter Size	Tract Installation	Non-Tract Installation	Water Capacity Charge	Wastewater Capacity Charge (per EDU)
¾" Meter	\$ 585.00	\$1,911.00	\$4,207.00	\$6,271.00
1" Meter	\$ 669.00	\$2,002.00	\$7,009.00	\$6,271.00
1 ½" Meter	Cost + 15%	Cost + 15%	\$14,016.00	\$6,271.00
2" Meter	Cost + 15%	Cost + 15%	\$22,428.00	\$6,271.00
3" Meter	Cost + 15%	Cost + 15%	\$42,052.00	\$6,271.00

Standby Rate Table Attached

EXHIBIT A

**JOSHUA BASIN WATER DISTRICT
WATER AVAILABILITY (STANDBY) CHARGES**

SCHEDULE A

MINIMUM PER PARCEL UP TO 1.25 ACRES

COUNTY ZONE	District Zone 1	District Zone 2	District Zone 3	District Zone 4
20MRM40M	\$30.00	\$50.00		
3MRM	\$40.00	\$60.00		
4MRM	\$40.00	\$60.00	\$50.00	
RS8M	\$30.00	\$50.00		
RS10M	\$30.00	\$50.00		
RS18M	\$30.00	\$50.00		
RS20M	\$30.00	\$50.00		
RC40	\$40.00	\$60.00	\$40.00	\$40.00
RL20	\$30.00	\$50.00	\$40.00	\$40.00
RL10	\$30.00	\$50.00	\$40.00	\$40.00
RL5	\$30.00	\$50.00	\$40.00	\$40.00
RL2.5	\$30.00	\$50.00	\$40.00	\$40.00
COMMERCIAL / INDUSTRIAL/ OTHER	\$40.00	\$60.00	\$50.00	
RS1	\$40.00	\$60.00	\$50.00	

SCHEDULE B

COST PER ACRE FOR PARCELS OVER 1.25 ACRES

District Zone 1	District Zone 2	District Zone 3	District Zone 4	ACREAGE
\$20.00	\$30.00			0+ Acres
\$20.00	\$30.00			0-40 Acres
	\$25.00			41+ Acres
\$20.00	\$35.00	\$25.00		0-40 Acres
	\$25.00	\$15.00		41+ Acres
\$20.00	\$30.00			0+ Acres
\$20.00	\$35.00			0-40 Acres
\$15.00	\$25.00			41-80 Acres
\$10.00	\$15.00			81-160 Acres
	\$10.00			161-320 Acres
	\$1.00			321+ Acres
\$20.00	\$30.00			0-40 Acres
	\$25.00			41+ Acres
\$20.00	\$30.00			0+ Acres
\$15.00	\$25.00	\$15.00	\$15.00	0-40 Acres
	\$12.00	\$10.00	\$8.00	41-160 Acres
	\$5.00	\$4.00	\$3.00	161-320 Acres
	\$1.00	\$1.00	\$1.00	321+ Acres
\$20.00	\$30.00	\$20.00	\$15.00	0+ Acres
\$20.00	\$30.00	\$20.00	\$15.00	0-40 Acres
\$15.00				41+ Acres
\$20.00	\$30.00	\$20.00	\$15.00	0-40 Acres
\$12.00	\$25.00	\$15.00	\$12.00	41-80 Acres
\$8.00	\$10.00	\$8.00	\$8.00	81-160 Acres
\$4.00	\$5.00	\$4.00	\$3.00	161-320 Acres
\$1.00	\$1.00	\$1.00	\$1.00	321+ Acres
\$20.00	\$30.00	\$20.00	\$15.00	0-40 Acres
\$15.00	\$25.00	\$15.00	\$12.00	41-80 Acres
\$10.00	\$15.00	\$10.00	\$10.00	81-160 Acres
\$5.00	\$8.00	\$5.00	\$4.00	161-320 Acres
\$1.00	\$1.00	\$1.00	\$1.00	321+ Acres
\$25.00	\$35.00	\$25.00		0-40 Acres
				41+ Acres
\$20.00	\$30.00	\$20.00		0-40 Acres
	\$25.00			41+ Acres

JOSHUA BASIN WATER DISTRICT
Water Availability (Standby) Zoning Descriptions

DISTRICT ZONE DESCRIPTIONS

- ZONE 1** Any size parcel served by one or more meters
- ZONE 2** Any size parcel within 1/2 mile of a water mainline and in the same pressure zone as the mainline
- ZONE 3** Any size parcel within one mile of a water mainline and within one pressure zone of the mainline
- ZONE 4** All other parcels

COUNTY ZONE DESCRIPTIONS

- 3MRM** Residential, multi-family, 3,000 sq. ft. per unit, 14.5 units per acre
- 4MRM** Residential, multi-family, 4,000 sq.ft. per unit, 10.8 units per acre
- 20MRM40M** Residential, multi-family, 20,000 sq. ft. per unit, 2.18 units per acre
- RS1** Residential, single family, 1 unit per acre
- RS6M** Residential, single family, 8,000 sq.ft. per unit, 5.4 units per acre
- RS10M** Residential, single family, 10,000 sq. ft. per unit, 4.3 units per acre
- RS18M** Residential, single family, 18,000 sq. ft. per unit, 2.4 units per acre
- RS20M** Residential, single family, 20,000 sq. ft. per unit, 2.1 units per acre
- RL2.5** Rural Living, one residence per 2.5 acres
- RL5** Rural Living, one residence per 5 acres
- RL10** Rural Living, one residence per 10 acres
- RL20** Rural Living, one residence per 20 acres
- RC40** Resource Conservation, one residence per 40 acres
- CS, CC, CG,** Commercial Properties
- CO, CN** Commercial Properties
- IC** Industrial Properties