

# REGULAR MEETING OF THE BOARD OF DIRECTORS

IDYLLWILD WATER DISTRICT  
25945 Highway 243  
Idyllwild, CA 92549

April 18, 2018 - 6:00 P.M.

## AGENDA

### CALL TO ORDER:

### ROLL CALL:

### PUBLIC COMMENTS:

Any person may address the Board at this time upon any subject not identified on this Agenda but within the jurisdiction of the District. Please note that for items not listed on the agenda, the Brown Act imposes limitations on what the Board may do at this time. The Board may not take action on the item at this meeting. As to matters on the Agenda, persons will be given an opportunity to address the Board when the matter is considered. If you wish to speak during public comment, please fill out a "Speaker Request Form" and give it to the Board Secretary. When the Board President calls your name, please immediately step to the podium and begin by giving your name and address for the record. Each speaker will be given four (4) minutes to address the Board.

### 1. CONSENT CALENDAR:

Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it shall be removed so that it may be acted upon separately.

**A. MINUTES** – March 21, 2018 Regular Meeting Minutes

### **B. FINANCIAL REPORTS MARCH 2018**

1. Income statement for the Ninth month ending March 2018
2. District warrants for March 2018.

Check #	14656 – 14728	= \$	181,858.82
Gross Payroll		= \$	55,253.61
Federal/State PR taxes		= \$	16,915.00
LAIF Transfers		= \$	0.00
Transfers/charges		= \$	0.00

### **C. OPERATIONS REPORT FOR THE NINTH MONTH – MARCH 2018**

**D. SIGNATURE CARD RESOLUTION #749-** The Board will consider approving updating the bank signature cards due to Board changes.

2. **REVISED RESERVE FUNDS POLICY AND RESOLUTION #748** – The Board of Directors will consider the adoption of Resolution No. 748 which would update and revise the District's Reserve Funds Policy to fit the District's current needs.
3. **BUDGET PROPOSAL AND PUBLIC HEARING RESOLUTION #750**– The Board will consider and adopt a Budget for the Fiscal Year 2018/2019 and will set a Public Hearing date for June 20, 2018 to consider the proposed rate change according to Proposition 218 standards.
4. **DESIGN SERVICES FOR 2018 PIPELINE PROJECT** – The Board will consider authorizing the General Manager to execute agreements with ENRC, The Prizm Group and Inland Foundation Engineering for design and construction services for the 2018 Pipeline Project.
5. **UNIT #1 – 2014 TOYOTA FORERUNNER** – The Board will consider the disposition of the District's Unit #1, the 2014 Toyota Forerunner.
6. **AUDIO EQUIPMENT FOR RECORDING BOARD MEETINGS FOR WEBSITE POSTING** – The Board will consider purchase of audio equipment for recording board meetings in a format compatible with website posting for \$5,610.

**DIRECTORS COMMENTS :**

**GENERAL MANAGER'S COMMENTS:**

**ADJOURNMENT:**

To the next Board meeting is a Regular Meeting scheduled for May 16, 2018 at 6:00 p.m., to be held at the Idyllwild Water District Boardroom, 25945 Hwy. 243, Idyllwild, CA 92549.

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Please remember during Public Comments:

- Comments should be limited to 4 minutes or less
- Comments should be directed to the Board as a whole and not directed to individual Board members.

Americans with Disabilities Act: In compliance with the ADA, if you need special assistance to participate in a District meeting or other services offered by this District, please contact the District office @ 951-659-2143 or email: [admin@idyllwildwater.com](mailto:admin@idyllwildwater.com). Upon request, the agenda and documents in the agenda packet can be made available in appropriate alternative formats to persons with a disability. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the District staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
IDYLLWILD WATER DISTRICT**

*The Board of Directors of the Idyllwild Water District met in regular session on March 21, 2018, in the Idyllwild Water District Board Room.*

**CALL TO ORDER:**

The meeting was called to order by President Schelly at 6:00 p.m.

**ROLL CALL:**

Directors present: President Charles Schelly, Vice President Peter Szabadi, Steve Kunkle and Catherine Dearing. General Manager Jack Hoagland, Chief Financial Officer Hosny Shouman and Board Secretary Erica Gonzales were also present.

General public present: (8)

President Schelly asked for a moment of silence in honor of Director Caine.

**PUBLIC COMMENT:**

None.

**ITEM 1- CONSIDER FILLING A VACANCY ON THE BOARD OF DIRECTORS:**

Recommendation

Appoint a qualified candidate to fill the current vacancy on the Board of Directors.

Background

As a result of the resignation of Geoffrey Caine, the Idyllwild Water District Board of Directors has a vacancy.

State law provides the District with several options for filling the vacancies:

- The remaining Board members may appoint qualified applicants to the position;
- The Board can call a special election to fill the positions; or
- The Board can default to the Board of Supervisors of Riverside County to appoint a qualified applicant to the position.

The Board, at its February 21, 2018 Regular Meeting, chose to appoint a qualified candidate as the most expeditious and fiscally prudent option.

The appointed board member will be required to stand for election at the next regularly scheduled election in August 2020 if they desire to continue on the Board.

Four residents have submitted letters of interest for the vacant position:

David Hunt

Leslie Gin

Susan Nash

Maygen Sandrini

Each interested resident will have a 3-minute opportunity to address the Board of Directors at the meeting prior to the Board decision process.

**DISCUSSION:**

**DAVID HUNT** – Born and raised in Idyllwild. Would like to contribute to the community, believe his background in different fields of education would be an asset in decision making.

**LESLIE GIN** – Recently moved to Idyllwild from Arizona. Has served on a number of Boards in Arizona. Believes his background in finance would help to reduce costs.

**SUSAN NASH** – Is concerned about the Environment and CEQA. Concerned about how the District is going to address human induced climate change and how the District will be able to survive deeper and extended droughts. Also concerned about the legal fees regarding the Strawberry Creek water rights issue. Should be cooperating with other Water Districts.

**MAYGEN SANDRINI** – Was unable to attend, President Schelly read her statement of interest that was included in the Board Packet aloud.

**DIRECTOR KUNKLE** – Asked various questions regarding consolidation of the Districts, water rates, and community growth to all candidates.

A MOTION was made by Vice President Szabadi to appoint Leslie Gin and Director Kunkle seconded. The vote was as follows:

**AYES**

**Peter Szabadi  
Steve Kunkle**

**NAYS**

**Catherine Dearing**

**ABSTAIN**

**Charles Schelly**

**ABSENT**

**The motion failed.**

A MOTION was made by Director Dearing to appoint David Hunt and the motion died for lack of a second.

**VICE PRESIDENT SZABADI** – Inquired what would happen if the Board failed to make a decision.

**DIRECTOR DEARING** – Inclined toward Mr. Hunt because he is an Idyllwild native and understands the idiosyncrasies of the community. Thinks Mr. Hunt would be a tremendous asset for this unique community.

**VICE PRESIDENT SZABADI** – Believes Mr. Gin would be more appropriate for the role due to his background in business and finance because we need someone on the Board that understand how large and small organizations are run.

A MOTION was made by Vice President Szabadi to appoint Leslie Gin and the motion died for lack of a second.

A MOTION was made by Director Kunkle to appoint David Hunt and Director Dearing seconded. The vote was as follows:

<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>Steve Kunkle</b>			
<b>Catherine Dearing</b>			
<b>Peter Szabadi</b>			
<b>Charles Schelly</b>			

**Motion approved.**

**David Hunt was sworn in by Board Secretary Erica Gonzales.**

**ITEM 2 - CONSENT CALENDAR:**

**MINUTES –** February 21, 2018

**FINANCIAL REPORTS FEBRUARY 2018**

- A. Income statement for the Eighth month ending February 2018
- B. District warrants for February 2018.
  - Check # 14608 - 14655 = \$ 211,718.54
  - Gross Payroll = \$ 52,889.10
  - Federal/State PR taxes = \$ 16,681.56
  - LAIF Transfers = \$ 0.00
  - Transfers/charges = \$ 186.02

**OPERATIONS REPORT AND GRAPHS FOR THE EIGHTH MONTH ENDING FEBRUARY 2018.**

No mainline leaks were reported in February and there were no unmetered leaks. Foster Lake’s level was at 3 feet at the end of February. There was 0.03” of precipitation in February and there has been 4.31” of precipitation for the fiscal year to date. The static water levels at the Foster Lake Wells were 14’ below ground level, the downtown well #23 is currently static at 10’ and the downtown well #24 is static at 17’ below ground level respectively. Production for February was 739,527 cubic feet. February’s unaccounted for water was 4.90% of water production. Fiscal year to date unaccounted for water average is 6.51% of water production.

**DISCUSSION:**

**DIRECTOR KUNKLE** – Inquired about various warrants.

**VICE PRESIDENT SZABADI** – Inquired about the income statement. Also wanted the public comment in the Minutes for February 21, 2018 amended to say “Stated that he was sorry that Ms. Nash was upset because he laughed at a joke made by a member of the public.” Rather than “apologized for laughing.”

A MOTION was made by Vice President Szabadi to approve the Consent Calendar and Director Dearing seconded. The vote was as follows:

<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>Peter Szabadi</b>			
<b>Catherine Dearing</b>			
<b>David Hunt</b>			
<b>Steve Kunkle</b>			
<b>Charles Schelly</b>			

**Consent Calendar was approved.**

**ITEM 3 – CONSIDER VOTING FOR LAFCO SPECIAL DISTRICT REPRESENTATIVE**

Recommendation

Authorize the President to vote in the election for a representative to the Local Agency Formation Commission (LAFCO) for the Special District-West seat.

Background

LAFCO is the agency that determines the boundaries and powers of agencies within the county. It also periodically reviews the operations and efficiencies of the agencies within the county through Municipal Service Reviews (MSR) every five-years. The MSR for water districts is just beginning and the process will take 9-12 months.

The seven member LAFCO governing board consists of two county supervisors, two representatives from cities (council members), two board members from special districts and a representative of the public. Special districts within the County have agreed to have one representative from the western portion of the County and one from the eastern (or desert) portion of the county. Information on the candidates is attached.

Staff recommends voting in the following order:

Phil Williams - 1

David Hoffman - 2

Angel Garcia – 3

**DISCUSSION:**

**None.**

A MOTION was made by Director Dearing to authorize President Schelly to vote in the election for a representative to the Local Agency Formation Commission (LAFCO) for the Special District-West seat and Vice President Szabadi seconded. The vote was as follows:

<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>Catherine Dearing</b>			
<b>Peter Szabadi</b>			
<b>David Hunt</b>			
<b>Steve Kunkle</b>			
<b>Charles Schelly</b>			

**Motion approved.**

**ITEM 4 – PUBLIC RECORDS ACT POLICY AND RESOLUTION NO. 743**

Recommendation: That the Idyllwild Water District Board of Directors adopt Resolution No. 743 Establishing a Public Records Request policy.

Background: Although the Idyllwild Water District endeavors to comply with State requirements regarding requests for Public Records, in an effort to increase transparency, Staff recommends the attached resolution and policy.

**DISCUSSION:**

**SUE NASH** – Concerned that Idyllwild Water District is attempting to rewrite the law.

**TOM PAULEK** – Posting the recordings of the meetings on the website would be the ultimate transparency.

A MOTION was made by Director Dearing to adopt Resolution No. 743 establishing a Public Records Request policy and Vice President Szabadi seconded. The vote was as follows:

<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>Catherine Dearing</b>			
<b>Peter Szabadi</b>			
<b>David Hunt</b>			
<b>Steve Kunkle</b>			
<b>Charles Schelly</b>			

**Motion approved.**

**ITEM 5 – BROWN ACT POLICY AND RESOLUTION NO. 744**

Recommendation: That the Idyllwild Water District Board of Directors adopt Resolution No. 744 Establishing a Brown Act compliance policy.

Background: Although the Idyllwild Water District endeavors to comply with State requirements regarding meetings of the Board of Directors, in an effort to increase transparency and to commit to compliance, Staff recommends the attached resolution and policy.

**DISCUSSION:**

**TOM PAULEK** – Asked how many recordings does District have and how far back do they go? District should allow public to come into office and listen to recording on a tape recorder if they request to do so.

**JP CRUMRINE** – Commended staff for making clear that a member of the public can request an item to be put on the Agenda.

**VICE PRESIDENT SZABADI** – Concerned about the time constraints for the Directors



to request an item be put on the Agenda. Would like that reduced to 7 days from 14. Would like the word “crippling” removed because that can be interpreted subjectively.

A MOTION was made by Vice President Szabadi to adopt Resolution No. 744 establishing a Brown Act compliance policy and Director Hunt seconded. The vote was as follows:

<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>Peter Szabadi</b>			
<b>David Hunt</b>			
<b>Catherine Dearing</b>			
<b>Steve Kunkle</b>			
<b>Charles Schelly</b>			

**Motion approved.**

### **ITEM 6 – WATER SHORTAGE CONTINGENCY PLAN**

#### Recommendation

That the Board of Directors review the draft Water Shortage Contingency Plan (WSCP) and provide direction to staff

#### Background

The State has recommended that all water agencies have a WSCP. Idyllwild Water District's Ordinance No. 64 is currently effectively the District's WSCP.

An ad hoc committee consisting of Directors Kunkle and Caine provided staff with some initial direction in the production of the attached DRAFT WSCP.

Staff is now seeking further direction related to the restrictions at various stages and the basis for criteria in entering/leaving the various stages. Financial impacts and fee variation will require input from the Rate Study currently being developed by NBS Financial.

#### **DISCUSSION:**

**JACK HOAGLAND** – Would like direction to create some criteria for going into and coming out of conservation stages based on water production and amount of water we are able to produce.

**TOM PAULEK** – Wants to insure that there will be CEQA compliance in the creation of the Water Shortage Contingency Plan.

**DIRECTOR HUNT** – Asked various questions and noted a number of typos.

**VICE PRESIDENT SZABADI** – Would like to reform the Water Shortage Contingency Plan Ad Hoc committee.

President Schelly appointed David Hunt and Peter Szabadi to the Water Shortage Contingency Plan Ad Hoc Committee.

## **ITEM 7 – CAPITAL IMPROVEMENT PROJECT FOR FY 18/19**

### Recommendation

Review staff recommendations and provide direction for budget development.

### Background

To facilitate development of the Fiscal Year (FY) 2018-19 Budget, staff is providing the attached proposed Capital Projects and expenditures for the Board of Directors review, comment and direction

### **DISCUSSION:**

**JP CRUMRINE** – Would like staff to be mindful of the time constraints on Pipeline replacement because there will be a “Wine Walk” in the area proposed in October.

**KRIS KIRSCHBAUM** – Wanted to comment that this plan is very forward thinking and all are good ideas.

**DIRECTOR HUNT** – Asked various questions about the proposed projects.

**DIRECTOR KUNKLE** – Does not believe all of these projects are priority. Would like to repair line at a different site than proposed for the pipeline replacement.

**DIRECTOR DEARING** – Asked for more clarification on the radio transmitters for the meters.

**VICE PRESIDENT SZABADI** – Concerned about the accuracy of the estimated cost of the 2600 ft of pipeline replacement.

**PRESIDENT SCHELLY** - Inquired as to how much labor cost is related to reading meters per month. Asked various questions about the proposed projects. Advised of a “wet spot” to right of the Strawberry Plaza exit. Asked various questions about the current reserves and policy.

The Board directed staff to bring CIP budget for water down to \$700,000 and the CIP budget for Sewer is acceptable at \$175,000.

## **ITEM 8 – RESOLUTIONS NO. 745 & 746 WATER AND SEWER STAND-BY**

## **ASSESSMENTS**

**Recommendation:** That the Idyllwild Water District Board of Directors approve Resolutions No. 745 and 746 setting Public Hearings for May 16, 2018 to consider imposing stand-by fees for undeveloped properties in the Water Service area (\$30/acre or portion thereof) and unimproved properties in Improvement District No. 1 (sewer service area) (\$30/acre or portion thereof) for fiscal year 2018-19.

**Background:** Undeveloped parcels with access to water and/or sewer service receive a benefit provided by the prior development by neighboring parcels of the infrastructure necessary for future connection to the available utilities. The stand-by fee assessment of \$30 per acre or portion thereof assists in fairly apportioning the costs of maintenance of the existing infrastructure. The District is not proposing to change the fee amount from that imposed in prior years. The fee amounts to \$2.50 per month for most undeveloped parcels (\$5 for undeveloped parcels in Improvement District No. 1).

The adoption of these Resolutions will only establish the date for the Public Hearings for the Board of Directors to consider imposing the fees.

## **DISCUSSION:**

None.

A MOTION was made by Vice President Szabadi to approve Resolutions No. 745 and 746 setting Public Hearings for May 16, 2018 to consider imposing stand-by fees for undeveloped properties in the Water Service area and unimproved properties in the Improvement District No. 1 for fiscal year 2018-2019 and Director Dearing seconded. The vote was as follows:

<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>Peter Szabadi</b>			
<b>Catherine Dearing</b>			
<b>David Hunt</b>			
<b>Steve Kunkle</b>			
<b>Charles Schelly</b>			

**Motion approved.**

## **ITEM 9 – RESOLUTION NO. 747 OPPOSING SENATE BILL 623**

**Recommendation:** That the Idyllwild Water District Board of Directors approve Resolution No. 747 noting the Idyllwild Water District's opposition to SB623 and authorizing the staff to take the ACWA recommended actions to indicate the District's position.

Background: Senate Bill 623 was introduced in the 2017 legislative session, was strongly opposed, became a two-year bill. SB623 (current draft attached) calls for the imposition of a tax of various amounts each month (\$0.95 on 1-inch and smaller water meters) throughout the State. The proceeds of the tax would be used to provide safe and reliable water supplies to disadvantaged communities.

**DISCUSSION:**

**JP CRUMRINE** – Fern Valley and Pine Cove are also opposing this Bill.

A MOTION was made by Director Hunt to adopt Resolutions No. 747 noting the Idyllwild Water District's opposition to SB623 and authorizing the staff to take the ACWA recommended actions to indicate the District's position and Director Dearing seconded. The vote was as follows:

<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>David Hunt</b>	<b>Peter Szabadi</b>		
<b>Catherine Dearing</b>			
<b>Steve Kunkle</b>			
<b>Charles Schelly</b>			

**Motion approved.**

**DIRECTOR'S COMMENTS:**

**VICE PRESIDENT SZABADI** – Very concerned about the legal fees regarding the water rights issue. Would like to form a committee to address alternatives to diverting from Strawberry Creek.

President Schelly appointed Director Kunkle and Vice President Szabadi to an Ad Hoc committee to seek alternatives to diverting from Strawberry Creek.

**GENERAL MANAGER'S COMMENTS:**

None.

**ADJOURNMENT:**

A MOTION was made by Vice President Szabadi to ADJOURN and Director Hunt seconded. The vote was as follows:

<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>Peter Szabadi</b>			
<b>David Hunt</b>			
<b>Catherine Dearing</b>			
<b>Steve Kunkle</b>			
<b>Charles Schelly</b>			

**Motion approved.**

**The meeting was adjourned at 8:55 pm.**

IDYLLWILD WATER DISTRICT

BY: \_\_\_\_\_  
DR. CHARLES SCHELLY-  
BOARD PRESIDENT

IDYLLWILD WATER DISTRICT

BY: \_\_\_\_\_  
ERICA GONZALES-  
BOARD SECRETARY

**IDYLLWILD WATER DISTRICT  
WATER FUND CONDENSED INCOME STATEMENT  
FOR FISCAL MONTH ENDING MARCH 31, 2018**

FOR THE MONTH OF MARCH 2018  
F (U)  
VARIANCE %

BY CATEGORY	ACTUAL	BUDGET	VARIANCE	%
<b>WATER OPERATING EXPENSES:</b>				
1- WAGES AND SALARIES EXPENSES	45,417	50,000	4,583	9.17%
2- RETIREMENT PLAN AND LIFE INSURANCE	4,390	8,000	3,610	45.12%
3 -MEDICAL INSURANCE	0	11,500	11,500	100.00%
4 -UNIFORM EXPENSES	265	438	173	39.43%
5 -WORKER'S COMP INSURANCE	0	500	500	100.00%
6 -RETIREMENT MEDICAL INSURANCE	6,217	2,000	-4,217	-210.87%
7 -BOARD REIMBURSEMENT	113	500	388	77.50%
8 -OFFICE SUPPLIES	776	600	-176	-29.29%
9 -OFFICE CLEANING SERVICE	210	280	70	25.00%
10 -POSTAGE AND MAILING FEE	960	900	-60	-6.63%
11 -TRAINING AND EDUCATION	534	604	71	11.69%
12 -TRAVELING , MILEAGE, MEALS REIMBURSEMENT	86	629	544	86.41%
13 -DUES ,FEES , SUBSCRIPTIONS	1,319	771	-548	-71.12%
14 -COMPUTER SERVICES	1,624	1,000	-624	-62.38%
15 -LEGAL SERVICES	8,269	7,000	-1,269	-18.13%
16 -UTILITIES - ELECTRICITY	10,707	7,292	-3,415	-46.83%
17 -UTILITIES - GAS& FUEL	0	717	717	100.00%
18 -UTILITIES - PROPANE	761	325	-436	-134.27%
19 -UTILITIES - TELEPHONE INTERNET	717	761	43	5.71%
20 -UTILITIES - WASTE MANAGEMENT FEE	182	184	2	1.02%
32 -AUTO AND PROPERTY INSURANCE	5,918	1,712	-4,205	-245.62%
21 -STATE-COUNTY WATER SYSTEM FEES	1,425	4,000	2,575	64.38%
22 -GENERAL PLANT SERVICES	23,821	18,000	-5,821	-32.34%
23 - VEHICLES REPAIRS AND MAINTENANCE	0	1,500	1,500	100.00%
24 -WATER ENGINEERING AND CONSULTING	14,194	875	-13,319	-1522.12%
25 -LABORATORY SERVICES	671	1,042	371	35.58%
26 -WATER SECURITY SYSTEM	0	771	771	100.00%
27 -ADVERTISING AND PUBLISHING	75	542	467	86.15%
28 -PROPERTY TAX EXPENSES	-36	233	269	115.34%
29- COMPENSATED TIME	0	1,833	1,833	100.00%
30 -BANK FEE CHARGE	180	200	20	9.92%
31 -WATER MAINTENCE AND SUPPLIES	1,470	1,042	-429	-41.17%
33 -ACCOUNTING AND AUDITING FEE	0	7,500	7,500	100.00%
<b>TOTAL OPERATING EXPENSES:</b>	<b>130,264</b>	<b>133,250</b>	<b>2,986</b>	<b>2.24%</b>
<b>TOTAL INCOME AND (LOSS)</b>	<b>(39,692)</b>	<b>(25,383)</b>		

**IDYLLWILD WATER DISTRICT  
 WATER FUND CONDENSED INCOME STATEMENT  
 FOR FISCAL MONTH ENDING MARCH 31, 2018**

FOR THE MONTH OF MARCH 2018

CUBIC FEET OF SALES:	ACTUAL	BUDGET	VARIANCE	%
R1	486,625	585,000	-98,375	-16.82%
R2	18,000	46,000	-28,000	-60.87%
R3	86,220	82,000	4,220	5.15%
R4	44,170	75,000	-30,830	-41.11%
R5	12,730	22,000	-9,270	-42.14%
R6	82,950	155,000	-72,050	-46.48%
NC-WWTP	1,370	15,000		
<b>TOTAL CUBIC FEET OF SALES</b>	<b>732,065</b>	<b>980,000</b>	<b>-234,305</b>	<b>-23.91%</b>
NUMBER OF CUSTOMER BILLS:				
R1	1,540	1,537	3	0.20%
R2	30	30	0	0.00%
R3	55	51	4	7.84%
R4	13	13	0	0.00%
R5	4	4	0	0.00%
R6	2	2	0	0.00%
NC-WWTP	1	1	0	0.00%
S	10	10	0	0.00%
<b>TOTAL NUMBER OF CUSTOMER BILLS</b>	<b>1,654</b>	<b>1,648</b>	<b>7</b>	<b>0.42%</b>

\* s : Sewer Only Account

**IDYLLWILD WATER DISTRICT  
WATER FUND CONDENSED INCOME STATEMENT  
FOR FISCAL MONTH ENDING MARCH 31, 2018**

FOR THE MONTH OF MARCH 2018

CONDENSED CATEGORY	ACTUAL	BUDGET	VARIANCE	%
OPERATING REVENUES:				
BASE-RESIDENTIAL/COMMERCIAL	52,144	51,367	777	1.51%
SALES-RESIDENTIAL/COMMERCIAL	35,007	55,000	-19,993	-36.35%
OTHER OPERATING REVENUE	446	1,500	-1,054	-70.28%
OTHER NON- OPERATING REVENUE*	2,975			
<b>TOTAL OPERATING REVENUES</b>	<b>90,572</b>	<b>107,867</b>	<b>-20,270</b>	<b>-18.79%</b>

FOR THE MONTH OF MARCH 2018

OPERATING REVENUE BY CATEGORY	ACTUAL	BUDGET	F (U) VARIANCE	%
BASE RATE - RESIDENTIAL	44,672	44,021	651	1.48%
BASE RATE - COMMERCIAL	7,472	7,346	125	1.71%
SALES-RESIDENTIAL	13,075	25,000	-11,925	-47.70%
SALES-COMMERCIAL	21,932	30,000	-8,068	-26.89%
SALES-SEWER	0	0	0	0.00%
SALES-CONSTRUCTION/OTHER	0	0	0	0.00%
TRANSFER FEES	50	100	-50	-50.00%
TURN ON/OFF FEES	50	150	-100	-66.67%
LIEN & LIEN RELEASE FEES	33	0	33	#DIV/0!
DELINQUENCY FEES	0	0	0	0.00%
WILL SERVE LETTER FEES	100	0	100	0.00%
OTHER MISCELLANEOUS	313	1,250	-937	0.00%
INSTALLATION FEES	2,875	0	2,875	0.00%
CAPACITY FEES	0	0	0	0.00%
<b>TOTAL OPERATING REVENUES</b>	<b>90,572</b>	<b>107,867</b>	<b>-17,296</b>	<b>-16.03%</b>



**IDYLLWILD WATER DISTRICT  
SEWER FUND CONDENSED INCOME STATEMENT  
FOR FISCAL MONTH ENDING MARCH 31 , 2018**

FOR THE MONTH OF MARCH 2018

CONDENSED BY CATEGORY	ACTUAL	BUDGET	F (U) VARIANCE	%
OPERATING REVENUES:				
BASE-RESIDENTIAL/COMMERCIAL	52,614	53,053	-439	-0.83%
OTHER OPERATING	25	25	0	0.00%
<b>TOTAL OPERATING REVENUES</b>	<b>52,639</b>	<b>53,078</b>	-439	-0.83%
OPERATING EXPENSES:				
1- WAGES AND SALARIES	13,863	14,000	137	0.98%
2- RETIREMENT AND LIFE INSURANCE	1,463	2,000	537	26.83%
3- MEDICAL INSURANCE	0	5,000	5,000	100.00%
4- UNIFORM EXPENSE	88	300	212	70.56%
5-WORKER'S COMPENSATION INSURANCE	0	145	145	100.00%
6- RETIREMENT MEDICAL INSURANCE	1,326	917	-410	-44.70%
7- BOARD REIMBURSEMENT	38	200	163	81.25%
8- OFFICE SUPPLIES	206	400	194	48.57%
9- OFFICE CLEANING SERVICES	70	150	80	53.33%
10- POSTAGE AND MAIL FEE	236	100	-136	-135.81%
11- EDUCATION AND TRAINING	0	200	200	100.00%
12- TRAVELING, MILAGE, MEAL REIMBURSEMENT	0	292	292	100.00%
13- DUE AND SUBSCRIPTION FEE	856	542	-315	-58.07%
14- COMPUTER SERVICES	475	1,000	525	52.54%
15- LEGAL SERVICES	2,756	500	-2,256	-451.25%
16- UTILITIES - ELECTRICITY	23	4,000	3,977	99.42%
17- UTILITIES - GAS & FUEL	0	437	437	100.00%
18- UTILITIES - PROPANE	0	25	25	100.00%
19- UTILITIES - TELEPHONE&INTERNET	232	292	59	20.33%
20- UTILITIES - WASTE MANAGEMENT FEE	61	125	64	51.39%
21- VEHICLES REPAIRS AND MAINTENANCE	474	500	26	5.29%
22- SEWER ENGINEERING SERVICES	11,246	15,000	3,754	25.03%
22- SEWER MAINTENANCE AND SUPPLIES	50	200	150	75.00%
23- GENERAL PLANT SERVICES	2,391	500	-1,891	-378.21%
24- SEWER PERMIT AND LICENSE(State Fee)	0	500	500	100.00%
25- MINOR EQUIPMENT AND SUPPLIES	0	42	42	100.00%
26- SEWER LEASE	0	250	250	100.00%
27- ADVERTISING AND PUBLISHING	25	125	100	80.00%
28- LABORATORY SERVICES	224	500	276	55.26%
29- GENERAL AUTO AND LIABILITY INSURANCE	1,973	570	-1,403	-246.11%
30- SECURITY SYSTEM (ADT)	0	208	208	100.00%
31- ACCOUNTING & AUDITING FEE	0	2,000	2,000	100.00%
32- LINE CLEANING	0	0	0	0.00%
<b>Total Expenses</b>	<b>38,075</b>	<b>51,018</b>	12,943	25.37%
<b>Total INCOME OR (LOSS)</b>	<b>14,564</b>	<b>2,060</b>		

**IDYLLWILD WATER DISTRICT  
SEWER FUND CONDENSED INCOME STATEMENT  
FOR FISCAL MONTH ENDING MARCH 31 , 2018**

FOR THE MONTH OF MARCH 2018

SEWER FUND OPERATING REVENUES

	ACTUAL	BUDGET	F (U) VARIANCE	%
BASE RATE-COMMERCIAL	35,860	36,185	-325	-0.90%
BASE RATE- RESIDENTIAL	16,754	16,868	-114	-0.68%
TRANSFER FEE	25	25	0	0.00%
FACILITY CHARGE FROM IAF	0	0	0	0.00%
INSPECTION FEE	0	0	0	0.00%
OTHER MISCE	0	0	0	0.00%
<b>TOTAL OPERATING REVENUE</b>	<b>52,639</b>	<b>53,078</b>	<b>-439</b>	<b>-0.83%</b>

EQUIVALENT DWELLING UNITS (E.D.U'S)

RESIDENTIAL	456	456	0.0	0.00%
COMMERCIAL	937	937	0.0	0.00%
<b>TOTAL E.D.U'S</b>	<b>1,393</b>	<b>1,393</b>	<b>0.0</b>	<b>0.00%</b>

**IDYLLWILD WATER DISTRICT  
DISTRICT WARRANTS AND OTHER DISBURSEMENTS  
FOR THE MONTH ENDED MARCH 31, 2018**

DATE	CHECK NUMBER	PAYEE	DESCRIPTION	AMOUNT
3/1/2018	14656	California Computer Options	Monthly IT Support and Upgrade Anti-Viral Software	1,385.00
3/1/2018	14657	Central Communications	Monthly Answering Service	32.75
3/1/2018	14658	VOID	VOID	
3/1/2018	14659	Frontier	Monthly Charge for Internet and phone at Foster Lake and WWTP	403.53
3/1/2018	14660	Gallade Chemical Inc.	Chemical Supplies for Water and Sewer	1,143.26
3/1/2018	14661	Mark Gumprecht	Valley View Maintenance share	100.00
3/1/2018	14662	SCE	Monthly Electricity Charge	7,589.38
3/1/2018	14663	Streamline	Monthly Website Maintenance	200.00
3/1/2018	14664	Terry Lyons	Retiree Reimbursement for Medical Jan, Feb, March	2,191.23
3/1/2018	14665	Comtronix Communications	Install Radio in New Unit #13	1,127.60
3/7/2018	14666	Babcock and Sons	Lab Work for Water and Sewer	894.75
3/7/2018	14667	Bill Whitener	Retiree Reimbursement for Medical Jan, Feb, March	1085.97
3/7/2018	14668	Browning Electric	Service call for Treatment Plant	98.75
3/7/2018	14669	California Computer Options	IT Support	513.44
3/7/2018	14670	Chase Card Services	Cal Rural Membership Dues \$740.00, Trainig for Erica, Dillon and Ivan \$533.54, Postage \$250.00, Office Supplies \$170.45	1,693.99
3/7/2018	14671	County of Riverside	Elections Costs	164.85
3/7/2018	14672	Daniels Tire Service	New Tires for Tractor	986.29
3/7/2018	14673	Forest Lumber	Supplies for Water and Sewer	1,005.55
3/7/2018	14674	Four Seasons Cleaning Services	Monthly Cleaning Charge for the Office	280.00
3/7/2018	14675	Hach Company	Velocity Analyzer to measure lake levels and flow	8,856.98
3/7/2018	14676	Home Depot	Supplies and Tools for Water and Sewer	143.97
3/7/2018	14677	Kelly Clark	Retiree Reimbursement for Medical Jan, Feb, March	2,028.54
3/7/2018	14678	Kreiger & Stewart Engineering	Engineering study and design of Weir Structure for Lily Creek	3,610.30
3/7/2018	14679	Mission Linen & Uniform Service	Monthly Uniform and Laundering Fee	353.32
3/7/2018	14680	NAPA Auto Parts	Auto Parts for Fleet Vehicles	405.47
3/7/2018	14681	NBS	Payment for Rate Study Fees	6,791.00
3/7/2018	14682	Dig Alert	Monthly Fee and 11 New Tickets	28.15
3/7/2018	14683	Verizon Wireless	Monthly Fee for On Call and General Manager Cell Phones	156.57
3/7/2018	14684	Village Hardware	Supplies for Water	37.16
3/7/2018	14685	Idyllwild Water District	To be deposited at Hemet Bank for Payroll	28,000.00
3/14/2018	14686	CR&R Inc	Monthly Trash Fee	243.05
3/14/2018	14687	Engineering Resources of S. Cal	Pipe Line Project for 2018	5,165.00
3/14/2018	14688	Fern Creek Medical Center	New Employee Drug Screen	75.93
3/14/2018	14689	Hach Company	Sensor Assembly for Flow measure devise	1,902.87
3/14/2018	14690	Herb Bergstrom	Retiree Reimbursement for Medical Jan, Feb, March	2,238.00
3/14/2018	14691	Idyllwild Town Crier	Subscription	100.00
3/14/2018	14692	InfoSend	Postage and Mailing for February	946.28
3/14/2018	14693	Pacific Slope Tree Coop	Remove Fallen Tree at Foster Lake/Replce lost check	1,800.00
3/14/2018	14694	RM Environmental Inc	Ground Water Monitoring Report	1,358.00
3/14/2018	14695	SCE	Monthly Electricity Charge	701.35
3/14/2018	14696	Sensus USA	Annual Autoread Software Support	1,715.95
3/14/2018	14697	USA Bluebook	Supplies for Water and Sewer	830.29
3/14/2018	14698	VOID	VOID	
3/14/2018	14699	Aleshire & Wynder	Legal Fees	11,025.00
3/14/2018	14700	Central Communications	Monthly Answering Service	110.00
3/21/2018	14701	ACWA/JPIA	Employee Medical insurance for April	17,750.70

3/21/2018	14702	ADT	Quarterly charge for Security System	253.22
3/21/2018	14703	Allstate Benefits	Monthly Charge for Employee Life Insurance	473.77
3/21/2018	14704	Department of Environmental Health	Permit for Treatment Plant	1,425.00
3/21/2018	14705	Employee Relations	New Employee Background Check	5.00
3/21/2018	14706	Grainger	Supplies for Water	297.99
3/21/2018	14707	Northern Safety & Industrial	Safety Supplies for Water and Sewer	1,404.17
3/21/2018	14708	Staples	Office Supplies	569.74
3/21/2018	14709	SUSP, Inc	Sewer Consulting Fees for through Feb 28, 2018	7,500.00
3/21/2018	14710	T- Mobile	Monthly charge for Solar	20.00
3/21/2018	14711	Time Warner/Spectrum Business	Monthly Charge for telephone and internet at Office	369.36
3/21/2018	14712	USA Bluebook	Supplies for Water and Sewer	550.84
3/21/2018	14713	Zenner Performance	50- 5/8" and 1" meters	5,676.20
3/28/2018	14714	Idyllwild Water District	To be deposited at Hemet Bank for Payroll	30,000.00
3/28/2018	14715	ACWA/JPIA	Idyllwild Real and Property Insurance	7,890.00
3/28/2018	14716	Browning Electric Co.	Service Call for Water Treatment Plant	139.75
3/28/2018	14717	Daniels Tire Service	New Tires for Tractor- Sewer	372.21
3/28/2018	14718	Forest Lumber	Supplies for Water and Sewer	2,379.16
3/28/2018	14719	Gosch Auto	Oil Change for Dump Truck	180.09
3/28/2018	14720	Grainger Parts	Supplies for Water	179.63
3/28/2018	14721	Jeannine Olsen	Reimburse for Cash Drawer/ Office Expenses	73.58
3/28/2018	14722	Lee N. Arnson	Survey for Easement for Pipeline	325.00
3/28/2018	14723	Ochoa's Backflow	Test Back systems for Idyllwild Water District	100.00
3/28/2018	14724	R M Environmental	Ground Water Monitoring Report	690.00
3/28/2018	14725	SCE	Monthly Electricity Charge	2439.27
3/28/2018	14726	USA Bluebook	Supplies for Water and Sewer	309.62
3/28/2018	14727	Fern Creek Medical Center	Medical Bill for Employee	65.00
3/28/2018	14728	SWRCB	Annual Notice for Water Rights	900.00

TOTAL DISTRICT WARRANTS \$181,858.82

OTHER DISBURSEMENTS:

TOTAL PAYROLL	55253.61
NET PAYROLL CHECKS-DIRECT DEPOSIT	39,172.82
FEDERAL PAYROLL TAXES-ELECTRONIC TRANSFERS	12,197.93
STATE PAYROLL TAXES-ELECTRONIC TRANSFERS	4,717.07
L.A.I.F. ELECTRONIC TRANSFERS	0.00
BANK SERVICE CHARGES AND FEES	

TOTAL DISTRICT WARRANTS & OTHER DISBURSEMENTS \$237,112.43

## Operations Report for March 2018

Currently – No Stage

Production – March 801,770 c.f. , 126.2 avg. gpm

Foster Lake level – 3 ft.-

Water and Sewer installations - 0

Leaks -0-

Mainline -0-/Unmetered -0/Metered -0

March Water Loss = 3.42%-- 6.21% Y.T.D.

Production

Drinking water storage- 3.38 MG

14 wells available/8 utilized/2 Full Time/6 Part Time

Wastewater Treatment Plant

March 2018-Average daily flow 90,642 gpd/Average weekend flow 99,763 gpd

March 2017-Average daily flow 142,080 gpd/Average weekend flow 149,516 gpd

Precipitation

March 2018 – 2.68 " Y.T.D. – 6.99 " March 2017 – 0.42" Y.T.D. 2017 – 27.66"

Diversion -0-

### STATIC WELL LEVELS

	<b>FEBRUARY 2018</b>	<b>MARCH 2018</b>	<b>MARCH 2017</b>	<b>MARCH 2016</b>
<b>Foster Lake (Average 3 wells)</b>	14' Static	14' Static	1.6' Static	35' Static
<b>Well # 26 (Nature Center)</b>	43' Static	40' Static	71' Static	101' Static
<b>Well # 27 (Nature Center)</b>	41' Static	40' Static	56' Static	96' Static
<b>Well #28 (Rockdale)</b>	119' Static	118' Static	124' Static	141' Static
<b>Downtown Wells* #23 &amp; #24</b>	10' Static 17' Static	120' Rumping 113' Pumping	8' Static 14' Static	12' Static
<b>FV1A</b>	4' Static	2' Static	309' Pumping	385' Pumping
<b>FV2</b>	310' Pumping	308' Pumping	339' Pumping	285' Pumping

\*Downtown Wells Static level is an average for 2016. March 2017 and 2018 both well levels are included

IDYLLWILD WATER DISTRICT  
 MONTHLY WATER RE-CAP SUMMARY  
 FOR THE MONTH OF: **MARCH**

DATE: **04-03-2018**

IN DISTRICT STORAGE SUPPLY	<u>195,375</u>	C.F.	}	<u>451,561</u> CF
FOSTER LAKE STORAGE SUPPLY	<u>256,186</u>	C.F.		
				TOTAL STORAGE SUPPLY
INCREASE	_____	C.F.		
DECREASE	_____	C.F.		
SUPPLIES TO SYSTEM	<u>801,770</u>	C.F.		
I.W.D. FLUSHING	_____	C.F.		
FOSTER LAKE LEVEL	<u>3 Ft</u>	MAXIMUM OF 18'		

**STATIC GROUND WATER LEVELS:**

F.L. AREA	<u>14</u>	FEET	Static
F.V. AREA:			
F.V.1A	<u>2</u>	FEET	Static
F.V.#2	<u>305</u>	FEET	Pumping
CREEK AREA	<u>23- 120'</u>	FEET	24- 113' both Recovering
WELL #26	<u>40</u>	FEET	Static
WELL #27	<u>40</u>	FEET	Static
STORAGE SUPPLIES(MAXIMUM OF 3.702 MILLION GALLONS)	<u>91</u>	%	

MAINLINE LEAK REPAIRS \_\_\_\_\_

STRAWBERRY CREEK DIVERSION	<u>150,200</u>	C.F.	<u>3.44</u>	A.F.
FERN VALLEY 1A WELL	<u>0</u>	C.F.	<u>0</u>	A.F.
STRATTON WELL #23 DRAW	<u>0</u>	C.F.	<u>0</u>	A.F.
OAKWOOD WELL DRAW(PRIVATE)			<u>0</u>	A.F.
WELL #26 (COUNTY OF RIVERSIDE)			<u>0</u>	A.F.
WELL #27 (COUNTY OF RIVERSIDE)			<u>0</u>	A.F.

**COMMENTS:**

	LEVEL	VOLUME
SOUTHRIDGE TANKS (3,509 CF/FOOT)	<u>20.11</u>	<u>70,565</u> CF
GOLDEN ROD TANK (891 CF/FOOT)	<u>22.25</u>	<u>19,824</u> CF
WILDWOOD TANK (919 CF/FOOT)	<u>12.66</u>	<u>11,634</u> CF
ROCKDALE TANK (2,718 CF/FOOT)	<u>24.08</u>	<u>65,449</u> CF
FOSTER LAKE TANKS (11,698 CF/FOOT)	<u>21.9</u>	<u>256,186</u> CF
SEWER PLANT USAGE		
DELANO TANK (1,337 CF/FOOT)	<u>20.87</u>	<u>27,903</u> CF
HYDRANT SALES IN CUBIC FEET		

Idyllwild Water District Well Production Data

Month: March Year: 2018

Date: 04-03-2018

	Well Name	#	Acre Feet	Cubic Feet	PT/FT	Status	GPM
1	Horizontal	1	0				
2	Foster Lake	2	12.8	559,220	FT	ON	93.5
3	Foster Lake	4	.22	9,809	PT	OFF	7.6
4	Foster Lake	5				OUT OF SERVICE	No Water
5	Foster Lake	8				OUT OF SERVICE	
6	Foster Lake	9				OUT OF SERVICE	
7	Foster Lake	10	1.23	53,908	PT	ON	8.3
8	Foster Lake	11				OUT OF SERVICE	
9	Foster Lake	12				OFF	
10	Foster Lake	13	1.35	58,980	PT	OFF	44.4
11	Foster Lake	15				OFF	
12	Foster Lake	16				OFF	Not Hooked Up
13	Nature Ctr	26				OFF	
14	Nature Ctr	27				OFF	No Water
15	Stratton	23	1.09	47,630	PT	OFF	42.2
16	Curtis	24	.20	8,860	PT	OFF	44.6
17	Donahoo	25				OFF	
18	Golden Rod		.53	23,140	PT	ON	17.6
19	Fern Valley	1A	0	0		OFF	
20	Fern Valley	2	4.68	204,012	FT	ON	36.7
21	Rockdale	28				OFF	
22	Dutch Flats	1				OUT OF SERVICE	No Pump
23	Dutch Flats	2				OFF	
24	Dutch Flats	3				OUT OF SERVICE	

Total Cubic Feet: 965,559 CF

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Cedar Glen 4" Meter                      558,128 CF                      12.8 AF  
801,770 CF  
Supplies to System

In District Production                      243,642 CF                      5.59 AF  
Wells 13-19

18.39 AF  
**Total AF**

Production Days 33  
Minutes                      47,520                      126.2 GPM

# MONTHLY RE-CAP

(General Manager copy)

MONTH MARCH YEAR 2018 DATE 04-02-18 INIT JJ

Production days 33

Avg. GPM production 126.2

Total number of sources available 14

Total number of sources used 8 Full Time 2 Part Time 6

Sources used, Well No's. 2, 4, 10, 13, 23, 24, FV2, Golden Rod

Total GPM available 322 ( $\pm$ ) 15 GPM

Total supplies to system 801,770 CF 18.39 AF

Hydrant water sales \_\_\_\_\_ CF

Potable water in storage 3.38 MG (3.7 MG max) 91 %

Foster Lake level 3 Feet

Strawberry Creek diversion draw 3.44 AF

Fern Valley 1-A pumped to Lake \_\_\_\_\_ AF

Distribution system flushing including fire dept. use 0 CF

Static water levels:

Foster Lake area 14 ft

Fern Valley Area: F.V.1A 2 ft ST F.V.#2 308 ft pl

Creek area 23- 120 ft, 24- 113 ft both Recovering

Well #26 40 ft st

Well #27 40 ft st

Notes: Well #28- 118ft Static

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# Memo

**To: Board of Directors**

**From: General Manager**

**Date: April 18, 2018**

**Subject: ITEM 1D – AUTHORIZE BANKING SIGNATURES**

Recommendation: That the Board of Directors authorizes all directors, the Chief Financial Officer and the General Manager to be BBVA Bank account signatories and three directors, the Chief Financial Officer and the General Manager to be Chase Bank and Bank of Hemet signatories and approve the attached Resolution No. 749.

Background: With the changes in the composition of the Board of Directors there are currently only three authorized Board members for District banking business. To facilitate good checks and balances and comply with District policies it necessary to have all of the directors available for authorizing payments of the District.

To comply with Banking regulations the Board of Directors is required to make the determination through the adoption of a Resolution (attached).

RESOLUTION NO. 749

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
IDYLLWILD WATER DISTRICT  
AUTHORIZING AUTHORIZED SIGNERS FOR BBVA , CHASE AND BANK OF HEMET ACCOUNTS

At the Idyllwild Water District's board meeting on April 18, 2018, it was resolved that the authorized signers for BBVA will be changed to include only:

1. Name/Title: Charles Schelly/Board President
2. Name/Title: Peter Szabadi/Board Vice President
3. Name/Title: Catherine Dearing/Board Member
4. Name/Title: David Hunt/Board Member
5. Name/Title: Steven Kunkle/Board Member
6. Name/Title: Hosny Shouman/Chief Financial Officer
7. Name/Title: John E. Hoagland/General Manager

Any one of these authorized signers have the authority to transact business, including but not limited to the maintenance of BBVA checking, BBVA savings, and other BBVA accounts, on behalf of the Idyllwild Water District.

At the Idyllwild Water District's board meeting on April 18, 2018, it was resolved that the authorized signers for Chase Bank will be changed to include only:

1. Name/Title: Charles Schelly/Board President
2. Name/Title: Peter Szabadi/Board Vice President
3. Name/Title: Steven Kunkle/Board Member
4. Name/Title: Hosny Shouman/Chief Financial Officer
5. Name/Title: John E. Hoagland/General Manager

Any one of these authorized signers have the authority to transact business, including but not limited to the maintenance of Chase checking, Chase savings, and other Chase accounts, on behalf of the Idyllwild Water District.

At the Idyllwild Water District's board meeting on April 18, 2018, it was resolved that the authorized signers for Bank of Hemet will be changed to include only:

1. Name/Title: Charles Schelly/Board President
2. Name/Title: Peter Szabadi/Board Vice President
3. Name/Title: Catherine Dearing/Board Member
4. Name/Title: Steven Kunkle/Board Member
5. Name/Title: Hosny Shouman/Chief Financial Officer
6. Name/Title: John E. Hoagland/General Manager

Any one of these authorized signers have the authority to transact business, including but not limited to the maintenance of Bank of Hemet checking, Bank of Hemet savings, and other Bank of Hemet accounts, on behalf of the Idyllwild Water District.

The undersigned certifies that she/he is qualified to sign that the forgoing has been duly adopted at a Regular Meeting on this 18<sup>th</sup> day of April, 2018 in accordance with state law and the policies of Idyllwild Water District.

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Dr. Charles Schelly  
President, Board of Directors

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Erica Gonzales  
Secretary, Board of Directors

# Memo

**To: Board of Directors**

**From: General Manager**

**Date: April 18, 2018**

**Subject: ITEM #2 - CONSIDER ADOPTING RESOLUTION NO. 748 ADOPTING A REVISED RESERVE FUNDS POLICY**

## Recommendation

That the Board of Directors, consider the adoption of Resolution No. 748 which would update and revise the District's Reserve Funds Policy.

## Background

On September 16, 2015, the Board of Directors adopted Resolution No. 711 establishing a Reserve Funds Policy for the District. The policy calls for periodic review and update as the financial and physical aspects of the District evolve over time.

In 2016, the District upgraded its operating fleet creating a smoother replacement timeline for vehicles in the future. Staff recommends that the Target Fund level for the Vehicle and Equipment Replacement Reserve Fund be reduced from \$750,000 to \$300,000.

As the ratepayers and customers of Idyllwild Water District have entrenched their conservation and efficient water use habits, the Board of Directors is grappling with policy considerations related to funding District fixed operational costs including the adoption of a more moderate capital improvement policy for the future to restrain water rate impacts on the ratepayers. Staff recommends a reduction in the Target Level of the Capital Improvement and Replacement Reserve Fund from \$2,000,000 to \$1,500,000.

These changes will reduce the Target Level Funding of all of the Reserve Funds from \$5,000,000 to \$4,050,000. Staff believes that these target levels will still be very responsible and will leave the District in a strong financial position in the event of unforeseen circumstances. The proposed FY 2018-19 Budget proposes to use \$300,000 from the current reserve level of \$3,700,000 which would leave the District at 84% funded of the

Target Levels. The Proposed rate structure and longer term CIP result in full funding within 5-years.

Attachments

Resolution No. 748

# Exhibit A

# IDYLLWILD WATER DISTRICT RESERVE FUND POLICY

Adopted: April 18, 2018  
Resolution No. 748

## Introduction

Idyllwild Water District recognizes the importance of adopted policies relative to reserves and reserve funds. Written adopted financial policies relative to designated reserves and reserve funds have many benefits, and represents a critical element of sound fiscal management. Reserves and reserve funds are prudent fiscal management tools, which are a cornerstone of long-term financial planning. A written and adopted Reserve Fund Policy provides for and facilitates attainment of program and financial goals relative to the prudent accumulation and management of designated reserves and reserve funds. This Reserve Fund Policy was developed to clearly identify specific designated reserves and reserve funds. It is the intent of this Reserve Fund Policy to clearly identify both reserve fund categories and purposes, and set target levels for reserves that are consistent with the District's mission statement, the uniqueness of the District, and the philosophy of the District's Board of Directors. This policy shall be known and may be cited as the Idyllwild Water District Reserve Fund Policy.

## Objectives:

This Reserve Fund Policy has been developed to consider and appropriately provide for the following:

1. To assure continued operation and solvency of the District for the carrying out of its stated mission and purposes.
2. To maintain a financially viable District that can preserve adequate levels of service.
3. To maintain and enhance the sound fiscal condition of the District
4. To maintain financial flexibility in order to be able to continually adapt to change, and permit an orderly adjustment to unanticipated events.
5. To maintain a diversified and stable long-term financial plan.
6. The accumulation and maintenance of an amount equal to the stated target fund level for each specific reserve fund created by the District.
7. The review of this policy on a regular basis in order to determine appropriate changes, additions and/or deletions.
8. To maintain a written Idyllwild Water District Reserve Fund Policy.

## Reserve Fund Policy:

In order to achieve the objectives of this Policy, the Board of Directors shall adhere to the following guidelines:

1. Reserve funds may be established from time to time by the Board of Directors as an important component of sound financial management to meet both short and long-term financial objectives, and to ensure prudent financial management practices.
2. Reserve funds may be designated by the Board of Directors as a “restricted reserve fund” or “non-restricted reserve fund”.
3. Restricted reserve funds shall be segregated, and limited in use to specific and designated purpose(s) as defined and established by the Board of Directors.
4. Assets of a restricted reserve fund shall be held separately from the general Water Fund, and shall only be used for the stated purpose(s) of the specific reserve fund.
5. Non-restricted reserve funds shall have no reference to specific accounting assets.
6. Non-restricted reserve funds do not require the physical segregation of funds.
7. All investment earnings from restricted and non-restricted reserve funds shall be credited to the District’s general Water Fund, unless otherwise stated herein.
8. Board of Director approval shall be required prior to the expenditure of restricted reserve funds, unless otherwise stated herein.
9. The Board of Directors shall maintain a written Idyllwild Water District Reserve Fund Policy.
10. The Board of Directors shall regularly review the Idyllwild Water District Reserve Fund Policy in order to determine appropriate changes, additions, and/or deletions.

## Reserve Funds:

The Board of Directors hereby establishes and designates the following reserve funds:

1. Working Capital Reserve Fund. See Attachment 1.
2. Emergency Reserve Fund. See Attachment 2.
3. Capital Improvement & Replacement Reserve Fund. See Attachment 3.
4. Vehicle and Equipment Replacement Reserve Fund. See Attachment 4.
5. Vacation/Sick/Annual Leave Liability Reserve Fund. See Attachment 5.
6. OPEB Reserve Fund (Health Retirement Reserve GASB45) See Attachment 6.

## Target Fund Levels:

The Board of Directors shall establish a stated target fund level for each designated reserve fund. See Attachment 7 for a compendium of established target fund levels for designated reserve funds.



## Evaluation:

The District Manager shall perform a review and analysis of each designated reserve fund for presentation to the Board of Directors upon the occurrence of the following:

1. Upon consideration by the Board of Directors of the annual budget.
2. Upon any significant change to and/or expenditure(s) from a designated reserve fund.
3. Upon determination that a fund balance is less than the established target fund level for a designated reserve fund.

# ATTACHMENT 1

## IDYLLWILD WATER DISTRICT

### WORKING CAPITAL RESERVE FUND

#### Fund Purpose:

The purpose of the Working Capital Reserve Funds is to accumulate sufficient reserve funds necessary to satisfy the general cash flow demands and requirements of the District. This reserve fund will preserve credit worthiness, ensure adequate financial resources are available for timely payment of District obligations, and provide liquidity throughout the fiscal year.

#### Policy:

In order to achieve the objectives of this policy the Board of Directors shall adhere to the following guidelines:

1. This reserve fund shall be known as the “Working Capital Reserve Fund”.
2. The Working Capital Reserve Fund shall be designated as a non-restricted reserve fund.
3. The District Manager is authorized to approve the expenditure of Working Capital Reserve Funds, without prior approval of the Board of Directors, in response to day-to-day cash flow requirements.
4. The Working Capital Reserve Fund may be invested in financial institutions and instruments which maintain the highest level of liquidity, such as checking, savings and LAIF.
5. This policy shall be reviewed on a regular basis for long-term adequacy and use restrictions.

#### Target Fund Level:

The target fund level for the Working Capital Reserve Fund is to maintain a balance in the general Water Fund, as of July 1<sup>st</sup> of each fiscal year, equal to a minimum of \$750,000, unless otherwise directed by the Board of Directors at a public meeting. This target fund level was established based upon the following general guidelines:

1. The District shall maintain a balance in the general Water Fund equal to approximately two (2) months budgeted expenditures for the fiscal year.
2. For the purpose of this policy, budgeted expenditures shall include all expenditures associated with the following:
  - a. Personnel Services
  - b. Materials & Services
  - c. Debt Service (for any debt service requirement)

## ATTACHMENT 2

### IDYLLWILD WATER DISTRICT EMERGENCY RESERVE FUND

#### Fund Purpose:

The purpose of the Emergency Reserve Funds is to accumulate sufficient financial reserves necessary to insure a timely response by the District to natural disasters and/or other emergencies. This reserve fund will provide for rapid response and continued operation of the District's essential services during periods of natural disasters and/or other emergencies.

#### Policy:

In order to achieve the objectives of this policy the Board of Directors shall adhere to the following guidelines:

1. This reserve fund shall be known as the "Emergency Reserve Fund".
2. The Emergency Reserve Fund shall be designated as a restricted reserve fund.
3. The Emergency Reserve Fund shall be expended solely for the purpose of responding to and maintaining District operations during a natural disaster and/or emergency.
4. The District Manager is authorized to approve the expenditure of Emergency Reserve Funds, without prior approval of the Board of Directors, for purposes of restoration and/or maintenance of essential service levels in response to a natural disaster or other emergency.
5. Upon expenditure of any Emergency Reserve Funds, the District Manager shall notify the Board of Directors at the earliest possible opportunity.
6. Expenditures from this designated reserve fund which are subsequently recovered, either partially or fully, from FEMA, OES, insurance and/or any other sources, said revenue shall be utilized solely for the purpose of refunding the Emergency Reserve Fund.
7. All investment earnings from the Emergency Reserve Fund shall be credited to the District's general Water Fund.
8. This policy shall be reviewed on an regular basis for long-term adequacy and use restrictions.

#### Target Fund Level:

The target fund level for the Emergency Reserve Fund is to maintain a balance, as of July 1<sup>st</sup> of each fiscal year, equal to a minimum of \$500,000, unless otherwise directed by the Board of Directors at a public meeting.

**ATTACHMENT 3  
IDYLLWILD WATER DISTRICT  
CAPITAL IMPROVEMENT & REPLACEMENT RESERVE FUND**

**Fund Purpose:**

The purpose of the Capital Improvement & Replacement Reserve Fund is to accumulate sufficient reserve funds necessary to insure timely acquisition, replacement and upgrade of the District's water system infrastructure and capital assets.

**Policy:**

In order to achieve the objectives of this policy, the Board of Directors shall adhere to the following guidelines:

1. This reserve fund shall be known as the "Capital Improvement & Replacement Reserve Fund".
2. The Capital Improvement & Replacement Reserve Fund shall be designated as a restricted reserve fund.
3. Each adopted budget of the District shall contain a transfer from the general Water Fund to the Capital Improvement & Replacement Reserve Fund in an amount approved by the Board of Directors.
4. Monies transferred into the Capital Improvement & Replacement Reserve Fund shall be expended solely for the construction of new and/or replacement water system infrastructure and capital assets.
5. The District Manager is authorized to approve the expenditure of Capital Improvement & Replacement Reserve Fund, without prior approval of the Board of Directors, in accordance with approved budget authorizations.
6. All investment earnings from the Capital Improvement & Replacement Reserve Fund shall be credited to the District's general Water Fund.
7. This policy shall be reviewed on an regular basis for long-term adequacy and use restrictions.

**Target Fund Level:**

The target fund level for the Capital Improvement & Replacement Reserve Fund is to maintain a balance, as of July 1<sup>st</sup> of each fiscal year, equal to a minimum of \$1,500,000, unless otherwise directed by the Board of Directors at a public meetings.

# ATTACHMENT 4

## IDYLLWILD WATER DISTRICT

### VEHICLE & EQUIPMENT REPLACEMENT RESERVE FUND

#### Fund Purpose:

The purpose of the Equipment Replacement Reserve Funds is to accumulate sufficient reserves necessary to insure timely replacement and upgrade of the District's vehicles, mobile equipment, and appurtenances thereto. Safe, reliable and up-to-date vehicles and equipment, in good working order, are essential for the provision of public services in a timely and professional manner. Due to the need for depreciation and replacement of vehicles and other mobile equipment it is desirable for the District to set aside funds on an on-going basis for this purpose.

#### Policy:

In order to achieve the objectives of this policy, the Board of Directors shall adhere to the following guidelines:

1. This reserve fund shall be known as the "Equipment Replacement Reserve Fund".
2. The Equipment Replacement Reserve Fund shall be designated as a restricted reserve fund.
3. The initial procurement for new vehicles and/or equipment (not replacement of existing) shall be funded by the general Water Fund, not by the Equipment Replacement Reserve Fund.
4. Each adopted budget of the District shall contain a minimum in the sum of \$70,000 for the replacement and/or upgrade of existing vehicles and mobile equipment.
5. In any one (1) fiscal year, whenever the total actual expenditures for replacement and/or upgrade of existing vehicles and mobile equipment is less than said \$70,000 allocation, the remaining balance shall be transferred to the Equipment Replacement Reserve Fund.
6. In any one (1) fiscal year, whenever the total actual expenditures for replacement and/or upgrade of existing vehicles and mobile equipment exceed said \$70,000 allocation, the necessary balance to accomplish the procurement(s) shall be transferred from the Equipment Replacement Reserve Fund.
7. Funds transferred from the Equipment Replacement Reserve Fund shall be expended solely for the purpose of replacement and upgrade of existing District vehicle, mobile equipment and appurtenances thereto.
8. The District Manager is authorized to approve the expenditure of Equipment Replacement Reserve Funds, without prior approval of the Board of Directors, in accordance with approved budget authorizations.
9. The allocation amount shall be reviewed regularly in conjunction with the budget and capital improvement program and equipment retention schedules, depreciation schedules and acquisition costs.
10. All investment earnings from the Equipment Replacement Reserve Fund shall be credited to the District's general Water Fund.
11. This policy shall be reviewed on a regular basis for long-term adequacy and use restrictions.

**Target Fund Level:**

The target fund level for the Equipment Replacement Reserve Fund is to maintain a balance, as of July 1<sup>st</sup> of each fiscal year, equal to a minimum of \$300,000, unless otherwise directed by the Board of Directors.

# ATTACHMENT 5 IDYLLWILD WATER DISTRICT VACATION/SICK/ANNUAL LEAVE LIABILITY RESERVE FUND

## Fund Purpose:

The purpose of the Vacation/Sick/Annual Leave Reserve Funds is to accumulate sufficient reserves necessary to insure payment of outstanding accrued vacation, sick and/or annual leave upon a District employee's separation of service from the District. Pursuant to the current Memorandums of Understanding by and between the District and designated employee representative bargaining group, District employees may accumulate annual leave in accordance with a maximum accumulation schedule. Previous Memorandums of Understanding also provided for the accumulation of Vacation and Sick Leave. Any employee separated from the service of the District shall receive pay for all accumulated vacation/sick/annual leave in accordance with designated schedules. It is desirable for the District to set aside funds on an on-going basis for this purpose.

## Policy:

In order to achieve the objectives of this policy, the Board of Directors shall adhere to the following guidelines:

1. This reserve fund shall be known as the "Vacation/Sick/Annual Leave Reserve Fund."
2. The Vacation/Sick/Annual Leave Reserve Fund shall be designated as a restricted reserve fund.
3. Each adopted budget of the District shall contain a transfer from the general Water Fund to the Vacation/Sick/Annual Leave Reserve Fund approved by the Board of Directors.
4. Monies transferred into the Vacation/Sick/Annual Leave Reserve Fund shall be expended solely for the purpose of compensation to District employees upon separation of service from the District for accumulated vacation/sick/annual leave.
5. The District Manager is authorized to approve the expenditure of Vacation/Sick/Annual Leave Reserve Funds, without prior approval of the Board of Directors, for the purpose expressly stated herein.
6. All investment earnings from the Vacation/Sick/Annual Leave Reserve Fund shall be credited to the District's general Water Fund.
7. This policy shall be reviewed on a regular basis for long-term adequacy and use restrictions.

## Target Fund Level:

The target fund level for the Vacation/Sick/Annual Leave Reserve Fund is to maintain a balance, as of July 1<sup>st</sup> of each fiscal year, equal to a minimum of \$100,000, unless otherwise directed by the Board of Directors at a public meeting. This target fund level was established based upon the following general guidelines:

1. The District shall maintain a balance in the Vacation/Sick/Annual Leave Reserve Fund equal to approximately one hundred percent (100%) of the accrued liability for compensated absences.



**ATTACHMENT 6  
IDYLLWILD WATER DISTRICT  
OPEB RESERVE FUND  
(HEALTH RETIRMENT RESERVE PER GASB45)**

**Fund Purpose:**

The purpose of the OPEB (Other Post Employment Benefits) Reserve Fund is to establish the funding levels and methodology for the explicit OPEB liabilities of the Idyllwild Water District. OPEB are employee benefits (other than pension) that are earned by employees during employment at the District, but are not paid by the District until after retirement. This policy establishes a funding plan to achieve and maintain a “fully funded” status of the District’s expected OPEB liabilities and provides a framework for investment and disbursement of reserve fund balances. Maintaining a funding plan for explicit benefits is prudent because of the magnitude of the expected future costs, intergenerational equity issues and the potential impact on the District’s financial strength and bond ratings.

**Policy:**

In order to achieve the objectives of this policy, the Board of Directors shall adhere to the following guidelines:

- 1.) This reserve fund shall be known as the “OPEB Reserve Fund”.
- 2.) The OPEB Reserve Fund shall be designated as a restricted reserve fund.
- 3.) The District Manager is authorized to approve the expenditure of the OPEB Reserve Fund.
- 4.) The OPEB Fund may be invested in Trust Funds or financial institutions.
- 5.) This policy shall be reviewed on a regular basis for long-term adequacy and use restrictions.
- 6.) No new employees are eligible for health retirement if he/she was hired on or after January 1, 2014 until they reach the age of 65 years of age then he/she will be eligible for supplemental retirement health insurance only.

**Target Fund Level:**

The target fund level for the OPEB Reserve Fund is to maintain a balance, as of July 1<sup>st</sup> of each fiscal year, equal to a minimum of \$900,000, unless otherwise directed by the Board of Directors at a public meeting or by actuarial study.

ATTACHMENT 7  
IDYLLWILD WATER DISTRICT  
SUMMARY OF RESERVE FUND

<u>RESERVE FUND</u>	<u>TARGET LEVEL</u>
1.) Working Capital Reserve Fund.	\$ 750,000
2.) Emergency Reserve Fund.	\$ 500,000
3.) Capital Improvement & Replacement Reserve Fund	\$ 1,500,000
4.) Vehicle and Equipment Replacement Reserve Fund.	\$ 300,000
5.) Vacation/Sick/Annual Leave Liability Reserve Fund.	\$ 100,000
6.) OPEB (Health Retirement Reserve per GASB 45)	\$ 900,000
<b>Total:</b>	<b><u>\$4,050,000</u></b>

**RESOLUTION NO. 748**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE IDYLLWILD WATER DISTRICT  
REVISING THE DISTRICT'S RESERVE POLICY**

**WHEREAS**, the Idyllwild Water District Board of Directors has determined that consistent with Resolution No. 711, periodic review of the District's Reserve Policy is prudent and appropriate as the financial conditions of the Idyllwild Water District evolve over time; and

**WHEREAS**, Idyllwild Water District has carefully evaluated the financial position of the District, the actualization of plans to replace older vehicles and the need for a more moderate Capital Improvement Plan.

**NOW THEREFORE**, be it resolved by the Board of Directors of the Idyllwild Water District that:

1. The Target Fund levels for the Capital Improvement and Replacement Reserve Fund and the Vehicle and Equipment Replacement Reserve Fund shall be modified as described in the attached policy, which is attached and hereby adopted and made a part hereof.
2. All other aspects of the Idyllwild Water District Reserve Fund Policy as adopted in Resolution No. 711 shall remain in full force and effect.
3. This Resolution shall restate and replace Resolution No. 711 as the Idyllwild Water District Reserve Policy.

**ADOPTED THIS 18th DAY OF APRIL, 2018**

---

Dr. Charles Schelly- Board President

**ATTEST:**

I, Erica Gonzales, secretary of the Idyllwild Water District hereby certify that the foregoing resolution was duly and regularly introduced and adopted by the Board of Directors of said Idyllwild Water District at its meeting held on the 18<sup>th</sup> day of April, 2018. By the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

In witness whereof I have hereunto set my hand and affixed the official seal of the Idyllwild Water District this 18<sup>th</sup> day of April, 2018.

---

Erica Gonzales- Board Secretary

# Memo

**To: Board of Directors**

**From: General Manager**

**Date: April 18, 2017**

**Subject: ITEM # 3– Budget Proposal and Public Hearing Resolution No. 750**

Recommendation: That the Idyllwild Water District Board of Directors consider the proposed budget for FY 2018-19, including rates, fees and assessments, and rates fees and assessments for Water and Wastewater for FY2019-20 through FY2022-23, adopt Resolution No. 750 establishing June 20, 2018 as the public hearing date to consider adopting the FY 2018-19 Budget proposed rates, fees and assessments, and rates fees and assessments for Water and Wastewater for FY2019-20 through FY2022-23, and authorize Staff to notify the ratepayers as required by the California Constitution.

Background:

Annually the Idyllwild Water District reviews the financial performance of the current year and prepares a budget for the upcoming year. The District engaged NBS in January to develop a rate structure that would incentivize conservation and comply with the requirements of the portion of the California Constitution known as Proposition 218 and the judicial interpretations thereof. Although a modified water rate structure was adopted for FY 2017-18 the District has not increased revenue through basic water or sewer rates since FY 2013-14 (five-years).

For FY 2018-19, two significant pressures are pushing rates:

1. The need to expand the Capital Improvement Projects (CIP) Plan to deal with the lack of CIP since 2000 (the Board has adopted a plan that includes a one-year high of \$700,000 in FY 2018-19 to respond to planned County road activity and \$400,000 per year for the remaining 4-years of the plan); and
2. The need to build the District Reserve levels back to target levels.

The proposed Budget and plan would increase the Wastewater Division revenue 5.8% in FY 2018-19 and by 2.5% in each of the succeeding four years (FY2019-20 through FY2022-23). No changes are proposed for the Wastewater rate structure. The cost for each EDU (Equivalent Dwelling Unit) would increase as follows:

<u>Fiscal Year</u>	<u>\$/EDU</u>
FY 2017-18	\$38.25 (Current)
FY 2018-19	\$40.00
FY 2019-20	\$41.00
FY 2020-21	\$42.03
FY 2021-22	\$43.08
FY 2022-23	\$44.15

The updated Miscellaneous Fees reflect current costs (Attachment 1) with an added note that all third-party costs for applying and removing liens shall be borne by the customer.

The proposed budget and revised water rate structure increases overall revenues by 5% per year for the five-year proposed period and allocates charges to the various rate classes based on their impacts, i.e., cost of service. A summary of the Rate Study is included as Attachment 2.

The analysis demonstrates that residential users, making up 89% of the customers, place a significantly higher demand on facilities due to their pattern of peaking and should be paying a higher portion of the fixed costs of operating the District. The past practice of

the District in providing pre-paid water as part of the monthly fixed fee was judged inconsistent with the State constitutional requirements for establishing water rates and eliminated from the proposed rate structure. Based on analysis of actual bills to customers, the residential Tiered Rate Structure has been modified as follows:

	<u>Current</u>	<u>Proposed</u>
Tier 1	0-300 cuft	0-450 cuft
Tier 2	300-600 cuft	450-900 cuft
Tier 3	600-1500 cuft	900+ cuft
Tier 4	1500+ cuft	-----

Commercial/Institutional Customers will have one uniform commodity fee for all usage.

Fixed Monthly Service charges will continue to be based on the customer meter size. The exception is Idyllwild Arts Academy (IAA) which, due to its unprecedented demand on the system (over 12% of the water demand and 10% of the system capacity) has been assigned a customer class by itself.

Staff is not proposing any changes to Connection Fees for either water or wastewater

### Rates

NBS and the staff developed several scenarios to achieve the goal of 5% additional revenue based around various allocations of revenue generation from either fixed monthly service charges or commodity charges. From the Staff view, more fixed revenue will enhance the financial soundness of the District and limit financial risk in a significant downturn in usage. This strategy will affect ratepayers with a change in individual rates. However, as will be presented at the Board meeting, Idyllwild Water District rates will still compare favorably with the rates of the neighboring Districts. Based on discussions and input from Board members at the Rate Workshop on April 10, 2018, three additional hybrid rate scenarios, in which the additional 5% revenue is generated each year but the amount collected from fixed charges increase each year,

have been developed for the Board's consideration (Attachment 3). Staff recommends Scenario E.

### Budget

Also attached is the Draft Budget for FY 2018-19 (Attachment 4). Increases are due to inflation pressures on most categories and labor costs as staff members gain additional certification which results in higher salaries.

### Notice

In order to comply with the State Constitution, staff will provide all ratepayers constructive notice of the proposed rates and the opportunities to participate in the rate development process (Proposition 218 Notice).

### Attachments



## Miscellaneous Fees July 1, 2018

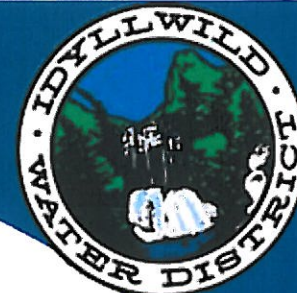
Sewer Base charge	\$40.00/EDU
Sewer Capacity Fee	\$5,447.00/EDU
Sewer Installation Inspection Fee	\$200.00
Water Turn On/Off Fee	\$50.00
Door Hanger Fee (Non-payment Shut-off Notice)	\$10.00
Not Sufficient Funds (NSF)/Returned Check Fee	\$25.00
Late Payment Fee	\$15.00
Sewer Audit of EDUs (Commercial) Customer Request	\$100.00
Water Availability Letter	\$50.00
Transfer Fee	\$25.00
Sewer Availability Letter	\$50.00
Construction Water (\$500.00 deposit for hydrant meter)	\$0.10/cubic foot
Construction Hydrant Meter Relocation Fee	\$25.00
Lien Removal Fee (actual third party costs)	Varies

### Water Facilities Connection Fee

<u>Meter Size</u>	<u>Connection Fee</u>
0.625-inch meter	\$2,782.00
0.75-inch meter	\$4,172.00
1.00-inch meter	\$6,954.00
1.50-inch meter	\$13,908.00
2.00-inch meter	\$22,253.00
3.00-inch meter	\$41,724.00
4.00-inch meter	\$69,540.00
6.00-inch meter	\$139,080.00

### Water Service Installation Fee

	Actual Cost
0.625 through 1.5-inch	\$2,000.00 deposit
2.0-inch and above	\$3,000.00 deposit

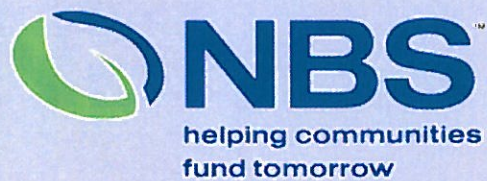


# Idyllwild Water District

## Water and Sewer Rate Study

*April 10, 2018*

*Presented by*  
Greg Henry, Consultant



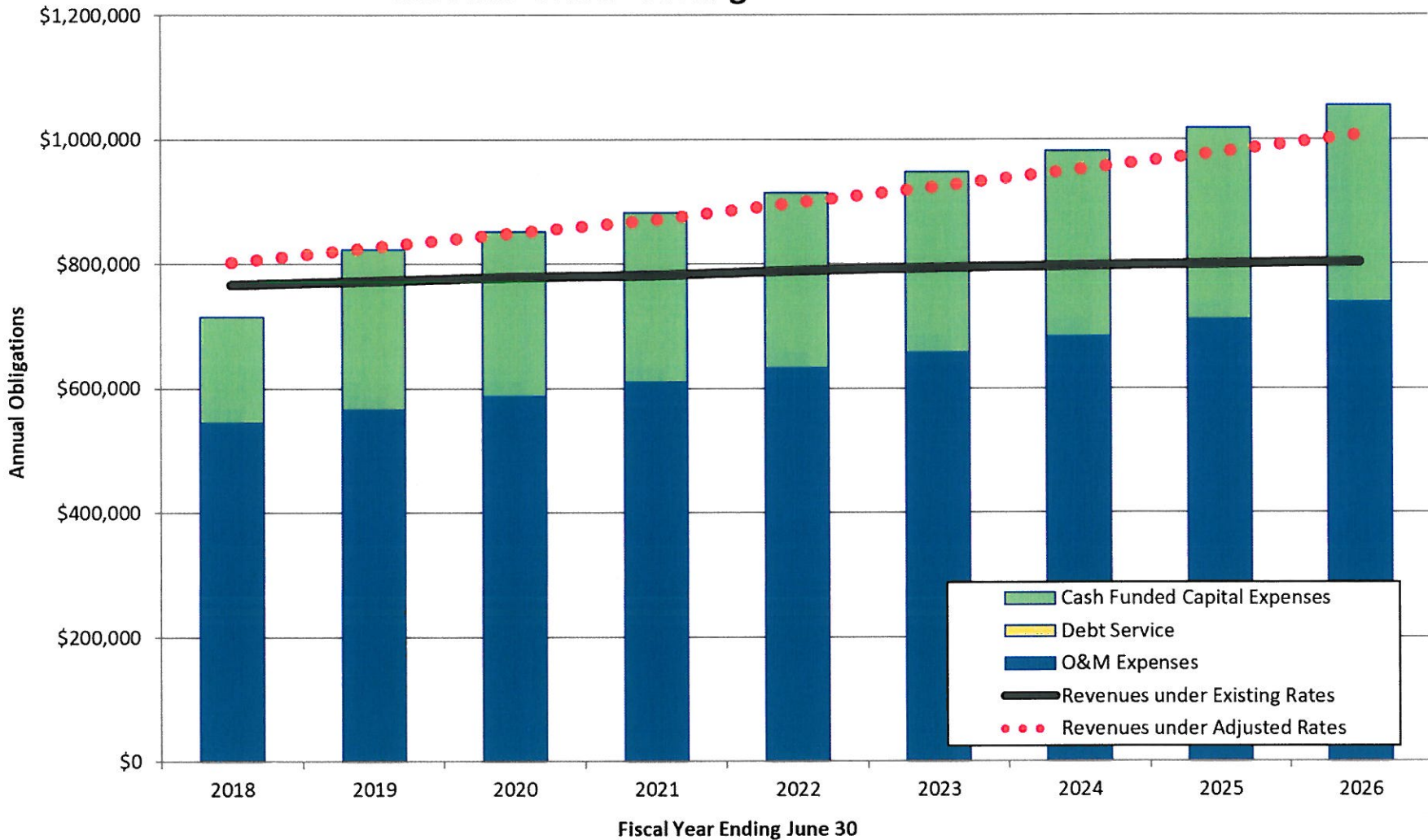
# Sewer Utility

## *Proposed Rates*



# Financial Analysis

## Sewer Revenue Requirements vs. Revenue Under Existing and Increased Rates

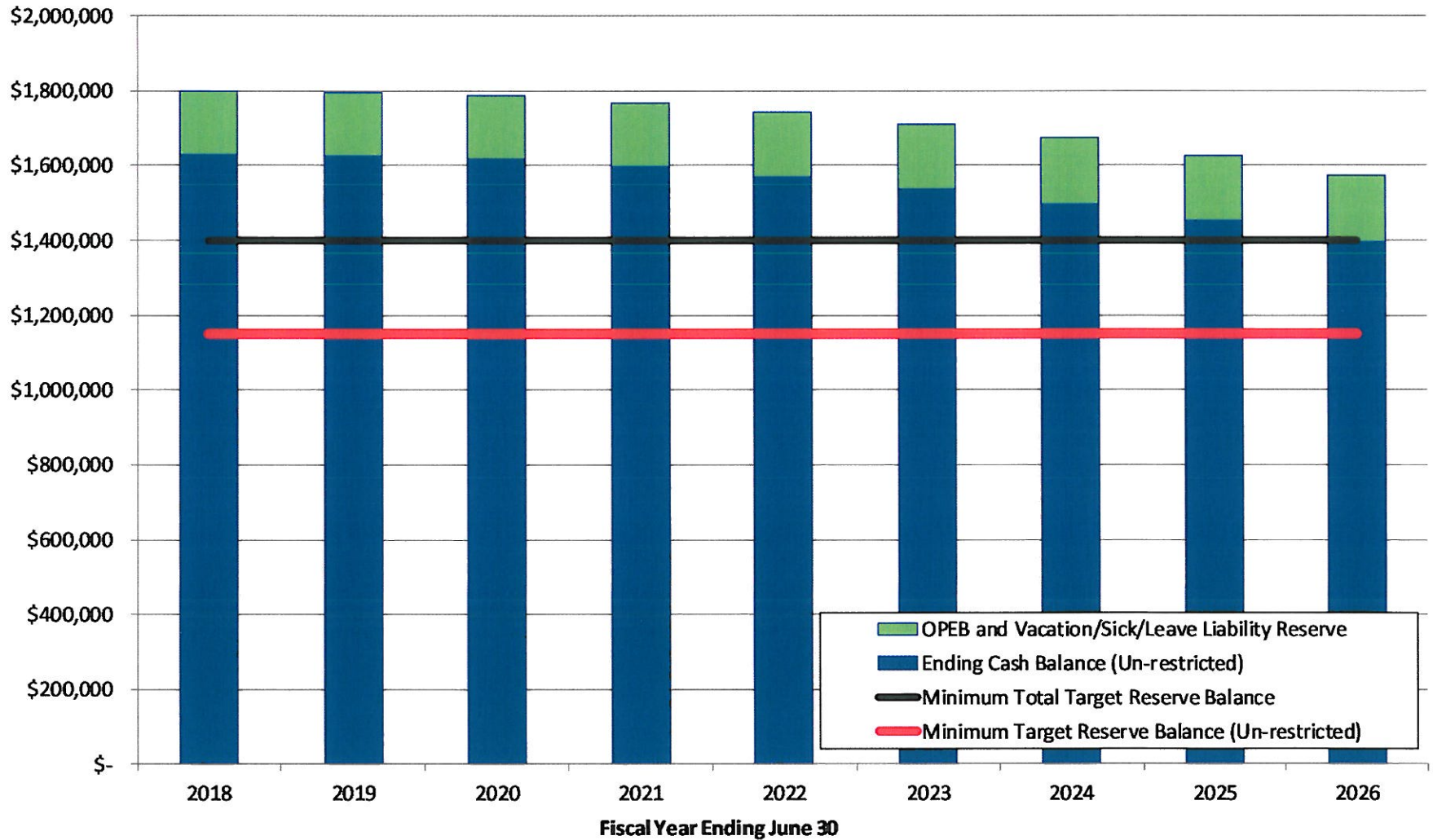


## Financial Analysis, cont.

<b>Fiscal Year</b>	<b>Total Rate Revenue</b>
FY 2017/18	\$ 630,006
FY 2018/19	668,640
FY 2019/20	687,412
FY 2020/21	706,711
FY 2021/22	726,552
FY 2022/23	746,950

# Financial Analysis, cont.

## Un-Restricted Cash Balances vs. Recommended Reserve Targets



# Cost of Service

Customer Class	Number of Accounts (1)	Number of EDUs (1)	Percentage of Assigned EDUs	Average EDUs per Account
Apartment	9	35.5	2.5%	3.9
Business	93	246.9	17.7%	2.7
Camp	3	50.0	3.6%	16.7
Church	11	19.5	1.4%	1.8
Motel	25	82.0	5.9%	3.3
Park	2	30.0	2.2%	15.0
Residential	419	445.0	31.9%	1
Restaurant	17	120.7	8.7%	7.1
School	5	227.4	16.3%	45.5
Trailer Park	2	136.0	9.8%	68.0
<b>Total</b>	<b>586</b>	<b>1,393.0</b>	<b>100.0%</b>	<b>2.4</b>

1. Source: Commercial Sewer EDUs.xlsx and Income Statement 02-14-18.pdf (residential EDUs).

# Rate Design

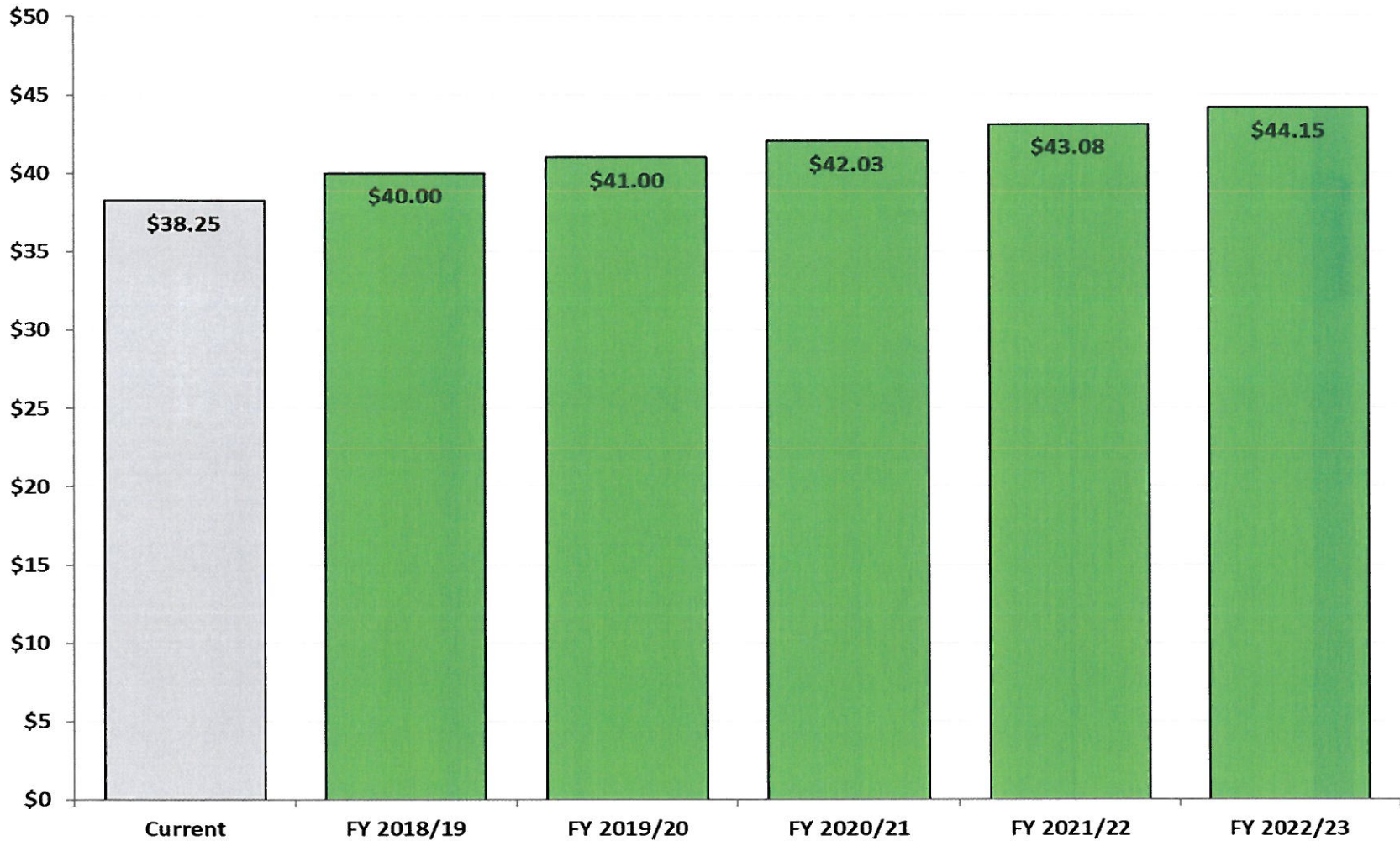
Sewer Rate Schedule	Current Monthly Rates <i>(1)</i>	Proposed Monthly Sewer Rates				
		FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
Rate Per EDU	\$38.25	\$40.00	\$41.00	\$42.03	\$43.08	\$44.15

1. Sewer customers are charged on the basis of their number of assigned Equivalent Dwelling Units (EDUs).



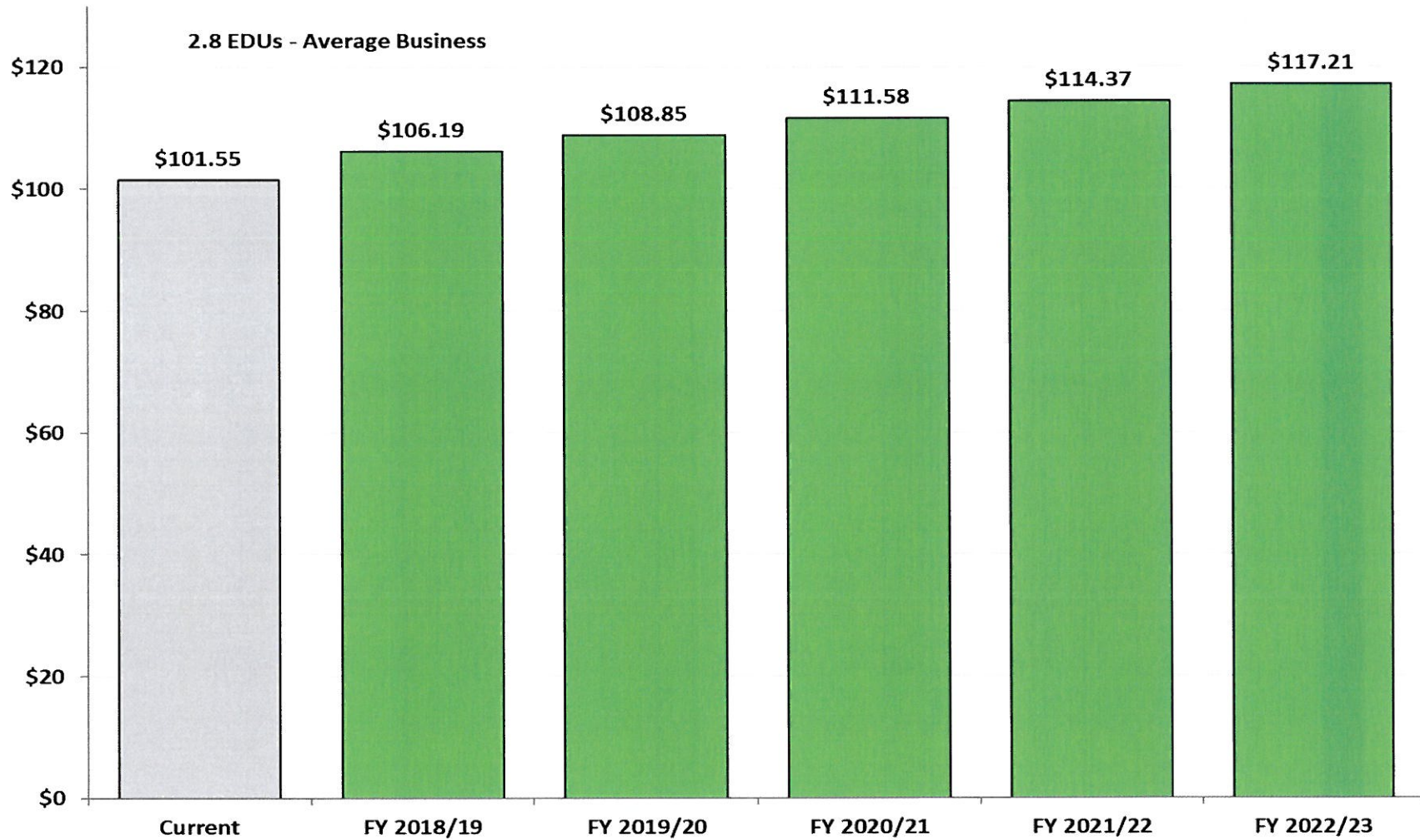
# Bill Impact

**Single Family Residential Sewer Bill Comparison**  
Current vs. Proposed Rates (*Assumes 1 EDU/SFR Account*)



# Bill Impact, cont.

## Average Commercial Sewer Bill Comparison Current vs. Proposed



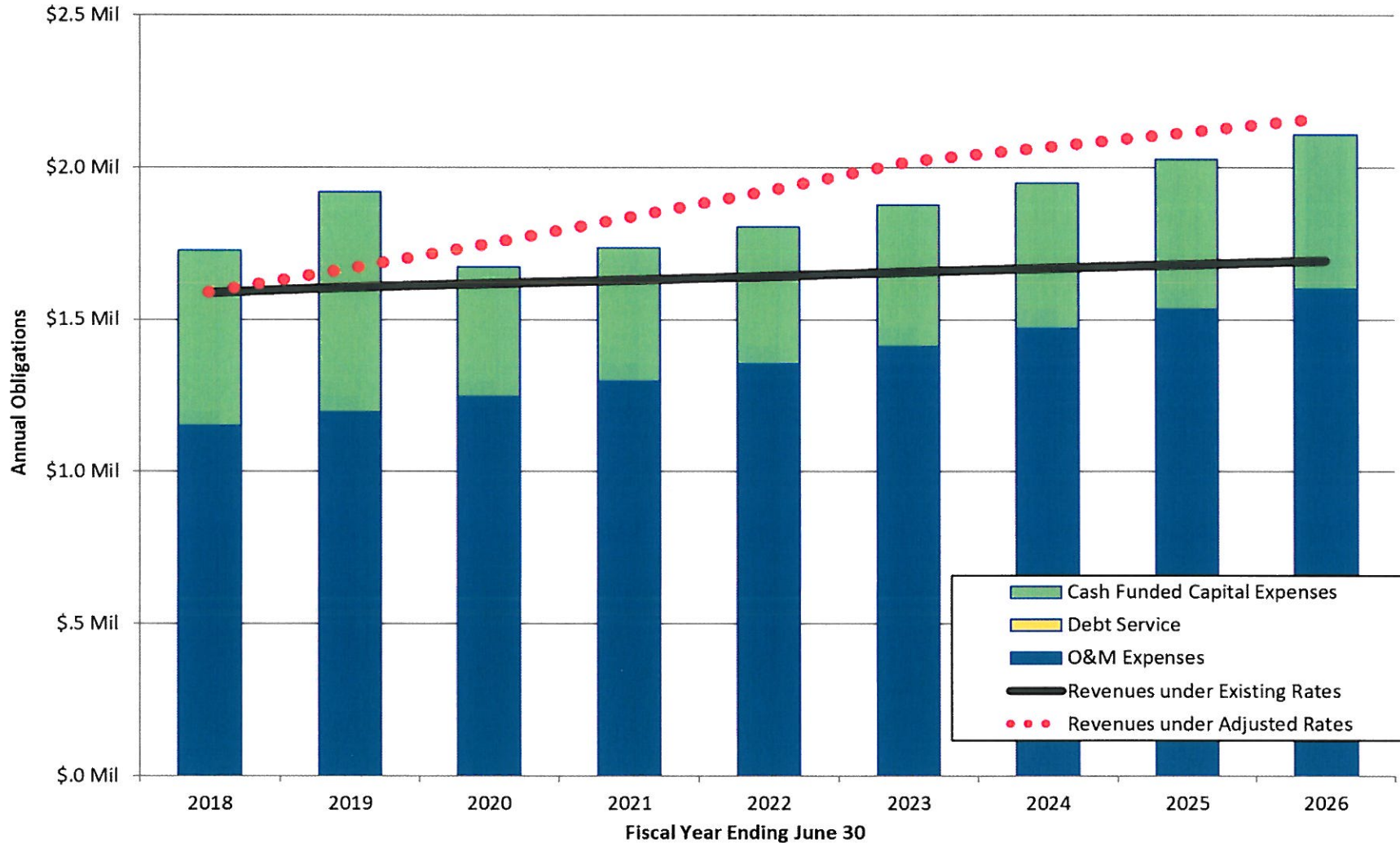
# Water Utility

## *Proposed Rates*



# Financial Analysis

## Water Revenue Requirements vs. Revenue Under Existing and Increased Rates

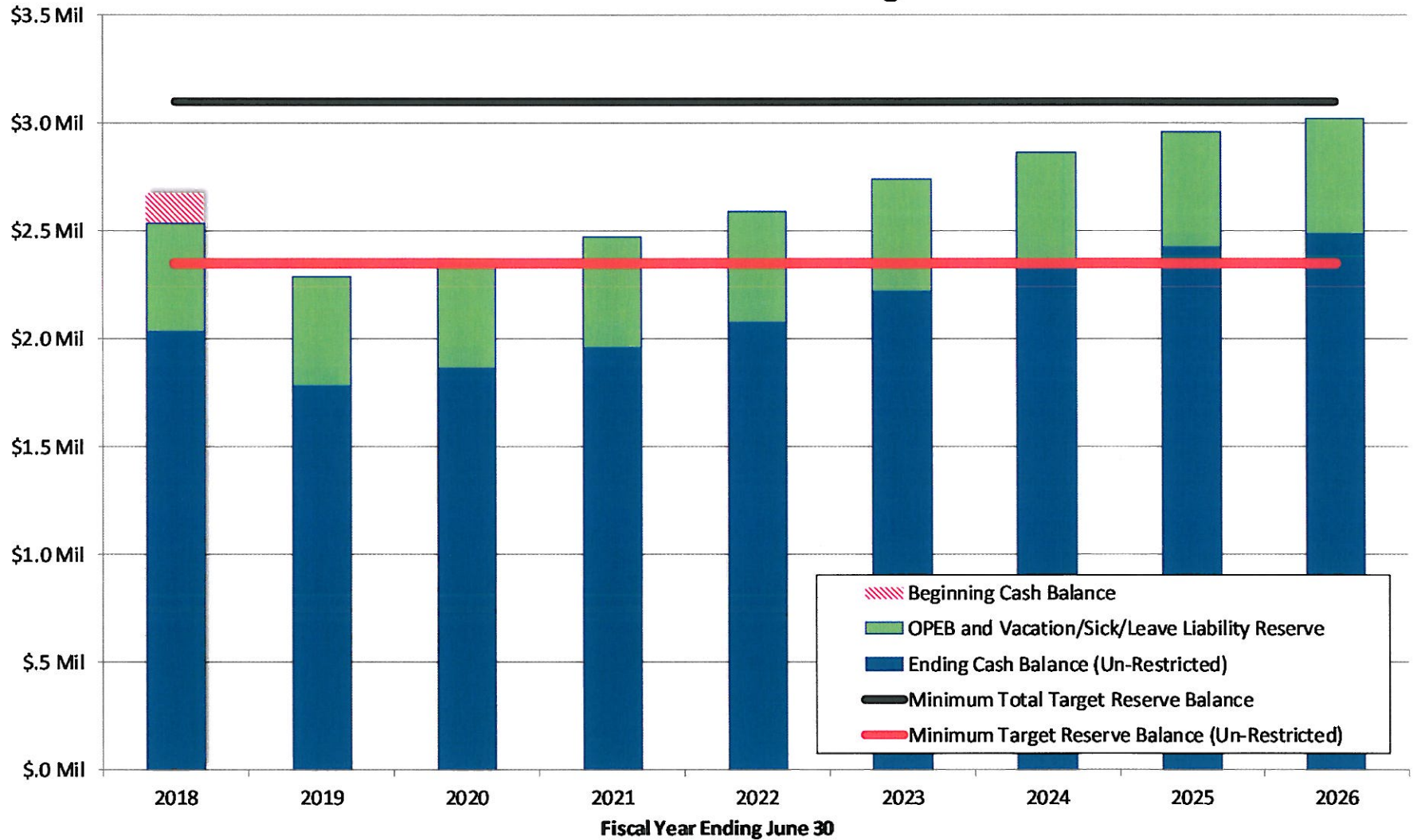


## Financial Analysis, cont.

Fiscal Year	Rate Revenue Requirements
FY 2017/18	\$1.27 Mil
FY 2018/19	\$1.34 Mil
FY 2019/20	\$1.42 Mil
FY 2020/21	\$1.50 Mil
FY 2021/22	\$1.58 Mil
FY 2022/23	\$1.66 Mil

# Financial Analysis, cont.

## Cash Balances vs. Recommended Reserve Targets



# Cost of Service – Classification



**Commodity related costs** are those that change as the volume of water produced and delivered changes. These commonly include the costs of water quality testing, energy related to pumping for transmission and distribution, and source of supply.



**Capacity related costs** are associated with sizing facilities to meet the maximum, or peak demand. This includes both operating costs and capital infrastructure costs incurred to accommodate peak system capacity events.



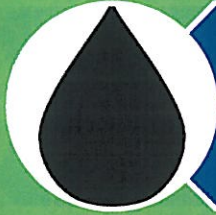
**Customer related costs** are associated with having a customer on the water system, such as meter reading, postage and billing.



**Fire Protection related costs** are associated with providing sufficient capacity in the system for fire meters and other operations and maintenance costs of providing water to properties for private fire service protection.

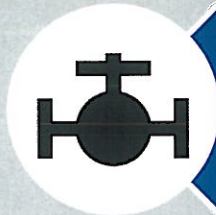
# Cost of Service – Classification

Variable  
Expense



Commodity 13.4%

Fixed  
Expenses



Capacity 83.8%



Customer 2.8%



Fire Protection .04%

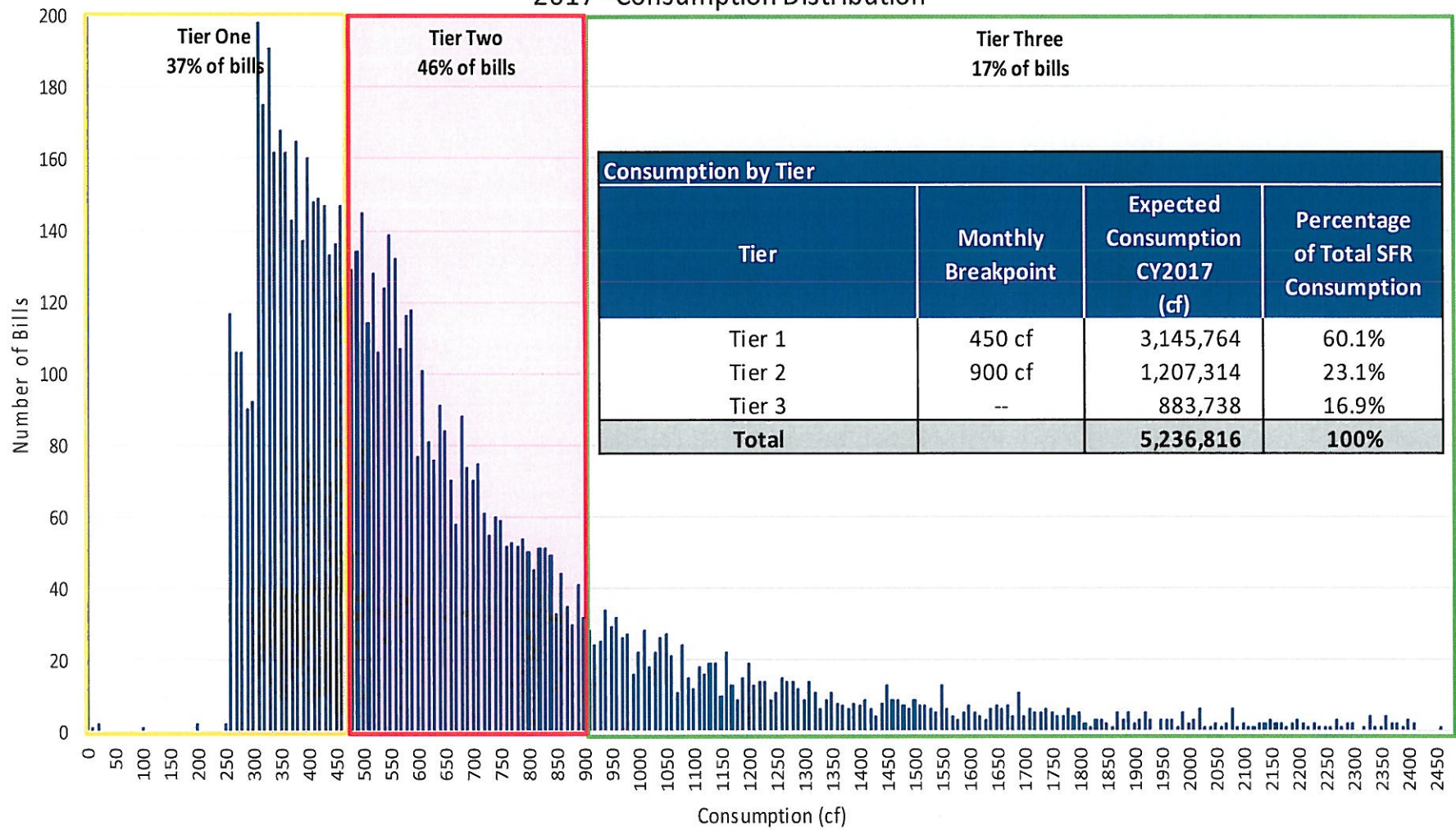


# Cost of Service – Customer Classes

Customer Class	Commodity Allocation	Capacity Allocation	Customer Allocation	Fire Protection Allocation
Single Family Residential	56%	53%	89%	0%
Idyllwild Arts Academy	12%	10%	0%	0%
All Other Standard Meters	32%	37%	11%	0%
Fire Service	0%	0%	0%	100%
Allocation Methodology	Total Consumption	Peak Consumption	Number of Customers	Only to Fire Meters

# Cost of Service – Customer Classes, cont.

Idllywild Water District Single Family  
2017 - Consumption Distribution



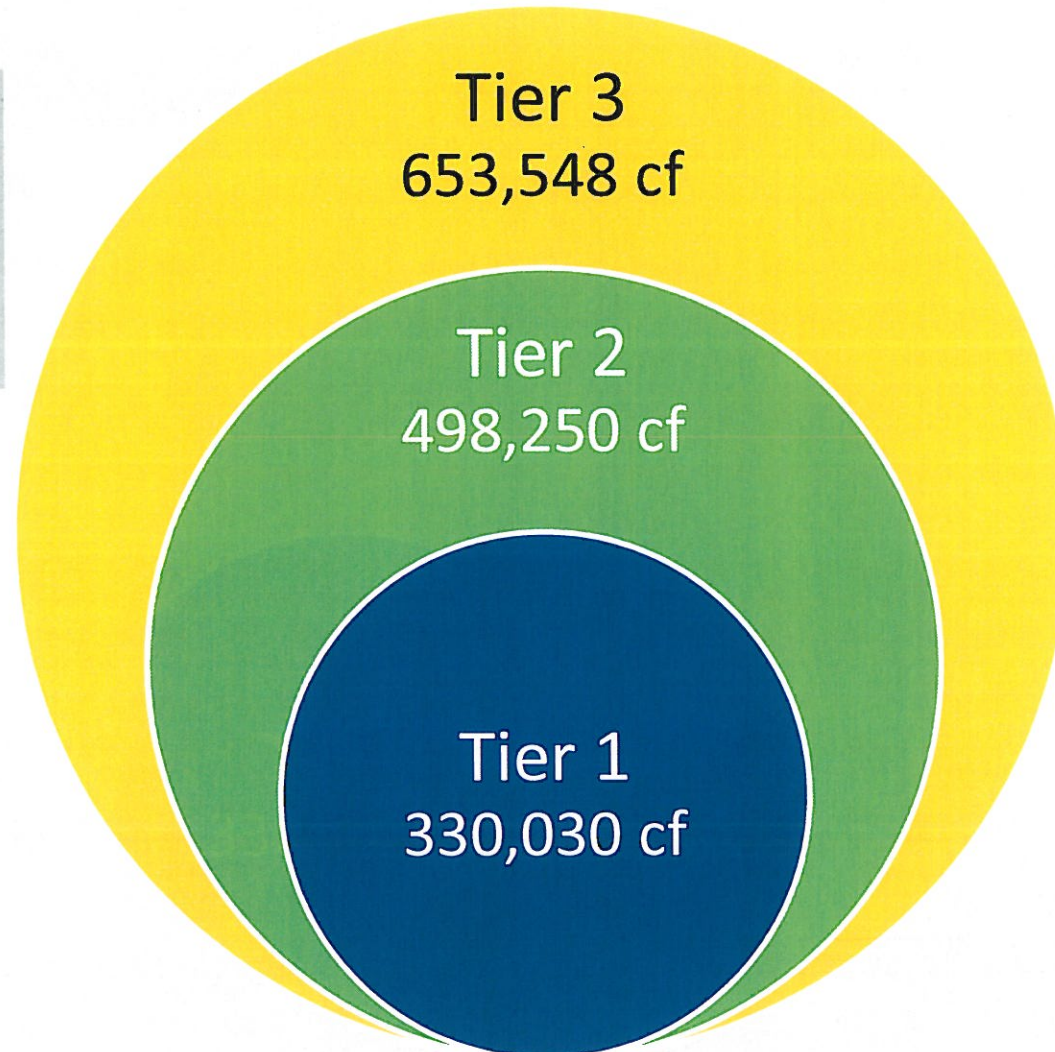
Consumption by Tier			
Tier	Monthly Breakpoint	Expected Consumption CY2017 (cf)	Percentage of Total SFR Consumption
Tier 1	450 cf	3,145,764	60.1%
Tier 2	900 cf	1,207,314	23.1%
Tier 3	--	883,738	16.9%
<b>Total</b>		<b>5,236,816</b>	<b>100%</b>

# Rate Design

Classification Categories	<i>COSA Results</i>	<i>Rate Alternative A</i>	<i>Rate Alternative B</i>	<i>Rate Alternative C</i>
	Unadjusted Net Revenue Requirements (2018-19) 87% Fixed / 13% Variable	Adjusted Net Revenue Requirements (2018-19) 55% Fixed / 45% Variable	Adjusted Net Revenue Requirements (2018-19) 60% Fixed / 40% Variable	Adjusted Net Revenue Requirements (2018-19) 65% Fixed / 35% Variable
<b>Variable Costs:</b>				
Commodity - Related Costs	13.4%	13.4%	13.4%	13.4%
Capacity - Related Costs (volumetric allocation)	0.0%	31.6%	26.6%	21.6%
<b>Sub-Total Variable Costs</b>	<b>13.4%</b>	<b>45.0%</b>	<b>40.0%</b>	<b>35.0%</b>
<b>Fixed Costs:</b>				
Capacity - Related Costs (fixed allocation)	83.8%	52.2%	57.2%	62.2%
Customer - Related Costs	2.8%	2.8%	2.8%	2.8%
Fire Protection - Related Costs	0.0%	0.0%	0.0%	0.0%
<b>Sub-Total Variable Costs</b>	<b>86.6%</b>	<b>55.0%</b>	<b>60.0%</b>	<b>65.0%</b>
<b>Net Revenue Requirement</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

# Rate Design, Tiered Rate

Allocating  
Volumetric  
Capacity  
Costs



# Rate Design, cont.

## Alternative A - Net Revenue Requirements (55% Fixed / 45% Variable)

Water Rate Schedule	Number of Customers	Current Rates	Proposed Rates				
			FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
<b>Monthly Fixed Service Charges:</b>							
<i>Single Family Residential</i>							
5/8 inch	1,427	\$29.70	\$30.76	\$32.30	\$33.92	\$35.61	\$37.39
3/4 inch	12	\$40.35	\$45.20	\$47.46	\$49.83	\$52.32	\$54.94
1 inch	24	\$61.25	\$74.06	\$77.77	\$81.65	\$85.74	\$90.02
<i>All Other Customers:</i>							
5/8 inch	109	\$20.90	\$30.76	\$32.30	\$33.92	\$35.61	\$37.39
3/4 inch	30	\$31.35	\$45.20	\$47.46	\$49.83	\$52.32	\$54.94
1 inch	59	\$52.25	\$74.06	\$77.77	\$81.65	\$85.74	\$90.02
1.5 inch	13	\$104.50	\$146.23	\$153.54	\$161.22	\$169.28	\$177.74
2 inch	5	\$167.20	\$232.83	\$244.47	\$256.69	\$269.53	\$283.00
3 inch	1	\$313.50	\$463.76	\$486.94	\$511.29	\$536.85	\$563.70
<i>Idyllwild Arts Academy</i>							
3 inch	1	\$313.50	\$4,978.68	\$5,227.61	\$5,488.99	\$5,763.44	\$6,051.61
<i>Fire Service Charges:</i>							
2 inch	0	--	\$7.18	\$7.54	\$7.92	\$8.31	\$8.73
3 inch	0	--	\$13.45	\$14.12	\$14.83	\$15.57	\$16.35
4 inch	2	--	\$25.00	\$26.25	\$27.56	\$28.94	\$30.39

# Rate Design, cont.

## Alternative A - Net Revenue Requirements (55% Fixed / 45% Variable)

Water Rate Schedule	Number of Customers	Current Rates	Proposed Rates					
			FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	
<b>Monthly Commodity Charges per cf of water consumed</b>								
	<u>Current</u>	<u>Proposed</u>						
<i>Tiered Rate (Commercial Customers)</i>								
Tier 1	1000 cf		\$0.0333	--	--	--	--	--
Tier 2	4000 cf		\$0.0633	--	--	--	--	--
Tier 3	8000 cf		\$0.1000	--	--	--	--	--
Tier 4	8001+ cf		\$0.1000	--	--	--	--	--
<i>Uniform Potable Rate (Commercial Customers)</i>				\$0.0682	\$0.0716	\$0.0752	\$0.0789	\$0.0829
<i>Tiered Rate (SFR Customers)</i>								
Tier 1	300 cf	450 cf	\$0.0000	\$0.0192	\$0.0202	\$0.0212	\$0.0223	\$0.0234
Tier 2	600 cf	900 cf	\$0.0633	\$0.1154	\$0.1212	\$0.1273	\$0.1336	\$0.1403
Tier 3	1500 cf	900+ cf	\$0.1000	\$0.1406	\$0.1476	\$0.1550	\$0.1627	\$0.1709
Tier 4	1500+ cf	--	\$0.1000	N/A	N/A	N/A	N/A	N/A

# Rate Design, cont.

## Alternative B - Net Revenue Requirements (60% Fixed / 40% Variable)

Water Rate Schedule	Number of Customers	Current Rates	Proposed Rates - Rate Alternative B				
			FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
<b>Monthly Fixed Service Charges:</b>							
<i>Single Family Residential</i>							
5/8 inch	1,427	\$29.70	\$33.39	\$35.06	\$36.82	\$38.66	\$40.59
3/4 inch	12	\$40.35	\$49.14	\$51.60	\$54.18	\$56.89	\$59.73
1 inch	24	\$61.25	\$80.64	\$84.67	\$88.90	\$93.35	\$98.01
<i>All Other Customers:</i>							
5/8 inch	109	\$20.90	\$33.39	\$35.06	\$36.82	\$38.66	\$40.59
3/4 inch	30	\$31.35	\$49.14	\$51.60	\$54.18	\$56.89	\$59.73
1 inch	59	\$52.25	\$80.64	\$84.67	\$88.90	\$93.35	\$98.01
1.5 inch	13	\$104.50	\$159.38	\$167.35	\$175.71	\$184.50	\$193.72
2 inch	5	\$167.20	\$253.86	\$266.56	\$279.89	\$293.88	\$308.57
3 inch	1	\$313.50	\$505.83	\$531.12	\$557.68	\$585.56	\$614.84
<i>Idyllwild Arts Academy</i>							
3 inch	1	\$313.50	\$5,709.00	\$5,994.45	\$6,294.18	\$6,608.88	\$6,939.33
<i>Fire Service Charges:</i>							
2 inch	0	--	\$7.18	\$7.54	\$7.92	\$8.31	\$8.73
3 inch	0	--	\$13.45	\$14.12	\$14.83	\$15.57	\$16.35
4 inch	2	--	\$25.00	\$26.25	\$27.56	\$28.94	\$30.39

# Rate Design, cont.

## Alternative B - Net Revenue Requirements (60% Fixed / 40% Variable)

Water Rate Schedule	Number of Customers	Current Rates	Proposed Rates - Rate Alternative B					
			FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	
<i>Monthly Commodity Charges per cf of water consumed</i>								
	<u>Current</u>	<u>Proposed</u>						
<i>Tiered Rate (Commercial Customers)</i>								
Tier 1	1000 cf		\$0.0333	--	--	--	--	--
Tier 2	4000 cf		\$0.0633	--	--	--	--	--
Tier 3	8000 cf		\$0.1000	--	--	--	--	--
Tier 4	8000+ cf		\$0.1000	--	--	--	--	--
<i>Uniform Potable Rate (Commercial Customers)</i>				\$0.0604	\$0.0635	\$0.0666	\$0.0700	\$0.0735
<i>Tiered Rate (SFR Customers)</i>								
Tier 1	300 cf	450 cf	\$0.0000	\$0.0192	\$0.0202	\$0.0212	\$0.0223	\$0.0234
Tier 2	600 cf	900 cf	\$0.0633	\$0.1002	\$0.1052	\$0.1105	\$0.1160	\$0.1218
Tier 3	1500 cf	900+ cf	\$0.1000	\$0.1214	\$0.1274	\$0.1338	\$0.1405	\$0.1475
Tier 4	1500+ cf	--	\$0.1000	N/A	N/A	N/A	N/A	N/A



# Rate Design, cont.

## Alternative C - Net Revenue Requirements (65% Fixed / 35% Variable)

Water Rate Schedule	Number of Customers	Current Rates	Proposed Rates - Rate Alternative C				
			FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
<b>Monthly Fixed Service Charges:</b>							
<i>Single Family Residential</i>							
5/8 inch	1,427	\$29.70	\$36.02	\$37.82	\$39.72	\$41.70	\$43.79
3/4 inch	12	\$40.35	\$53.09	\$55.74	\$58.53	\$61.45	\$64.53
1 inch	24	\$61.25	\$87.21	\$91.57	\$96.15	\$100.96	\$106.01
<i>All Other Customers:</i>							
5/8 inch	109	\$20.90	\$36.02	\$37.82	\$39.72	\$41.70	\$43.79
3/4 inch	30	\$31.35	\$53.09	\$55.74	\$58.53	\$61.45	\$64.53
1 inch	59	\$52.25	\$87.21	\$91.57	\$96.15	\$100.96	\$106.01
1.5 inch	13	\$104.50	\$172.53	\$181.15	\$190.21	\$199.72	\$209.71
2 inch	5	\$167.20	\$274.90	\$288.65	\$303.08	\$318.23	\$334.15
3 inch	1	\$313.50	\$547.91	\$575.30	\$604.07	\$634.27	\$665.99
<i>Idyllwild Arts Academy</i>							
3 inch	1	\$313.50	\$6,439.33	\$6,761.29	\$7,099.36	\$7,454.33	\$7,827.04
<i>Fire Service Charges:</i>							
2 inch	0	--	\$7.18	\$7.54	\$7.92	\$8.31	\$8.73
3 inch	0	--	\$13.45	\$14.12	\$14.83	\$15.57	\$16.35
4 inch	2	--	\$25.00	\$26.25	\$27.56	\$28.94	\$30.39

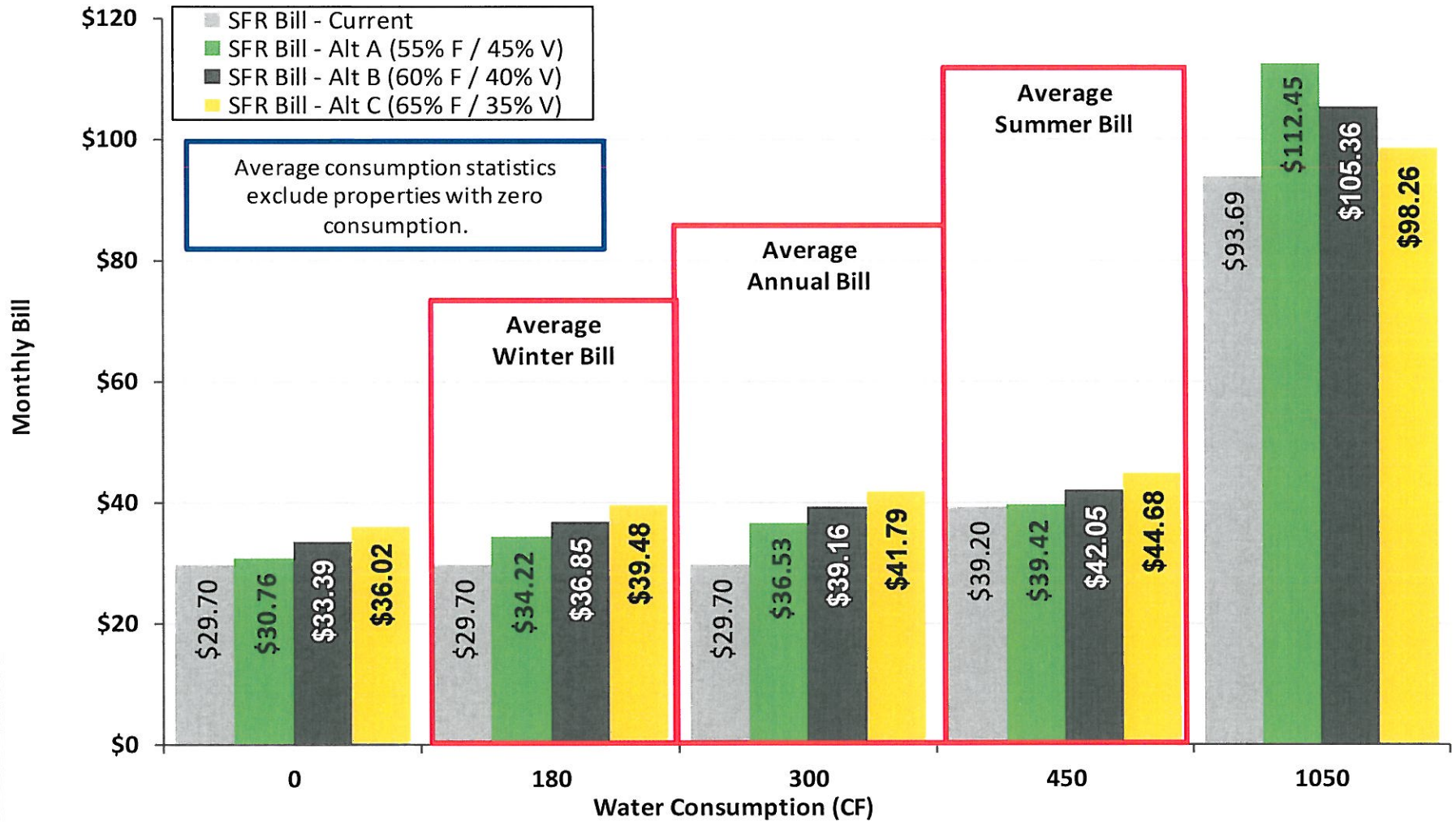
# Rate Design, cont.

## Alternative C - Net Revenue Requirements (65% Fixed / 35% Variable)

Water Rate Schedule	Number of Customers	Current Rates	Proposed Rates - Rate Alternative C					
			FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	
<b>Monthly Commodity Charges per cf of water consumed</b>								
	<u>Current</u>	<u>Proposed</u>						
<i>Tiered Rate (Commercial Customers)</i>								
Tier 1	1000 cf		\$0.0333	--	--	--	--	--
Tier 2	4000 cf		\$0.0633	--	--	--	--	--
Tier 3	8000 cf		\$0.1000	--	--	--	--	--
Tier 4	8000+ cf		\$0.1000	--	--	--	--	--
<i>Uniform Potable Rate (Commercial Customers)</i>				\$0.0527	\$0.0553	\$0.0581	\$0.0610	\$0.0641
<i>Tiered Rate (SFR Customers):</i>								
Tier 1	300 cf	450 cf	\$0.0000	\$0.0192	\$0.0202	\$0.0212	\$0.0223	\$0.0234
Tier 2	600 cf	900 cf	\$0.0633	\$0.0850	\$0.0893	\$0.0937	\$0.0984	\$0.1033
Tier 3	1500 cf	900+ cf	\$0.1000	\$0.1022	\$0.1073	\$0.1127	\$0.1183	\$0.1242
Tier 4	1500+ cf	--	\$0.1000	N/A	N/A	N/A	N/A	N/A

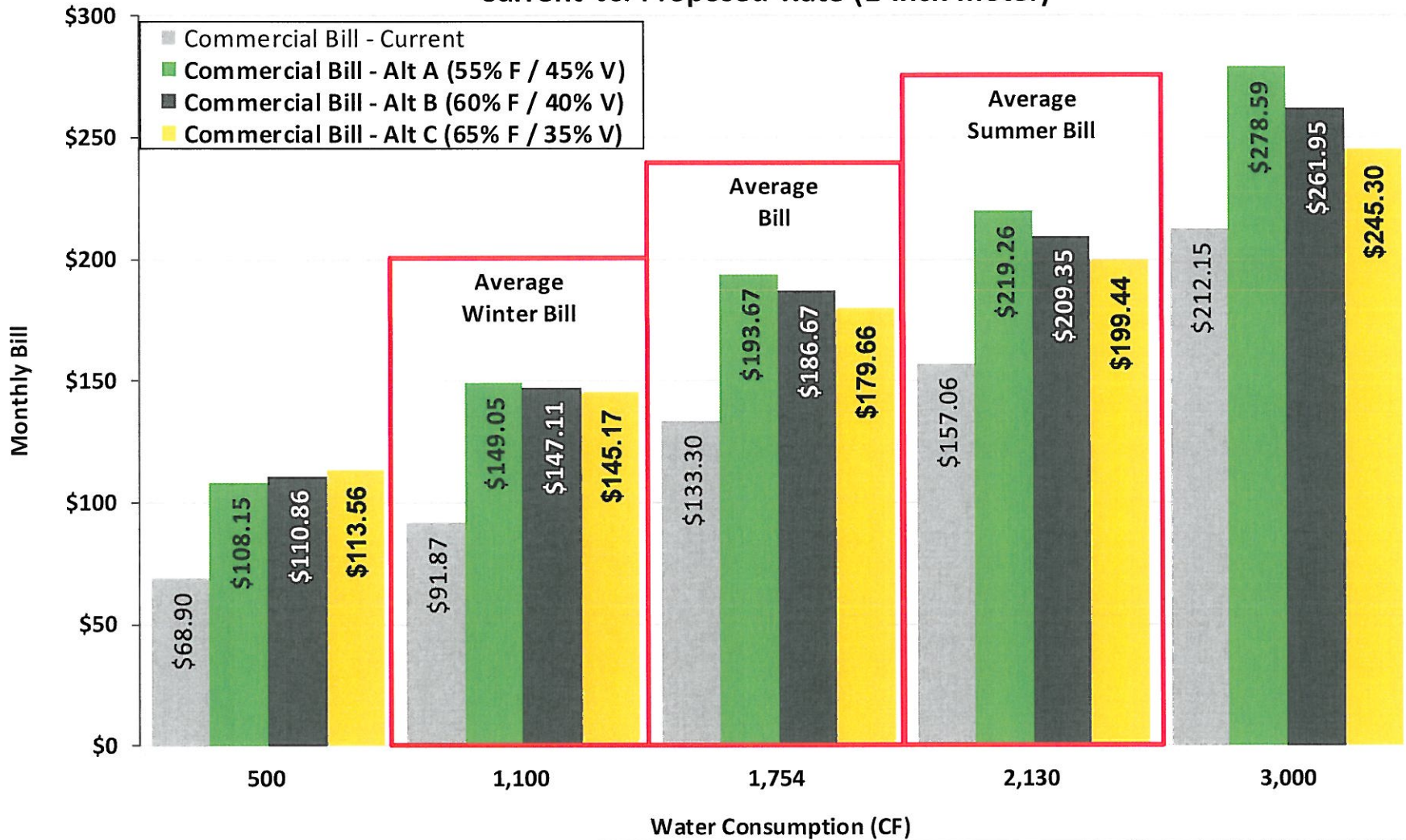
# Bill Impact

## Residential Water Bill Comparison Current vs. Proposed



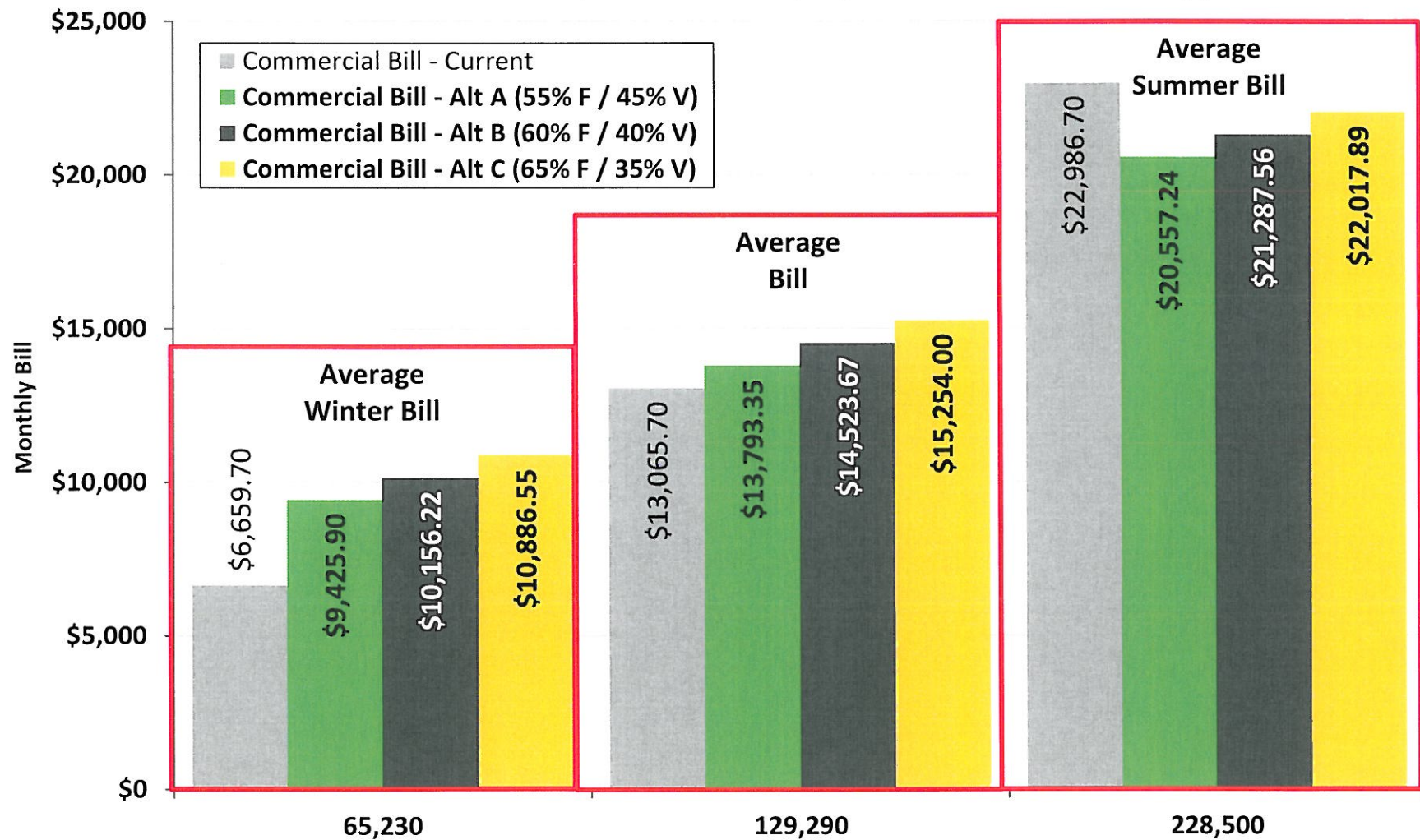
# Bill Impact, cont.

**Commercial Water Bill Comparison  
Current vs. Proposed Rate (1-inch meter)**



# Bill Impact, cont.

## Commercial Water Bill Comparison Current vs. Proposed Rate (Idyllwild Arts Academy)



# Questions and Answers



**IDYLLWILD WATER DISTRICT  
WATER RATE STUDY  
Water Cost of Service Analysis/Rate Design**

**CURRENT VS. PROPOSED WATER RATES:**

**TABLE 50**

<b>Proposed Alternative D - Transition 50% Fixed to 60% Fixed</b>								
<b>Water Rate Schedule</b>	<b>Number of Customers</b>	<b>Current Rates</b>	<b>Proposed Rates</b>					
			<b>FY 2018/19</b>	<b>FY 2019/20</b>	<b>FY 2020/21</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	
<b>Monthly Fixed Service Charges:</b>								
<i>Single Family Residential</i>								
5/8 inch	1,427	\$29.70	\$28.13	\$30.92	\$33.92	\$37.13	\$40.59	
3/4 inch	12	\$40.35	\$41.25	\$45.39	\$49.83	\$54.60	\$59.73	
1 inch	24	\$61.25	\$67.49	\$74.31	\$81.65	\$89.54	\$98.01	
<i>All Other Customers:</i>								
5/8 inch	109	\$20.90	\$28.13	\$30.92	\$33.92	\$37.13	\$40.59	
3/4 inch	30	\$31.35	\$41.25	\$45.39	\$49.83	\$54.60	\$59.73	
1 inch	59	\$52.25	\$67.49	\$74.31	\$81.65	\$89.54	\$98.01	
1.5 inch	13	\$104.50	\$133.08	\$146.64	\$161.22	\$176.89	\$193.72	
2 inch	5	\$167.20	\$211.79	\$233.42	\$256.69	\$281.70	\$308.57	
3 inch	1	\$313.50	\$421.68	\$464.85	\$511.29	\$561.21	\$614.84	
<i>Idyllwild Arts Academy</i>								
3 inch	1	\$313.50	\$4,248.35	\$4,844.19	\$5,488.99	\$6,186.16	\$6,939.33	
<i>Fire Service Charges:</i>								
2 inch	0	--	\$7.18	\$7.54	\$7.92	\$8.31	\$8.73	
3 inch	0	--	\$13.45	\$14.12	\$14.83	\$15.57	\$16.35	
4 inch	2	--	\$25.00	\$26.25	\$27.56	\$28.94	\$30.39	
<b>Monthly Commodity Charges per cf of water consumed</b>								
	<u>Current</u>	<u>Propose</u>						
<i>Tiered Rate (Commercial Customers)</i>								
Tier 1	1000 cf	\$0.0333	--	--	--	--	--	
Tier 2	4000 cf	\$0.0633	--	--	--	--	--	
Tier 3	8000 cf	\$0.1000	--	--	--	--	--	
Tier 4	8001+ cf	\$0.1000	--	--	--	--	--	
<i>Uniform Potable Rate (Commercial Customers)</i>			\$0.0759	\$0.0757	\$0.0752	\$0.0744	\$0.0735	
<i>Tiered Rate (SFR Customers)</i>								
Tier 1	300 cf	450 cf	\$0.0000	\$0.0192	\$0.0202	\$0.0212	\$0.0223	\$0.0234
Tier 2	600 cf	900 cf	\$0.0633	\$0.1307	\$0.1292	\$0.1273	\$0.1248	\$0.1218
Tier 3	1500 cf	900+ cf	\$0.1000	\$0.1598	\$0.1577	\$0.1550	\$0.1516	\$0.1475
Tier 4	1500+ cf	--	\$0.1000	N/A	N/A	N/A	N/A	N/A

**IDYLLWILD WATER DISTRICT**  
**WATER RATE STUDY**  
**Water Cost of Service Analysis/Rate Design**

**CURRENT VS. PROPOSED WATER RATES:**

**TABLE 51**

<b>Proposed Alternative E - Transition 55% Fixed to 60% Fixed</b>								
<b>Water Rate Schedule</b>	<b>Number of Customers</b>	<b>Current Rates</b>	<b>Proposed Rates - Rate Alternative B</b>					
			<b>FY 2018/19</b>	<b>FY 2019/20</b>	<b>FY 2020/21</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	
<b>Monthly Fixed Service Charges:</b>								
<i>Single Family Residential</i>								
5/8 inch	1,427	\$29.70	\$30.76	\$32.99	\$35.37	\$37.90	\$40.59	
3/4 inch	12	\$40.35	\$45.20	\$48.49	\$52.00	\$55.75	\$59.73	
1 inch	24	\$61.25	\$74.06	\$79.49	\$85.28	\$91.44	\$98.01	
<i>All Other Customers:</i>								
5/8 inch	109	\$20.90	\$30.76	\$32.99	\$35.37	\$37.90	\$40.59	
3/4 inch	30	\$31.35	\$45.20	\$48.49	\$52.00	\$55.75	\$59.73	
1 inch	59	\$52.25	\$74.06	\$79.49	\$85.28	\$91.44	\$98.01	
1.5 inch	13	\$104.50	\$146.23	\$156.99	\$168.46	\$180.69	\$193.72	
2 inch	5	\$167.20	\$232.83	\$249.99	\$268.29	\$287.79	\$308.57	
3 inch	1	\$313.50	\$463.76	\$497.99	\$534.48	\$573.39	\$614.84	
<i>Idyllwild Arts Academy</i>								
3 inch	1	\$313.50	\$4,978.68	\$5,419.32	\$5,891.58	\$6,397.52	\$6,939.33	
<i>Fire Service Charges:</i>								
2 inch	0	--	\$7.18	\$7.54	\$7.92	\$8.31	\$8.73	
3 inch	0	--	\$13.45	\$14.12	\$14.83	\$15.57	\$16.35	
4 inch	2	--	\$25.00	\$26.25	\$27.56	\$28.94	\$30.39	
<b>Monthly Commodity Charges per cf of water consumed</b>								
	<u>Curren</u>	<u>Propose</u>						
<i>Tiered Rate (Commercial Customers)</i>								
Tier 1	1000 cf		\$0.0333	--	--	--	--	
Tier 2	4000 cf		\$0.0633	--	--	--	--	
Tier 3	8000 cf		\$0.1000	--	--	--	--	
Tier 4	8000+ cf		\$0.1000	--	--	--	--	
<i>Uniform Potable Rate (Commercial Customers)</i>			\$0.0682	\$0.0696	\$0.0709	\$0.0722	\$0.0735	
<i>Tiered Rate (SFR Customers)</i>								
Tier 1	300 cf	450 cf	\$0.0000	\$0.0192	\$0.0202	\$0.0212	\$0.0223	\$0.0234
Tier 2	600 cf	900 cf	\$0.0633	\$0.1154	\$0.1172	\$0.1189	\$0.1204	\$0.1218
Tier 3	1500 cf	900+ cf	\$0.1000	\$0.1406	\$0.1426	\$0.1444	\$0.1461	\$0.1475
Tier 4	1500+ cf	--	\$0.1000	N/A	N/A	N/A	N/A	N/A



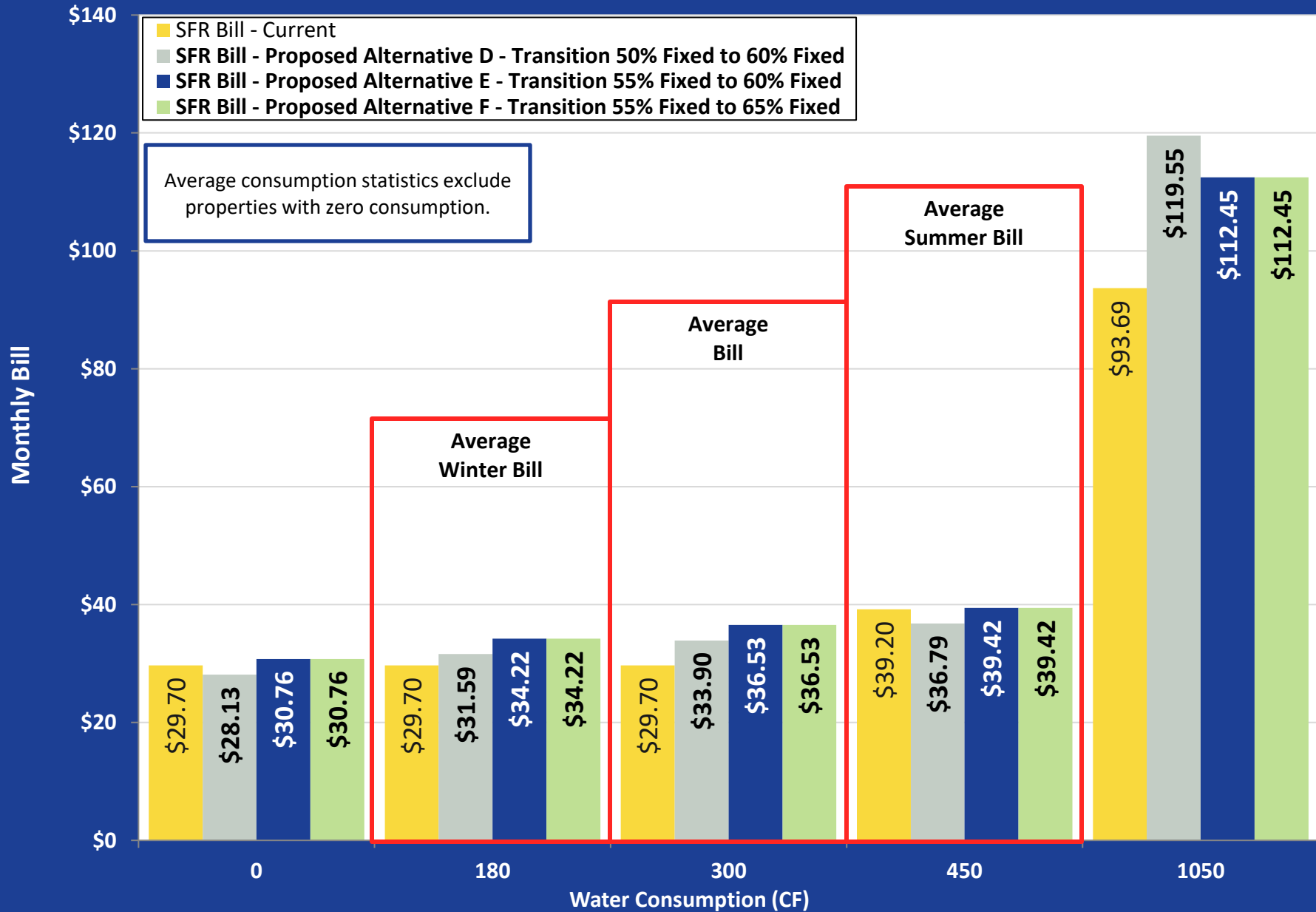
**IDYLLWILD WATER DISTRICT  
WATER RATE STUDY  
Water Cost of Service Analysis/Rate Design**

**CURRENT VS. PROPOSED WATER RATES:**

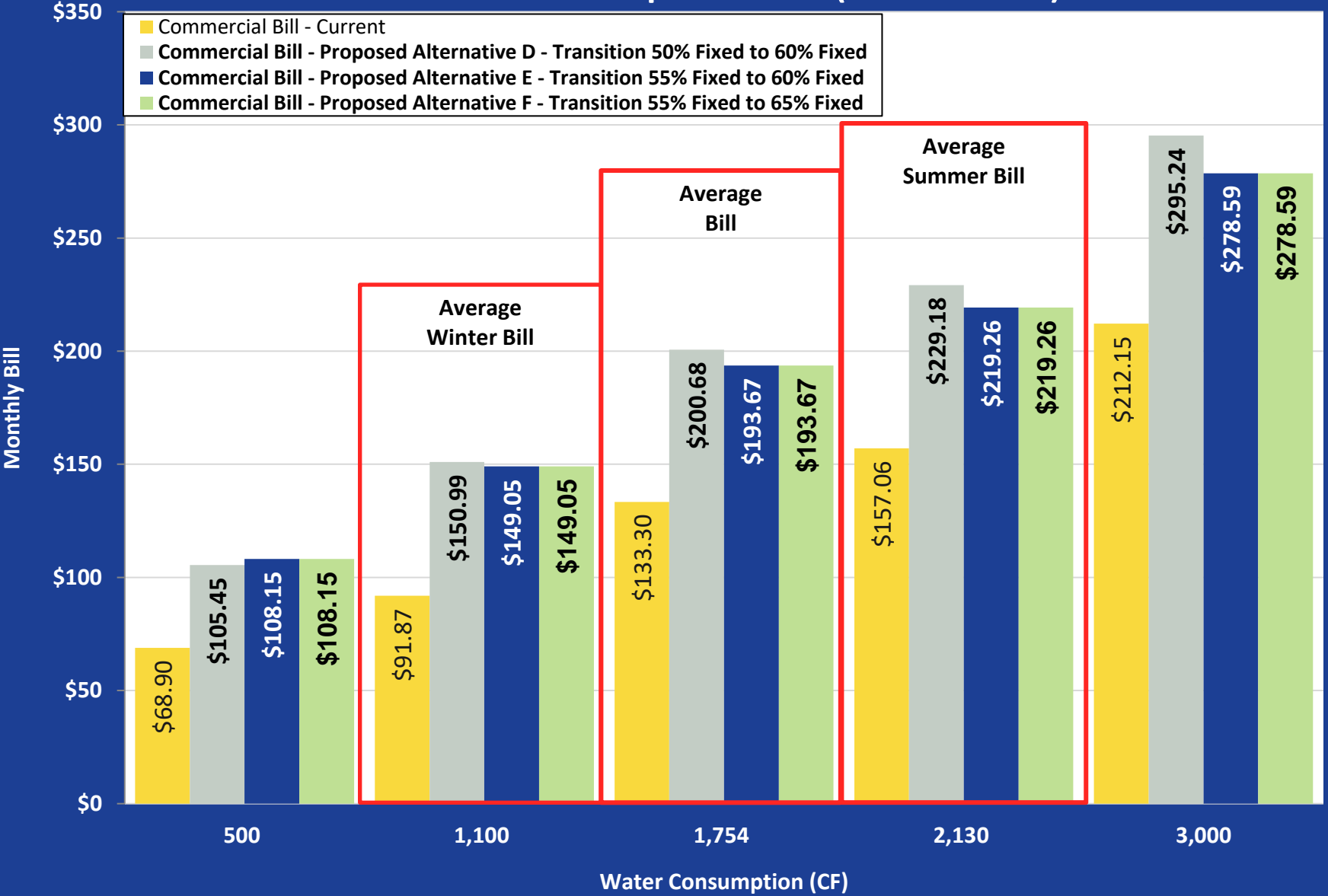
**TABLE 52**

<b>Proposed Alternative F - Transition 55% Fixed to 65% Fixed</b>								
<b>Water Rate Schedule</b>	<b>Number of Customers</b>	<b>Current Rates</b>	<b>Proposed Rates - Rate Alternative C</b>					
			<b>FY 2018/19</b>	<b>FY 2019/20</b>	<b>FY 2020/21</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	
<b>Monthly Fixed Service Charges:</b>								
<i>Single Family Residential</i>								
5/8 inch	1,427	\$29.70	\$30.76	\$33.68	\$36.82	\$40.18	\$43.79	
3/4 inch	12	\$40.35	\$45.20	\$49.53	\$54.18	\$59.17	\$64.53	
1 inch	24	\$61.25	\$74.06	\$81.22	\$88.90	\$97.15	\$106.01	
<i>All Other Customers:</i>								
5/8 inch	109	\$20.90	\$30.76	\$33.68	\$36.82	\$40.18	\$43.79	
3/4 inch	30	\$31.35	\$45.20	\$49.53	\$54.18	\$59.17	\$64.53	
1 inch	59	\$52.25	\$74.06	\$81.22	\$88.90	\$97.15	\$106.01	
1.5 inch	13	\$104.50	\$146.23	\$160.44	\$175.71	\$192.11	\$209.71	
2 inch	5	\$167.20	\$232.83	\$255.51	\$279.89	\$306.06	\$334.15	
3 inch	1	\$313.50	\$463.76	\$509.03	\$557.68	\$609.92	\$665.99	
<i>Idyllwild Arts Academy</i>								
3 inch	1	\$313.50	\$4,978.68	\$5,611.03	\$6,294.18	\$7,031.61	\$7,827.04	
<i>Fire Service Charges:</i>								
2 inch	0	--	\$7.18	\$7.54	\$7.92	\$8.31	\$8.73	
3 inch	0	--	\$13.45	\$14.12	\$14.83	\$15.57	\$16.35	
4 inch	2	--	\$25.00	\$26.25	\$27.56	\$28.94	\$30.39	
<b>Monthly Commodity Charges per cf of water consumed</b>								
	<u>Current</u>	<u>Propose</u>						
<i>Tiered Rate (Commercial Customers)</i>								
Tier 1	1000 cf		\$0.0333	--	--	--	--	
Tier 2	4000 cf		\$0.0633	--	--	--	--	
Tier 3	8000 cf		\$0.1000	--	--	--	--	
Tier 4	8000+ cf		\$0.1000	--	--	--	--	
<i>Uniform Potable Rate (Commercial Customers)</i>			\$0.0682	\$0.0675	\$0.0666	\$0.0655	\$0.0641	
<i>Tiered Rate (SFR Customers):</i>								
Tier 1	300 cf	450 cf	\$0.0000	\$0.0192	\$0.0202	\$0.0212	\$0.0223	\$0.0234
Tier 2	600 cf	900 cf	\$0.0633	\$0.1154	\$0.1132	\$0.1105	\$0.1072	\$0.1033
Tier 3	1500 cf	900+ cf	\$0.1000	\$0.1406	\$0.1375	\$0.1338	\$0.1294	\$0.1242
Tier 4	1500+ cf	--	\$0.1000	N/A	N/A	N/A	N/A	N/A

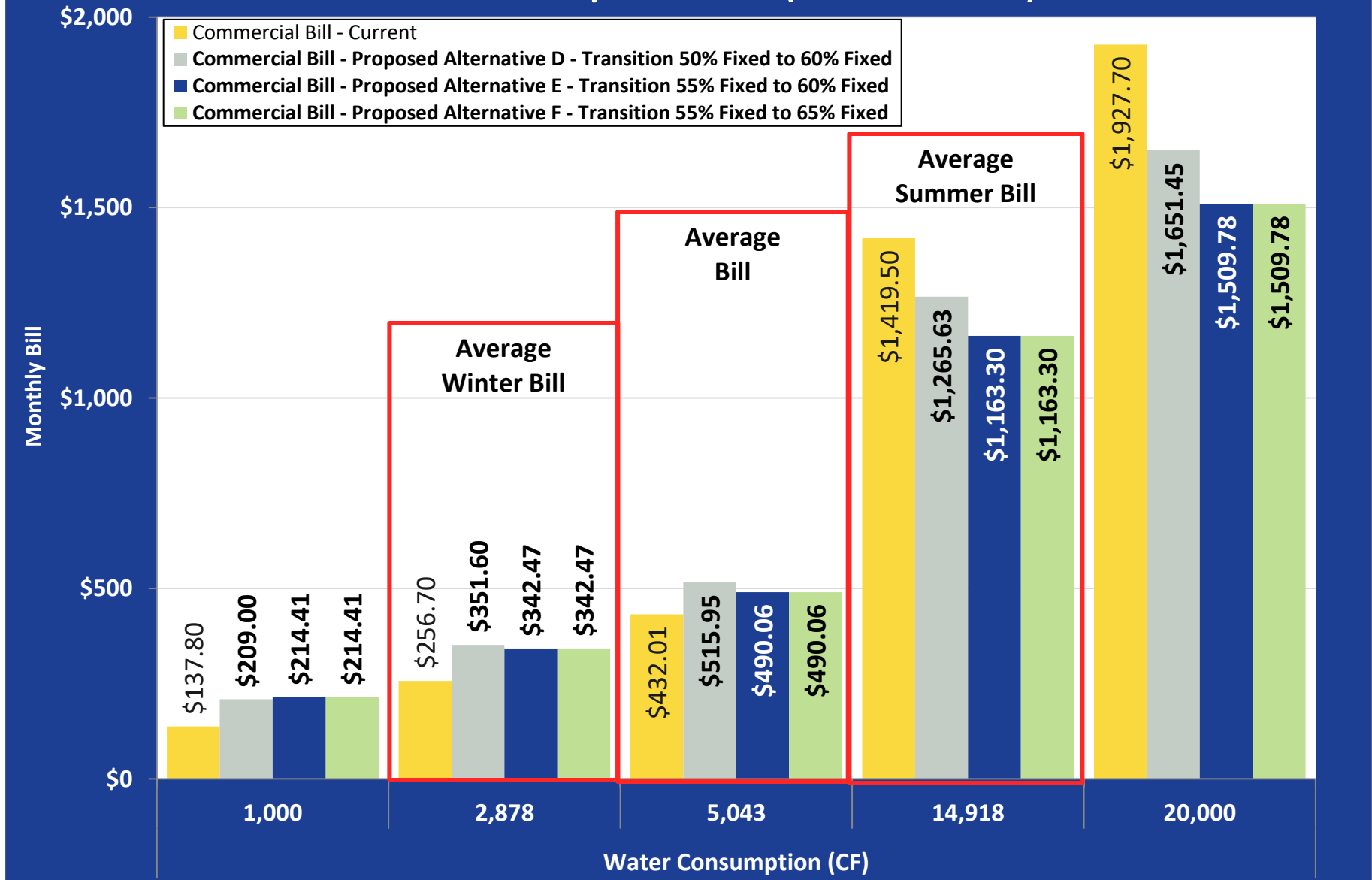
## Residential Water Bill Comparison - 5/8" Meter Current vs. Proposed



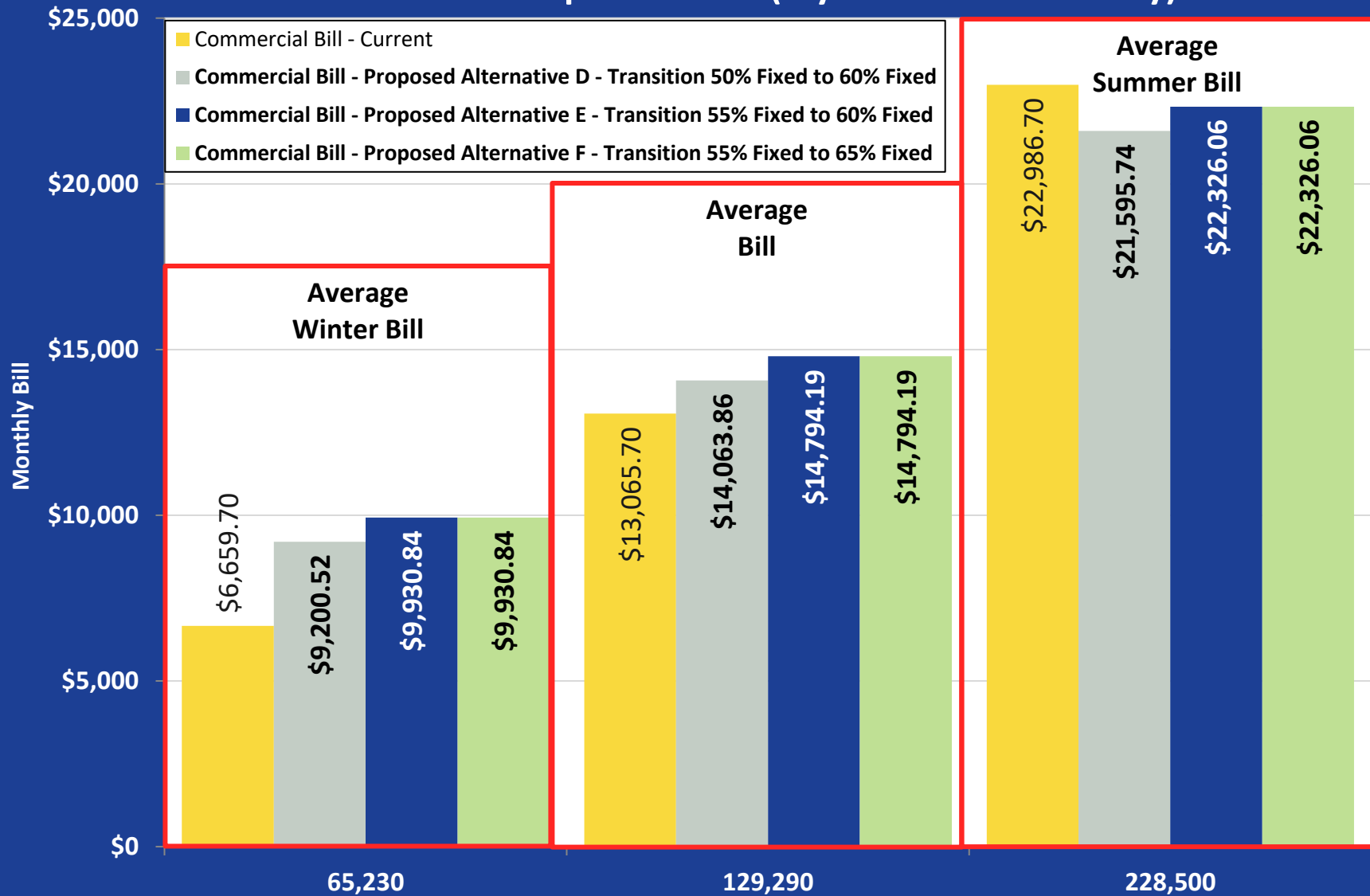
# Commercial Water Bill Comparison Current vs. Proposed Rate (1-inch meter)



## Commercial Water Bill Comparison Current vs. Proposed Rate (1.5-inch meter)



## Commercial Water Bill Comparison Current vs. Proposed Rate (Idyllwild Arts Academy)





# **Idyllwild Water District Fiscal Year 2018/2019 Budget**

## Idyllwild Water District Board of Directors



Dr. Charles Schelly- President of the Board



Peter Szabadi – Vice President of the Board



Catherine Dearing- Director



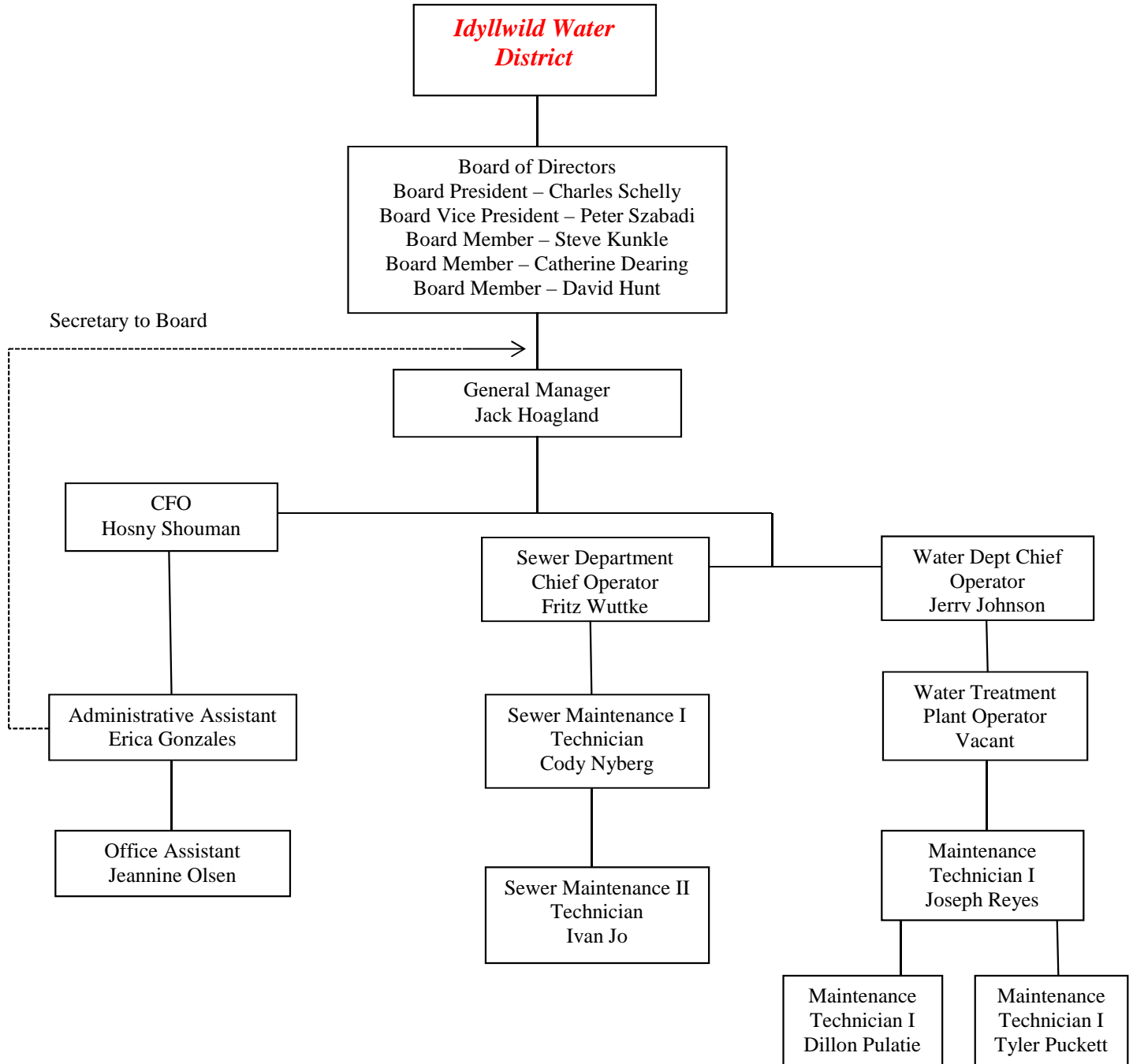
Steve Kunkle- Director



David Hunt- Director

# Idyllwild Water District

## Organizational Chart





# Idyllwild Water District

The Idyllwild Water District (District) operates under the authority of Section 30000 et al., Division 12 of the California Water Code and engages in water and wastewater activities which are classified as "proprietary". These activities are accounted for much like that of a private business and use the full accrual method of accounting for financial transactions. The activated latent powers include: production and treatment of groundwater; sale and delivery of water to domestic and commercial accounts; and collection, treatment and disposal of wastewater.

Formed as the Idyllwild County Water District through voter approval in 1956 as a government entity, the District's initial purpose was to provide water services and to acquire the assets of the Idyllwild Water Company. Later the District dropped "County" from its name to become the Idyllwild Water District.

For the first five-years District's main responsibility was the provision of water services. In 1966, the District incurred substantial debt and constructed its wastewater treatment plant and the sewer collection system, all of which came on-line in 1969. The District operates and maintains a complex system of water distribution with seven water pressure zones, including: 28 wells; 5 water treatment systems; 11 water storage tanks; 130,000 feet of water lines; 63,000 feet of sewer lines; and a wastewater treatment facility that is permitted to handle 250,000 gallons a day all located within 9 square miles. The District provides water services to 1650 customers and sewer services to 587 customers in the unincorporated area of Idyllwild in the County of Riverside with 11 employees. The full-time population of the District is 2,600, while the transient population can reach as higher than 7,000 on summer holiday weekends.

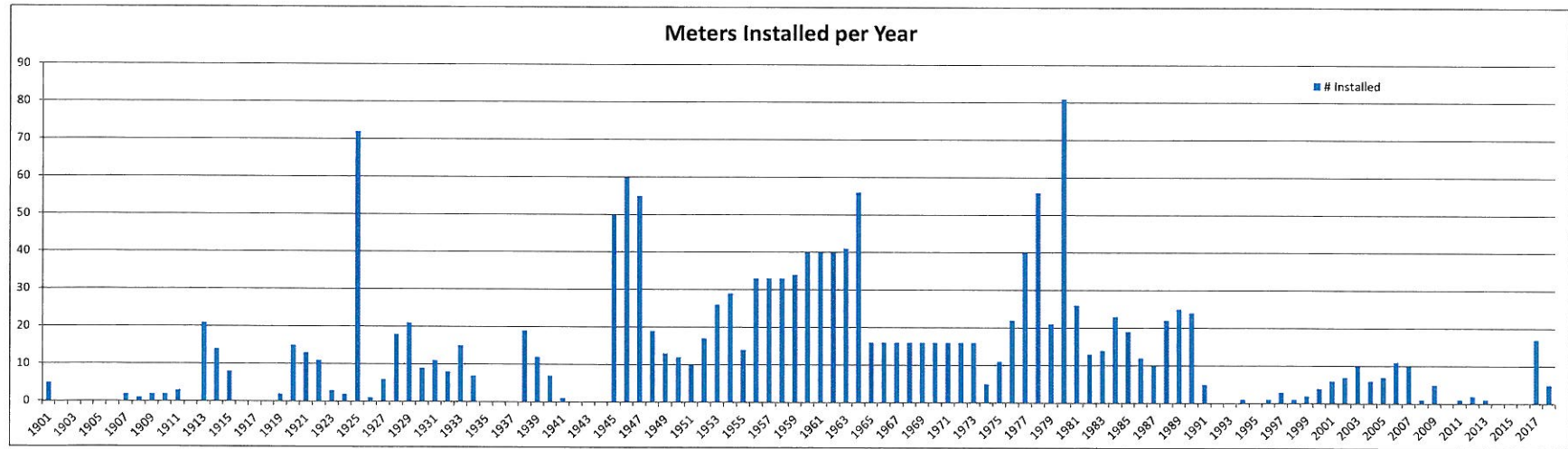
In addition to a 42kW solar generating system at Foster Lake to mitigate electrical costs, the district has other water facilities including the 18,000,000 gallon namesake Foster Lake used to collect and store up to 40 acre-feet of water annually from Lilly Creek as well as water diverted from Strawberry Creek from pre-1914 rights and pumped from the Diversion to Foster Lake for storage. The lake percolates the stored water into the surrounding ground water and in turn provides source water for the District's wells in the area. Foster Lake is artificial with an earthen dam. The dam was built in 1945, is inspected regularly by the State Division of Dam Safety, and has not had any problems related to structure or safety.

# Idyllwild Water District

## Historical Data

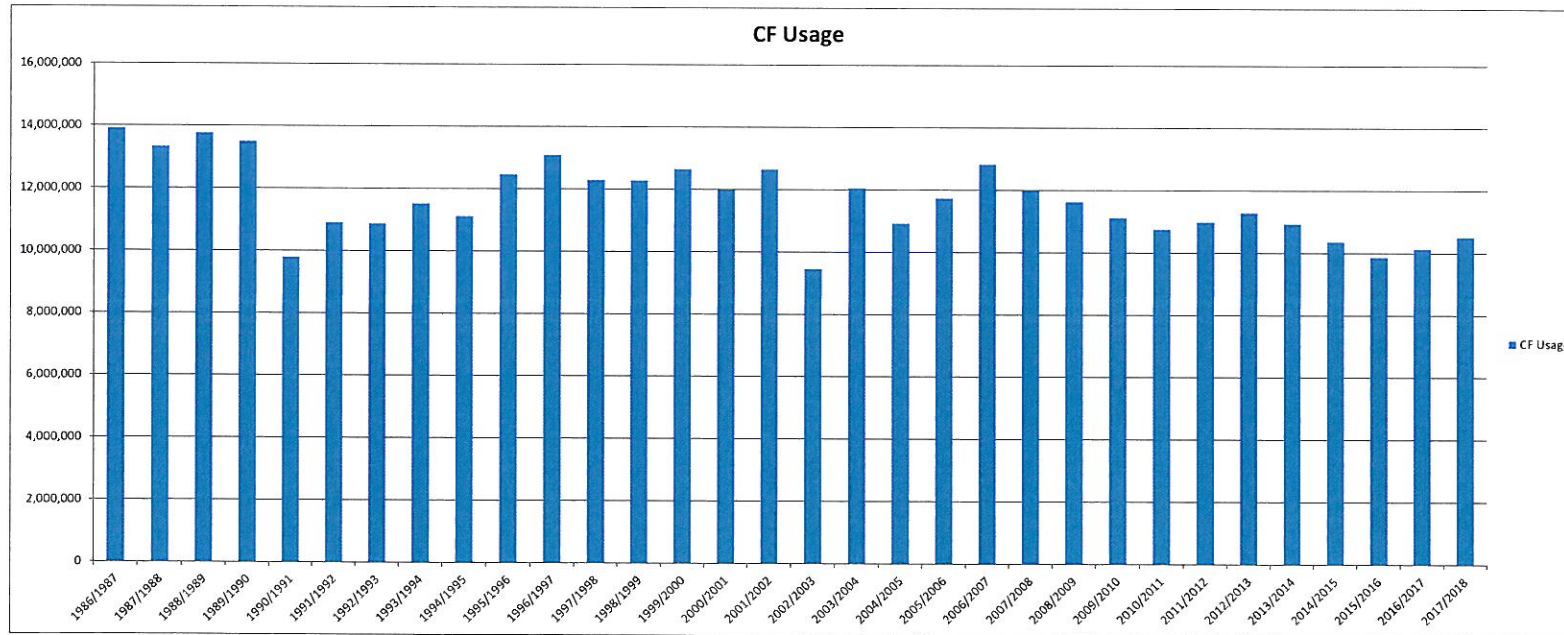
Idyllwild Water District  
# of Connections Per Year

Year	# of Connections	# Installed	Year	# of Connections	# Installed	Year	# of Connections	# Installed	Year	# of Connections	# Installed	Year	# of Connections	# Installed	Year	# of Connections	# Installed
1901	5	5	1924	104	2	1947	477	55	1970	1063	16	1993	1550	0	2016	1629	0
1902	5	0	1925	176	72	1948	496	19	1971	1079	16	1994	1551	1	2017	1646	17
1903	5	0	1926	177	1	1949	509	13	1972	1095	16	1995	1551	0	2018	1650	5
1904	5	0	1927	183	6	1950	521	12	1973	1111	16	1996	1552	1			
1905	5	0	1928	201	18	1951	531	10	1974	1116	5	1997	1555	3			
1906	5	0	1929	222	21	1952	548	17	1975	1127	11	1998	1556	1			
1907	7	2	1930	231	9	1953	574	26	1976	1159	22	1999	1558	2			
1908	8	1	1931	242	11	1954	603	29	1977	1199	40	2000	1562	4			
1909	10	2	1932	250	8	1955	617	14	1978	1255	56	2001	1568	6			
1910	12	2	1933	265	15	1956	650	33	1979	1276	21	2002	1575	7			
1911	15	3	1934	272	7	1957	683	33	1980	1357	81	2003	1585	10			
1912	15	0	1935	272	0	1958	716	33	1981	1383	26	2004	1591	6			
1913	36	21	1936	272	0	1959	750	34	1982	1396	13	2005	1598	7			
1914	50	14	1937	272	0	1960	790	40	1983	1410	14	2006	1609	11			
1915	58	8	1938	291	19	1961	830	40	1984	1433	23	2007	1619	10			
1916	58	0	1939	303	12	1962	870	40	1985	1452	19	2008	1620	1			
1917	58	0	1940	311	7	1963	911	41	1986	1464	12	2009	1625	5			
1918	58	0	1941	312	1	1964	967	56	1987	1474	10	2010	1625	0			
1919	60	2	1942	312	0	1965	983	16	1988	1496	22	2011	1626	1			
1920	75	15	1943	312	0	1966	999	16	1989	1521	25	2012	1628	2			
1921	88	13	1944	312	0	1967	1015	16	1990	1545	24	2013	1629	1			
1922	99	11	1945	362	50	1968	1031	16	1991	1550	5	2014	1629	0			
1923	102	3	1946	422	60	1969	1047	16	1992	1550	0	2015	1629	0			



**Idyllwild Water District**  
**Cubic Feet of Usage by Fiscal Year**

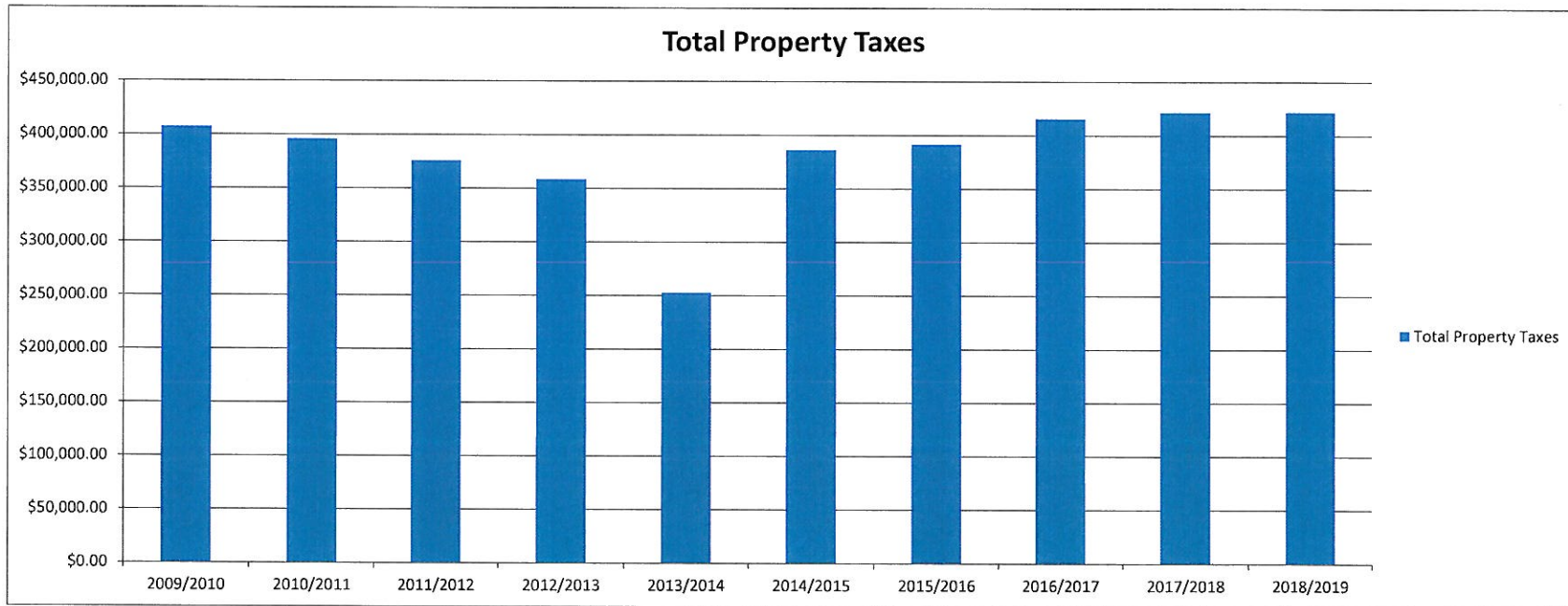
FY Year	CF Usage	FY Year	CF Usage
1986/1987	13,914,925	2009/2010	11,113,820
1987/1988	13,332,359	2010/2011	10,744,470
1988/1989	13,763,613	2011/2012	10,982,063
1989/1990	13,503,167	2012/2013	11,280,745
1990/1991	9,787,739	2013/2014	10,932,621
1991/1992	10,905,690	2014/2015	10,359,505
1992/1993	10,869,416	2015/2016	9,864,126
1993/1994	11,522,600	2016/2017	10,129,022
1994/1995	11,121,300	2017/2018	10,511,768
1995/1996	12,461,500		
1996/1997	13,089,190		
1997/1998	12,286,470		
1998/1999	12,280,380		
1999/2000	12,647,980		
2000/2001	11,985,700		
2001/2002	12,648,550		
2002/2003	9,449,580		
2003/2004	12,053,683		
2004/2005	10,920,150		
2005/2006	11,734,313		
2006/2007	12,820,578		
2007/2008	11,988,262		
2008/2009	11,636,300		



Idyllwild Water District  
 Total Property Taxes  
 Fiscal Year Ending June 30, 2018

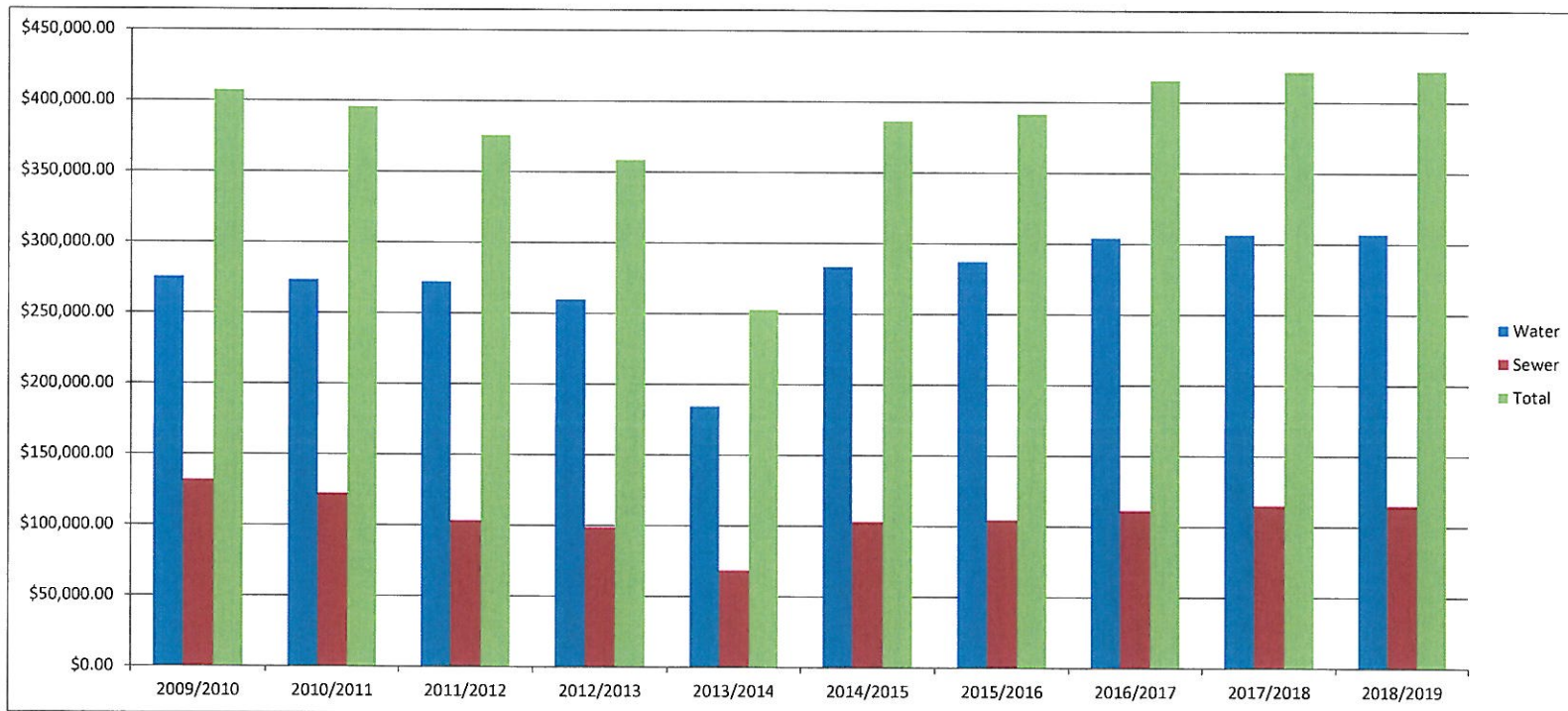
Fiscal Year	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Total Amount	\$407,294.97	\$395,692.57	\$375,650.20	\$358,375.59	\$252,646.93	\$386,380.40	\$391,614.10	\$415,429.72	\$421,540.59	\$422,000.00
% Change	-2.10%	-2.85%	-5.07%	-4.60%	-29.50%	52.93%	1.35%	6.08%	1.47%	0.11%

Projected



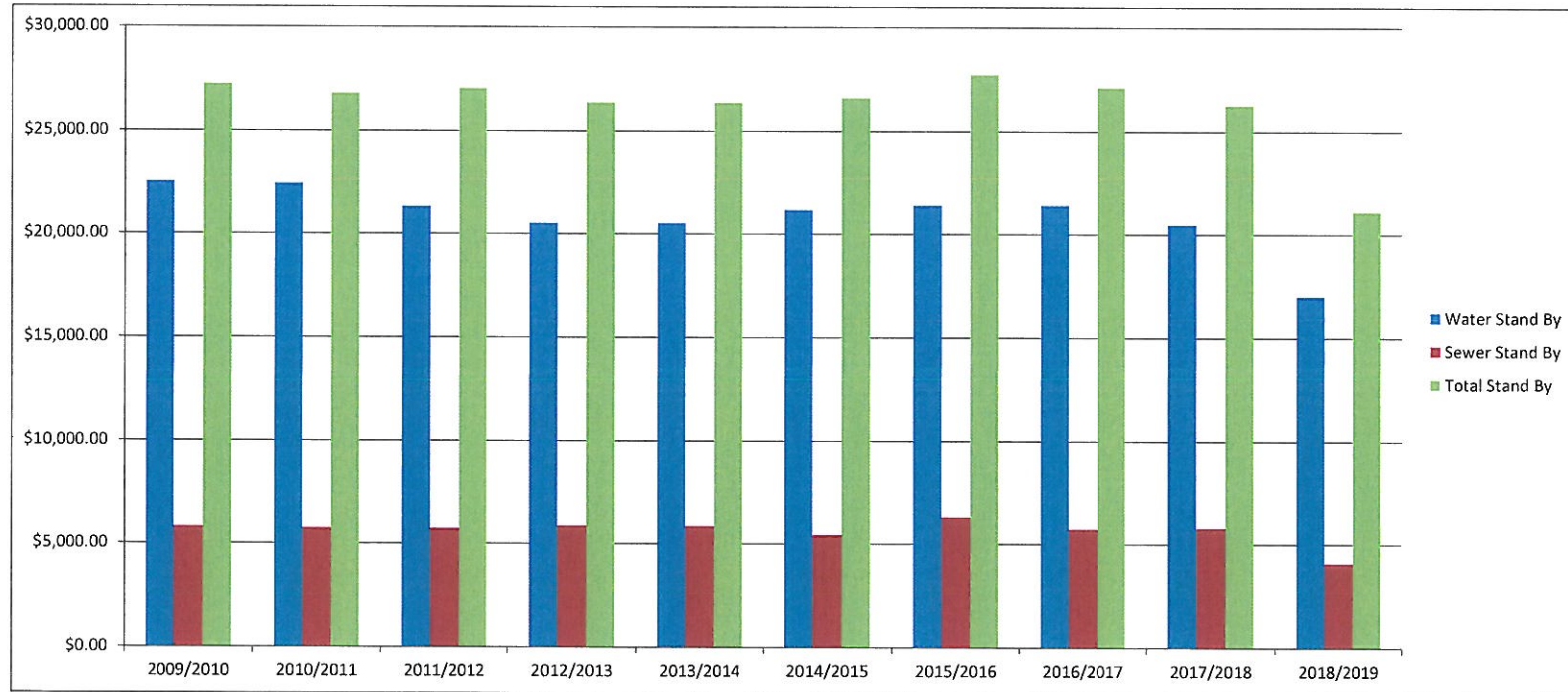
Idyllwild Water District  
 Water and Sewer Property Taxes  
 Fiscal Year Ending June 30, 2018

Fiscal Year	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Water	\$275,320.00	\$273,250.00	\$272,244.96	\$259,750.72	\$184,247.71	\$283,277.75	\$287,118.05	\$303,939.91	\$306,540.00	\$307,000.00
Sewer	\$131,974.97	\$122,442.57	\$103,405.24	\$98,624.87	\$68,399.22	\$103,102.65	\$104,496.05	\$111,489.81	\$115,000.00	\$115,000.00
Total	\$407,294.97	\$395,692.57	\$375,650.20	\$358,375.59	\$252,646.93	\$386,380.40	\$391,614.10	\$415,429.72	\$421,540.00	\$422,000.00
% Change	-2.10%	-2.85%	-5.07%	-4.60%	-29.50%	52.93%	1.35%	6.08%	1.47%	0.11%

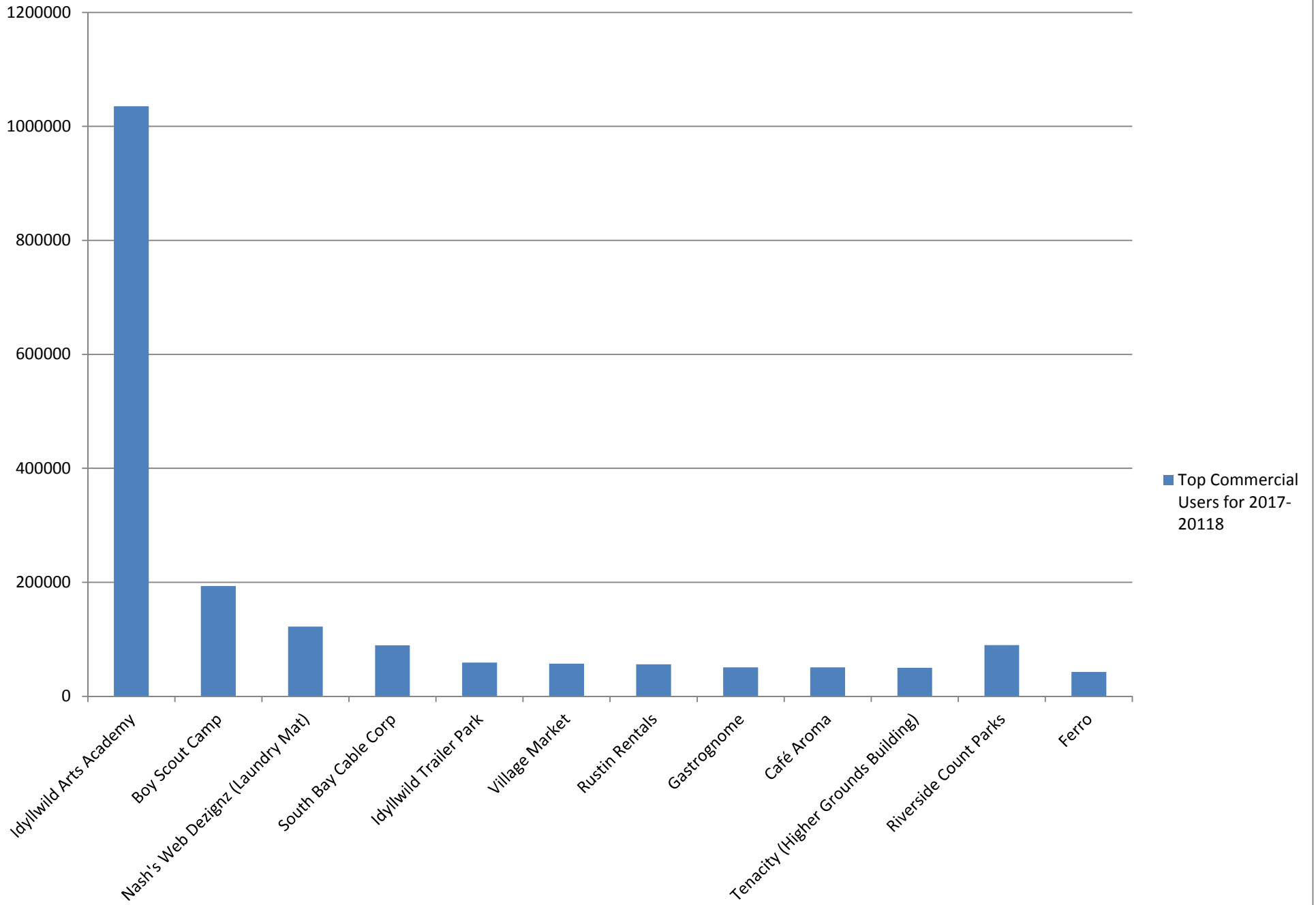


Idyllwild Water District  
 Stand By Fees  
 Fiscal Year Ending June 30, 2018

Fiscal Year	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Water Stand By	\$22,500.00	\$22,400.00	\$21,305.39	\$20,506.74	\$20,506.00	\$21,161.35	\$21,386.21	\$21,382.19	\$20,462.40	\$17,000.00
Sewer Stand By	\$5,800.00	\$5,750.00	\$5,724.11	\$5,861.19	\$5,860.00	\$5,441.87	\$6,339.27	\$5,728.68	\$5,792.70	\$4,089.00
Total Stand By	\$27,250.00	\$26,790.00	\$27,029.50	\$26,367.93	\$26,366.00	\$26,603.22	\$27,725.48	\$27,110.87	\$26,255.10	\$21,089.00
% Change	0	-1.69%	0.89%	-2.45%	-0.01%	0.90%	4.22%	-2.22%	-3.16%	-19.68%



# Top Commercial Users for 2017-20118





# Total Annual Revenue for Water

	Projected																
WATER	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18
Comm. Base	\$101,485	\$102,536	\$102,786	\$102,102	\$116,147	\$116,453	\$116,616	\$117,202	\$117,158	\$123,886	\$126,540	\$132,756	\$147,511	\$157,180	\$155,326	\$155,938	\$89,400
Res Base	\$320,752	\$323,239	\$324,237	\$326,825	\$373,296	\$375,231	\$376,979	\$378,856	\$379,186	\$403,377	\$406,778	\$428,126	\$485,943	\$512,947	\$512,697	\$504,402	\$525,262
Comm. Sales	\$167,311	\$103,995	\$125,529	\$162,557	\$169,604	\$204,810	\$289,900	\$168,847	\$159,870	\$162,763	\$171,976	\$173,196	\$209,461	\$381,605	\$365,172	\$350,615	\$322,500
Res. Sales	\$163,587	\$125,411	\$139,425	\$127,012	\$134,414	\$167,312	\$181,758	\$136,389	\$120,371	\$124,248	\$117,680	\$159,466	\$175,556	\$239,223	\$191,063	\$232,720	\$253,000
<b>TOTALS</b>	<b>\$753,135</b>	<b>\$655,182</b>	<b>\$691,977</b>	<b>\$718,496</b>	<b>\$793,461</b>	<b>\$863,806</b>	<b>\$965,254</b>	<b>\$801,294</b>	<b>\$776,585</b>	<b>\$814,274</b>	<b>\$822,973</b>	<b>\$893,544</b>	<b>\$1,018,471</b>	<b>\$1,290,955</b>	<b>\$1,224,258</b>	<b>\$1,224,258</b>	<b>\$1,224,258</b>

# Total Annual Revenue for Sewer

	Projected																
Sewer	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18
Base Resid.	\$90,653	\$90,671	\$90,670	\$92,040	\$101,688	\$102,023	\$102,414	\$102,681.60	\$102,663	\$102,663	\$106,800	\$115,801	\$127,870	\$189,581	\$206,550	\$208,314	\$201,960
Base Comm.	\$178,517	\$179,877	\$180,130	\$179,323	\$199,460	\$201,504	\$201,675	\$200,696.40	\$201,628	\$201,628	\$213,397	\$251,766	\$254,319	\$373,104	\$417,677	\$428,264	\$430,548
<b>Total</b>	<b>\$269,170</b>	<b>\$270,548</b>	<b>\$270,800</b>	<b>\$271,362</b>	<b>\$301,148</b>	<b>\$303,526</b>	<b>\$304,090</b>	<b>\$303,378.00</b>	<b>\$304,291</b>	<b>\$304,291</b>	<b>\$320,197</b>	<b>\$367,567</b>	<b>\$382,189</b>	<b>\$562,684</b>	<b>\$624,227</b>	<b>\$624,227</b>	<b>\$624,227</b>

**Idyllwild Water District**

**Budget**

**FY 2018/2019**

**Budget for Revenues & Expenses  
2018-2019**

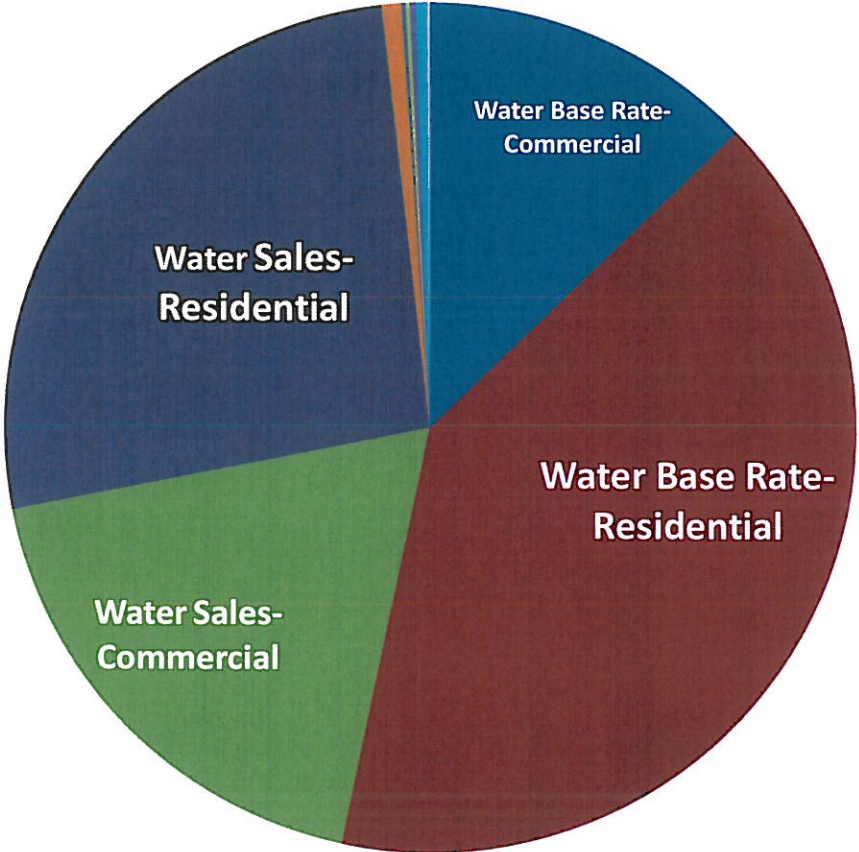
Category	Operating Services		Total
	Water	Sewer	
<b><u>Operating Revenue</u></b>			
Water-Base Rate Commercial	\$173,412		\$173,412
Water-Base Rate Residential	\$551,525		\$551,525
Water Sales Commercial	\$252,000		\$252,000
Water Sales Residential	\$357,000		\$357,000
Sewer Base Fees Commercial		\$455,040	\$455,040
Sewer Base Fees Residential		\$212,160	\$212,160
<b>Total Operating Revenue</b>	<b>\$1,333,937</b>	<b>\$667,200</b>	<b>\$2,001,137</b>
<b><u>Non-Operating Revenue</u></b>			
Property Taxes Assessments	\$307,000	\$115,000	\$422,000
Standby Charges Assessments	\$17,000	\$4,089	\$21,089
Interest income	\$7,500	\$2,500	\$10,000
Other Fees and Charge	\$41,314	\$7,085	\$48,399
<b>Total Non-Operating Revenue</b>	<b>\$372,814</b>	<b>\$128,674</b>	<b>\$501,488</b>
<b>Total Revenues</b>	<b>\$1,706,751</b>	<b>\$795,874</b>	<b>\$2,502,625</b>
<b><u>Operating Expense</u></b>			
Water Operations Expenses	<b>\$1,365,090</b>		<b>\$1,365,090</b>
Sewer Operations Expenses		<b>\$512,967</b>	<b>\$512,967</b>
<b>Total Operating Expense</b>	<b>\$1,365,090</b>	<b>\$512,967</b>	<b>\$1,878,057</b>
<b><u>Non-Operating Expense</u></b>			
Loan Interest Expense	\$0	\$0	\$0
Miscellaneous Expense			
<b>Total Non-Operating Expense</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Other Commitments</u></b>			
OPEB	<b>\$68,886</b>	<b>\$22,961</b>	<b>\$91,847</b>
<b>Total Other Commitments</b>	<b>\$68,886</b>	<b>\$22,961</b>	<b>\$91,847</b>
<b>Total Expenses</b>	<b>\$1,433,976</b>	<b>\$535,928</b>	<b>\$1,969,904</b>
<b>Net Operating Margin</b>	<b>\$272,775</b>	<b>\$259,946</b>	<b>\$532,721</b>
<b><u>Capital Commitments</u></b>			
Capital Improvements and Equipment	\$700,000	\$175,000	\$875,000
<b>Total Capital Commitments</b>	<b>\$700,000</b>	<b>\$175,000</b>	<b>\$875,000</b>
<b>Net Fund Contribution/(Deficit)</b>	<b>(\$427,225)</b>	<b>\$84,946</b>	<b>(\$342,279)</b>
Beginning Reserve Fund Balance (CIP)			<b>\$1,500,000</b>
Projected Ending Reserve Fund Balance(CIP)			<b>\$1,157,721</b>

\* The Net Deficit will be covered from the Reserve

**IDYLLWILD WATER DISTRICT**  
**WATER FUND INCOME STATEMENT**  
**YEAR ENDING June 30, 2018**

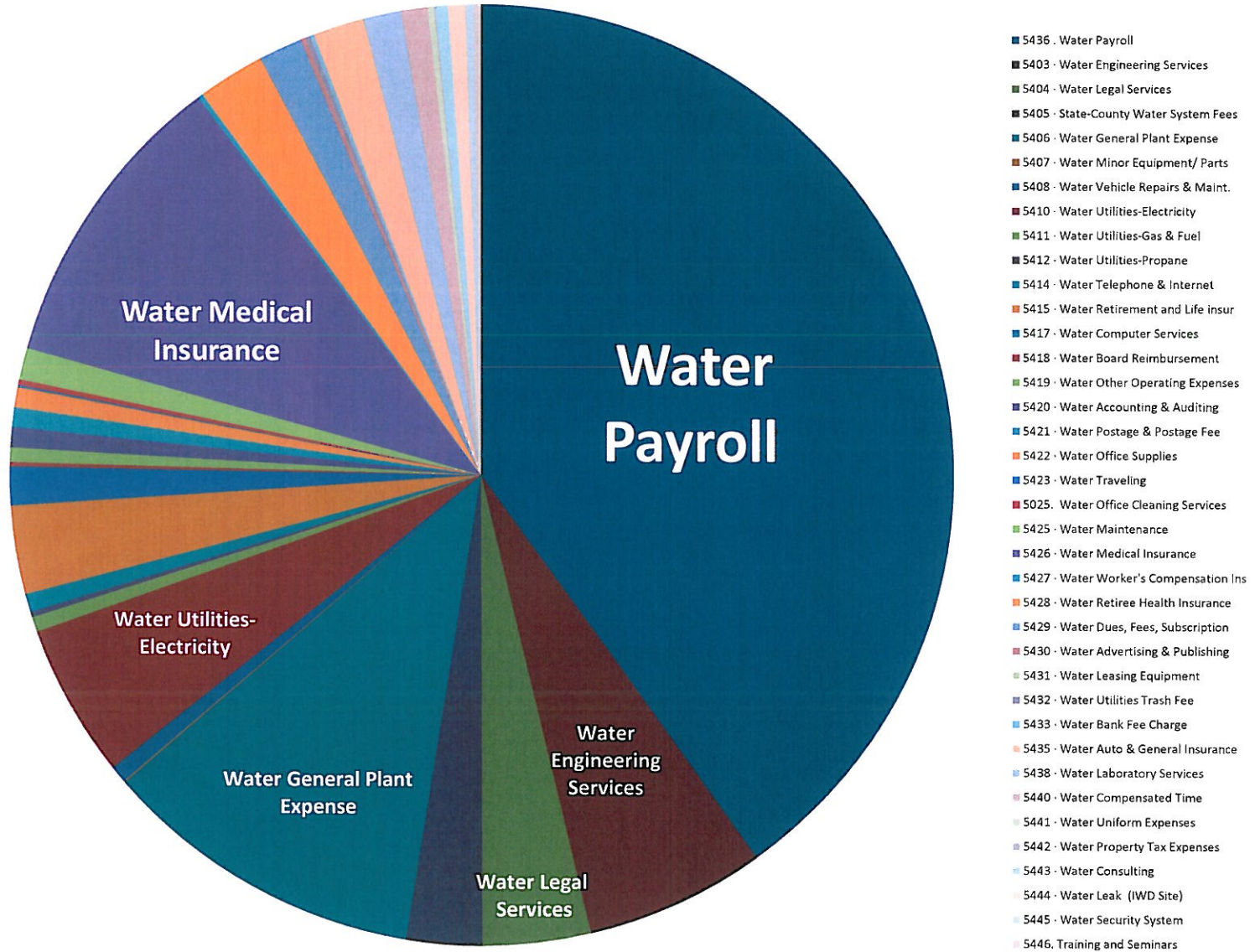
	2016/2017	2017/2018	2018/2019
	Actual	Projected	Budgeted
<b>Income</b>			
4201 · Water Base Rate-Commercial	155,938	89,400	\$173,412
4202 · Water Base Rate-Residential	504,403	525,262	\$551,525
4203 · Water Sales-Commercial	350,616	322,500	\$252,000
4204 · Water Sales-Residential	232,720	253,000	\$357,000
4205 · Water Sales-Construction	1,000	500	\$525
4206 · Water Sales-Other	66	9,621	\$10,102
4208 · Water Transfer Fees	3,250	1,633	\$1,700
4209 · Water Turn On/Off Fees	900	393	\$412
4210 · Water Will Serve Letter Fees	0	3,900	\$2,000
4211 · Water Delinquency Fees	5,776	1,200	\$3,200
4212 · Water Installation Fees	2,614	45,000	\$6,000
4213 · Water Lien Fees	53	109	\$114
4214 · Water Other Fees & Charges	3,160	1,200	\$1,260
<b>Total Income</b>	<b>1,260,496</b>	<b>1,253,718</b>	<b>1,359,251</b>
<b>WATER</b>			
<b>5400 · WATER OPERATING EXPENSES</b>			
5436 · Water Payroll	457,585	488,500	547,120
5403 · Water Engineering Services	2,315	82,191	84,656
5404 · Water Legal Services	32,075	113,042	50,000
5405 · State-County Water System Fees	41,764	34,488	35,522
5406 · Water General Plant Expense	101,475	146,884	151,291
5407 · Water Minor Equipment/ Parts	500	600	618
5408 · Water Vehicle Repairs & Maint.	11,614	7,860	8,096
5410 · Water Utilities-Electricity	45,899	70,066	72,168
5411 · Water Utilities-Gas & Fuel	8,238	6,726	6,928
5412 · Water Utilities-Propane	2,065	2,545	2,621
5414 · Water Telephone & Internet	8,337	8,268	8,516
5415 · Water Retirement and Life insur	45,849	40,105	41,308
5417 · Water Computer Services	25,357	17,737	18,269
5418 · Water Board Reimbursement	3,675	2,050	2,111
5419 · Water Other Operating Expenses	0	6,424	6,617
5420 · Water Accounting & Auditing	7,483	9,255	9,532
5421 · Water Postage & Postage Fee	4,638	8,922	9,190
5422 · Water Office Supplies	21,866	9,001	9,271
5423 · Water Traveling	5,095	1,106	1,139
5025 · Water Office Cleaning Services	2,385	2,520	2,596
5425 · Water Maintenance	32,829	14,321	14,751
5426 · Water Medical Insurance	104,857	138,645	142,805
5427 · Water Worker's Compensation Ins	(279)	2,346	2,416
5428 · Water Retiree Health Insurance	24,215	30,452	31,365
5429 · Water Dues, Fees, Subscription	18,011	19,947	20,545
5430 · Water Advertising & Publishing	1,331	2,255	2,323
5431 · Water Leasing Equipment	500	0	0
5432 · Water Utilities Trash Fee	2,145	2,187	2,253
5433 · Water Bank Fee Charge	956	1,874	1,930
5435 · Water Auto & General Insurance	27,182	23,202	24,000
5438 · Water Laboratory Services	20,288	15,186	18,000
5440 · Water Compensated Time	8,000	12,000	12,360
5441 · Water Uniform Expenses	3,305	2,834	2,920
5442 · Water Property Tax Expenses	620	660	680
5443 · Water Consulting	2,960	6,200	6,000
5444 · Water Leak (IWD Site)	0	5,000	8,000
5445 · Water Security System	0	3,800	4,000
5446 · Training and Semina	15,982	3,079	3,172
5600 · Water Depreciation	212,374	212,374	218,745
5099 · OPEB Obligation Expense	66,880	66,880	68,886
<b>Total · WATER OPERATING EXPEI</b>	<b>1,370,372</b>	<b>1,621,534</b>	<b>1,652,721</b>
<b>Net Ordinary Income</b>	<b>(109,876)</b>	<b>(367,816)</b>	<b>(293,470)</b>
<b>Other Income/Expense</b>			
<b>Other Income</b>			
4901 · Water Taxes & Assessments	303,493	305,400	307,000
4903 · Water Stand By Assessments	21,829	17,993	17,000
4904 · Water Interest Earned	11,079	8,200	7,500
4919 · Water Other Non-Operating Rev	85,335	261,104	16,000
<b>Total Other Income</b>	<b>421,737</b>	<b>592,697</b>	<b>347,500</b>
<b>Net Income</b>	<b>311,861</b>	<b>224,881</b>	<b>54,030</b>

# WATER INCOME



- 4201 · Water Base Rate-Commercial
- 4202 · Water Base Rate-Residential
- 4203 · Water Sales-Commercial
- 4204 · Water Sales-Residential
- 4205 · Water Sales-Construction
- 4206 · Water Sales-Other
- 4208 · Water Transfer Fees
- 4209 · Water Turn On/Off Fees
- 4210 · Water Will Serve Letter Fees
- 4211 · Water Delinquency Fees
- 4212 · Water Installation Fees
- 4213 · Water Lien Fees
- 4214 · Water Other Fees & Charges

# WATER OPERATING EXPENSES



**IDYLLWILD WATER DISTRICT  
 CAPITAL EXPENDITURES FOR WATER FUND  
 FOR BUDGET YEAR ENDING JUNE 30, 2019**

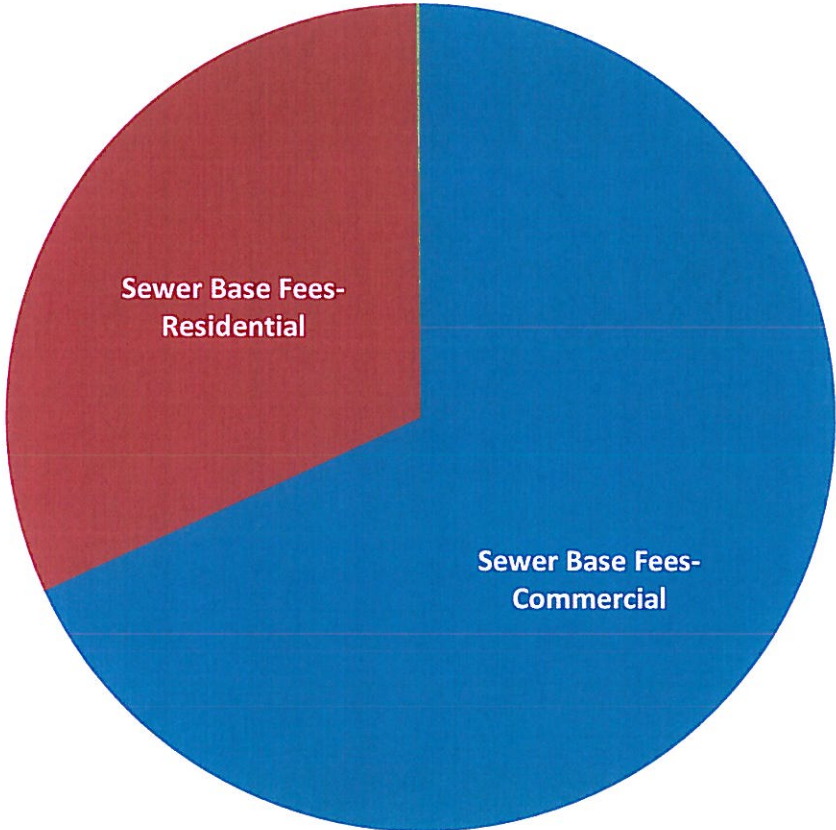
CAPITAL EXPENDITURE DESCRIPTION	CAPITAL EXPENDITURE FINANCE BY IWD
<b><u>SOURCE OF SUPPLY(G/L # 1321):</u></b>	
1- Well Rehabilitation No # 8 and # 11	\$15,000
<b>TOTAL SOURCE OF SUPPLY</b>	<b>\$15,000</b>
<b><u>STORAGE TANKS:(G/L # 1324):</u></b>	
	\$0
<b>TOTAL STORAGE TANKS</b>	<b>\$0</b>
<b><u>TRANSMISSION AND DISTRIBUTION(G/L # 1324):</u></b>	
4-Replace 2600 feet of 8-inch water line	\$520,000
6- Replace Aeration System	\$60,000
<b>TOTAL TRANSMISSION AND DISTRIBUTION</b>	<b>\$580,000</b>
<b><u>WATER TREATMENT PLANT(G/L # 1325):</u></b>	
	\$0
<b>TOTAL WATER TREATMENT PLANT</b>	<b>\$0</b>
<b><u>GENERAL PLANT-STRUCTURES, POWER &amp; OTHER EQUIPMENT:</u></b>	
6- Various Fire Hydrant Improvements	\$15,000
7- Install 200 Water Meter Radio (Commercial Only)	\$40,000
9- Replace 100 Meters 5/8 ish and 5 Other Sizes	\$7,000
10-Resurface Shop Pave Lot	\$43,000
<b>GENERAL PLANT-POWER &amp; OTHER EQUIPMENT</b>	<b>\$105,000</b>
<b>TOTAL WATER FUND CAPITAL IMPROVEMENT AND EQUIPMENT EXPENDITURE</b>	<b>\$700,000</b>



**IDYLLWILD WATER DISTRICT**  
**SEWER FUND INCOME STATEMENT**  
**YEAR ENDING June 30, 2018**

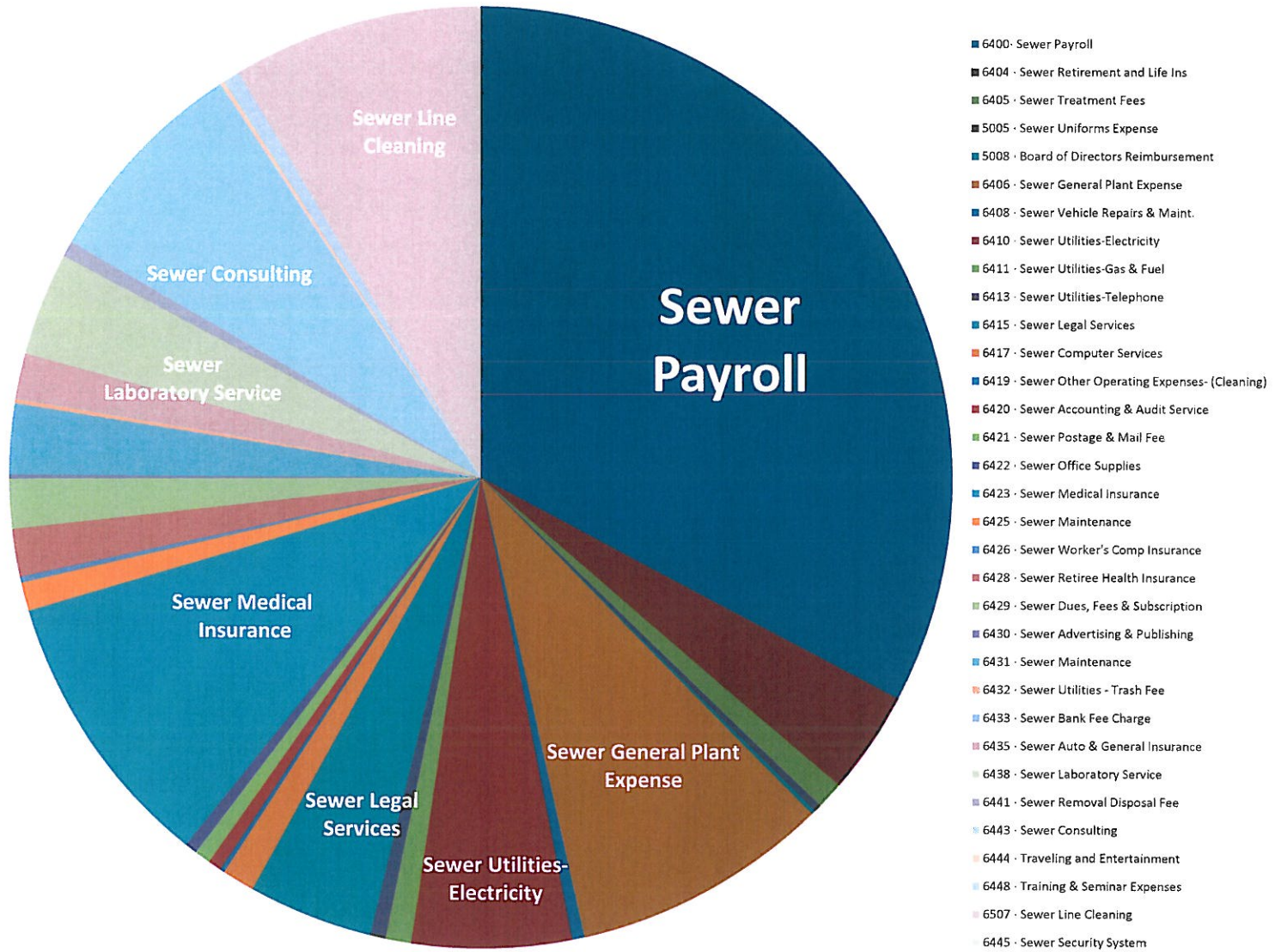
Ordinary Income/Expense	FY16/17	FY17/18	FY18/19
	Actual	Projected	Budgeted
<b>Income</b>			
4101 · Sewer Base Fees-Commercial	428,264	430,548	455,040
4102 · Sewer Base Fees-Residential	208,314	201,960	212,160
4108 · Sewer Transfer Fees	850	467	820
4109 · Sewer Other Fees, Refunds	0	100	100
<b>Total Income</b>	<b>637,428</b>	<b>633,075</b>	<b>668,120</b>
<b>6400 · SEWER OPERATING EXPENSES</b>			
6400 · Sewer Payroll	138,142	144,266	168,000
6404 · Sewer Retirement and Life Ins	14,965	13,368	18,200
6405 · Sewer Treatment Fees	4,400	4,400	4,750
5005 · Sewer Uniforms Expense	1,102	888	1,350
5008 · Board of Directors Reimbursement	1,225	683	704
6406 · Sewer General Plant Expense	26,258	44,021	45,342
6408 · Sewer Vehicle Repairs & Maint.	2,631	1,218	2,200
6410 · Sewer Utilities-Electricity	30,711	24,296	28,000
6411 · Sewer Utilities-Gas & Fuel	1,995	4,313	4,442
6413 · Sewer Utilities-Telephone	2,659	2,649	2,728
6415 · Sewer Legal Services	29,679	37,730	22,000
6417 · Sewer Computer Services	10,444	5,468	5,632
6419 · Sewer Other Operating Expenses- (Cleaning)	770	840	865
6420 · Sewer Accounting & Audit Service	2,494	3,314	2,383
6421 · Sewer Postage & Mail Fee	1,366	2,657	2,736
6422 · Sewer Office Supplies	3,076	2,126	2,190
6423 · Sewer Medical Insurance	34,317	46,215	49,500
6425 · Sewer Maintenance	20,287	3,124	5,000
6426 · Sewer Worker's Comp Insurance	543	1,043	1,074
6428 · Sewer Retiree Health Insurance	9,018	8,184	8,430
6429 · Sewer Dues, Fees & Subscription	6,370	8,454	8,708
6430 · Sewer Advertising & Publishing	2,478	752	774
6431 · Sewer Maintenance	1,170	12,026	12,387
6432 · Sewer Utilities - Trash Fee	715	729	751
6433 · Sewer Bank Fee Charge	85	69	95
6435 · Sewer Auto & General Insurance	9,061	7,734	7,966
6438 · Sewer Laboratory Service	14,315	17,614	18,142
6441 · Sewer Removal Disposal Fee	3,972	2,735	2,817
6443 · Sewer Consulting	149,991	172,478	38,000
6444 · Traveling and Entertainment	148	150	750
6448 · Training & Seminar Expenses	5,592	6,000	3,000
6507 · Sewer Line Cleaning	0	107,046	44,000
6445 · Sewer Security System	50	50	52
5099 · OPEB Obligation Expense	22,292	22,292	22,961
6446 · Depreciation	122,221	122,221	125,888
<b>Total 6400 · SEWER OPERATING EXPENSES</b>	<b>674,539</b>	<b>830,152</b>	<b>661,816</b>
<b>Net Ordinary Income</b>	<b>Net Ordinary Income</b>	<b>-37,111</b>	<b>-197,077</b>
<b>Other Income/Expense</b>			<b>6,304</b>
<b>Other Income</b>			
4801 · Sewer Taxes & Assessments	112,165	114,400	115,000
4803 · Sewer Stand By Assessments	5,073	4,089	4,089
4804 · Sewer Interest Earned	8,609	2,800	2,500
4805 · Sewer Facilities Charges	0	5,697	5,697
4819 · Sewer Other Non-Operating Rev	300	468	468
<b>Total Other Income</b>	<b>126,148</b>	<b>127,454</b>	<b>127,754</b>
<b>Net Income</b>	<b>89,037</b>	<b>-69,623</b>	<b>134,058</b>

# SEWER INCOME



- 4101 · Sewer Base Fees-Commercial
- 4102 · Sewer Base Fees-Residential
- 4108 · Sewer Transfer Fees
- 4109 · Sewer Other Fees, Refunds

# SEWER OPERATING EXPENSES



**IDYLLWILD WATER DISTRICT  
CAPITAL EXPENDITURES FOR SEWER FUND  
FOR BUDGET YEAR ENDING JUNE 30, 2019**

**CAPITAL EXPENDITURE  
DESCRIPTION**

**WASTEWATER TREATMENT PLANT(G/L # 1316):**

1- Install Influent Screen and Dewatering Equipment	\$100,000
2- Install effluent Flow , PH and EC Monitoring	\$30,000

<b>TOTAL WASTEWATER TREATMENT PLANT</b>	<b>\$130,000</b>
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**SUB-SURFACE LINES:(G/L # 1315):**

1- Clean and Video collection System Hwy243	\$30,000
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<b>TOTAL SUB-SURFACE LINES</b>	<b>\$30,000</b>
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**GENERAL PLANT-STRUCTURES, POWER & OTHER EQUIPMENT:**

3- Application for WWTP Replacement SRF Funding	\$15,000
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<b>GENERAL PLANT-POWER &amp; OTHER EQUIPMENT</b>	<b>\$15,000</b>
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<b>TOTAL SEWER FUND CAPITAL IMPROVEMENT AND EQUIPMENT EXPENDITURE</b>	<b>\$175,000</b>
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IDYLLWILD WATER DISTRICT

BUDGET FISCAL YEAR ENDING JUNE 30, 2019

**Water Department**

- \*Idyllwild Water District revised the rate structure for the fiscal year 2018/2019
- \*Water Operating Base Rate Revenues for Residential and Commercial will equal \$724,937.00 for the Fiscal Year 2018/2019.
- \*Water Sales Revenue for Residential and Commercial is expected to be \$609,000.00 for the Fiscal Year 2018/2019.
- \*Property Tax Revenues from the County of Riverside are expected to slightly increase by 1% from \$305,000.00 to \$307,000.00.
- \*Direct Operating Expenses for Water are expected to increase 2% for the Fiscal Year 2018/2019 from the previous year.
- \*Capital Improvement Budget items for Fiscal Year 2018/2019 will cost \$700,000 in total which will be financed completely by the Idyllwild water District.
- \*Operating Expenses are expected to increase between 3% and 5% within the Fiscal Year 2018/2019.
- \*No principle debt or interest exists within the Water Department.
- \*Utilities for Idyllwild Water District, including electric, telephone, fuel and propane expenses are expected to increase by 3% total.
- \*Cost of Living wage increase for all employees of 2.5% for Fiscal Year 2018/2019.
- \*Health insurance costs are expected to increase by 10% according to ACWA/JPIA.

	<u>Current</u> <u>2017/2018</u>	<u>Budgeted</u> <u>2018/2019</u>
Employee + Family	\$2,194.50	\$2,413.95
Employee + 1 Dependent	\$1,752.30	\$1,927.50
Employee	\$907.00	\$997.70

- \*There will be no change to life insurance benefits.
- \*The interest rate earned from investments is expected to remain the same as the previous year.

## **Sewer Department**

- \*The Improvement District #1 will increase the base charge to \$40.00 per E.D.U. from \$38.25 per E.D.U. E.D.U. = Equivalent Dwelling Unit
- \*Improvement District #1 Commercial Operating Revenue is expected to be \$455,040.00 for Fiscal Year 2018/2019 which is a 5% increase from the previous year.
- \*Improvement District #1 Residential Operating Revenue is expected to be \$212,160.00 for Fiscal Year 2018/2019 which is a 5% increase from the previous year.
- \*Direct Operating expenses for Improvement District #1 are expected to increase between 3 and 5% for Fiscal Year 2018/2019.
- \*Property Tax Revenues from the County of Riverside are expected to slightly increase by 1% from \$113,000.00 to \$115,000.00.
- \*The Capital Improvement Budget for the Fiscal Year 2018-2019 is \$175,000. This includes \$44,000 to clean and video the Highway 243 portion of the collection system for Improvement District #1.
- \*No principle debt or interest exists within Improvement District #1.
- \*Staff has succeeded in hiring a Chief Sewer Operator, therefore has cancelled the contract with SUSP, Inc. which will significantly reduce consulting fees within Improvement District #1.

## **Other Information**

- \*Idyllwild Water District will be diligently working to increase satisfaction from our customers.
- \*Idyllwild Water District sold just under 50 Water Service Applications and installed roughly 25 new water connections.
- \*Staff is working with the Board of Directors to increase District Transparency.

RESOLUTION NO. 750

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
IDYLLWILD WATER DISTRICT

ANNOUNCING ITS INTENT TO ADOPT A BUDGET, RATES, FEES, CHARGES, AND ASSESSMENTS  
FOR FISCAL YEAR 2018-2019 AND A RATE SCHEDULE FOR 2018-2019, 2019-2020, 2020-2021, 2021-2022, 2022-  
2023 AND NOTICING A PUBLIC HEARING

WHEREAS, California Water Code Section 30000 et seq. authorizes the Idyllwild Water District to fix and collect water and sewer rates for water and sewer service provided to property owners and residents within the District; and

WHEREAS, there has been presented to the Board of Directors (Board) a proposed budget, rates, fees, charges, and assessments for the District for the Fiscal Year 2018-2019 and a rate schedule for 2018-2019, 2019-2020, 2020-2021, 2021-2022, 2022-2023; and

WHEREAS, the proposed budget, rates, fees, charges, and assessments have been reviewed and considered by the Board, and it has been determined to be in the best interest of the District to adopt a budget, rates, fees, charges, and assessments for the sound financial operation of the District; and

WHEREAS, the Board intends to hold a public hearing on June 20, 2018 at 6:00 p.m. at the office of the District at which date, time, and place, this District will consider resolutions adopting the budget, rates, fees, charges, and assessments for the District for the Fiscal Year 2018-2019 and a rate schedule for 2018-2019, 2019-2020, 2020-2021, 2021-2022, 2022-2023 and will hear all persons who wish to comment on the subject and will consider final adoption of the budget, rates, fees, charges, and assessments.

NOW, THEREFORE, be it hereby resolved, determined, and ordered by the Board of Directors of the Idyllwild Water District as follows:

Section 1. The matters set forth in the recitals to this Resolution are true and correct statements.

Section 2. The District Secretary is authorized and directed to give public notice, including mailed notice to any person who has so requested, of the hearing to be held on June 20, 2018 at 6:00 p.m. at the office of this District, located at 25945 Highway 243, Idyllwild, California, at which date, time, and place this Board will consider the adoption of a budget, rates, fees, charges, and assessments for the Idyllwild Water District for the Fiscal Year 2018-2019 and a rate schedule for 2018-2019, 2019-2020, 2020-2021, 2021-2022, 2022-2023 and will hear all persons who wish to comment on the subject and will consider final adoption of the budget, rates, fees, charges, and assessments.

Section 3. The District Secretary is authorized and directed to give notice of the public hearing with respect to the consideration of increases to the water and monthly fixed service charges by mailing said notice to record owners of all property within the District at least forty-five (45) days before the public hearing on June 20, 2018.

Adopted this 18th day of April 2018.

**IDYLLWILD WATER DISTRICT**

By: \_\_\_\_\_  
**CHARLES SCHELLY, President**  
**Board of Directors**

**ATTEST:**

I, ERICA GONZALES, Secretary of the IDYLLWILD WATER DISTRICT, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted by the Board of Directors of the IDYLLWILD WATER DISTRICT at its meeting of April 18, 2018, by the following vote:

**AYES:**

**NAYS:**

**ABSTAIN:**

**ABSENT:**

In witness whereof, I have executed by statement and affix the official seal of the IDYLLWILD WATER DISTRICT this 18th day of April, 2018.

**IDYLLWILD WATER DISTRICT**

\_\_\_\_\_  
**ERICA GONZALES, Secretary**



# Memo

**To: Board of Directors**

**From: General Manager**

**Date: April 18, 2018**

**Subject: ITEM #4 - CONSIDER AUTHORIZING THE GENERAL MANAGER TO EXECUTE AGREEMENTS WITH ENRC, THE PRIZM GROUP AND INLAND FOUNDATION ENGINEERING FOR DESIGN AND CONSTRUCTION SERVICES FOR THE 2018 PIPELINE PROJECT**

## Recommendation

That the Board of Directors authorize the General Manager to execute professional services agreements with ENRC \$35,779, The PRIZM Group \$6,600, and Inland Foundation \$32,080, for services during the design and potential construction of the 2018 Pipeline Replacement Project.

## Background

As has been discussed with the Board of Directors on several occasions, staff have identified an immediate need to replace about 2,600 feet of early 1950s 8-inch water pipeline on South Circle from the end of the 2017 Pipeline project (Bicknell) to Village Center Drive and on Village Center Drive from South Circle to North Circle (see attachment). The 2017 pipeline project replaced portions of this old line, which was observed to have reached the end of its useful life. The line, at 8-inch diameter, is part of the backbone distribution system of the District and the downtown commercial area in particular.

Early this year the County notified the District of plans to resurface the roadways in the downtown area of Idyllwild including the reaches that contain the aforementioned pipelines in need of replacement. It would be in the best public interest to have the pipelines replaced prior to the County resurfacing project. At the January 2018 Regular Meeting, the Board authorized the baseline survey of the project area. Building on that data, Staff recommends engaging ENRC to prepare plans and specifications for the construction of the project. In an effort to keep the project as cost effective as possible, the District would also directly contract

Item #\_\_

with the surveyor (The Prizm Group) and the geotechnical firm (Inland Foundation Engineering).

The total proposed by the three firms, \$74,459, is significantly less than the proposal from Webb and Associates on the 2017 pipeline project (\$141,700) for substantially similar proposed services. Staff will be performing the bulk of the inspection work as well as performing the excavation work for the design effort.

Staff believes that moving ahead with this project will offer the best possible opportunity to have a cost effective project in conjunction with the County's plans to resurface these same streets in the Spring of 2019. The project would target construction for immediately after Labor Day 2018.

Attachments:

Proposals from:

ENRC

The Prizm Group

Inland Foundation Engineering



100.000P

April 9, 2018

**Mr. John "Jack" Hoagland**  
**Idyllwild Water District**  
25945 Highway 243  
Idyllwild CA 92549

## **DESIGN SERVICES FOR WATERLINE REPLACEMENT PROJECT**

Dear Jack:

*Engineering Resources of Southern California, Inc* (ERSC) is pleased to present the following proposal for professional engineering services related to the preparation of contract documents for a waterline replacement project along S. Circle Drive and Village Circle Drive. More specifically, this project is an extension of a previously completed waterline replacement project and extends easterly along S. Circle Drive from Bicknell Lane to Village Center and northerly along Village Center Drive from S. Circle Drive to N. Circle Drive.

Based on our discussions, there are a few issues that will require special attention during design of the proposed pipeline replacement project including:

- Replacing substandard valving and piping at the intersection of the Bicknell Lane and South Circle Drive.
- Preservation of the existing pipeline crossing where Strawberry Creek crosses Village Center Drive.
- Tie over of existing services particularly to restaurants and business along Village Center Drive.

To resolve these concerns, ERSC will rely on District staff to provide pothole information at the points of connection in South Circle Drive, North Circle Drive and at the Strawberry Creek crossing.

Relative to the valving and piping at the intersection of Bicknell Lane and South Circle Drive, ERSC's design team members will meet with District staff to develop a schematic layout of the existing improvements at this location. The schematic layout will be included on the drawings to provide the Contractor a clear understanding of the existing conditions and, also, for use by ERSC's design engineers during the development of connection and valving details at this location.

Prior to completing the recently commissioned design survey, District staff marked the location of the various water services and sewer laterals located along South Circle Drive and Village Center Drive. This data along with the location of existing meters and other appurtenances is included in the topography. Therefore, ERSC's design engineers will rely on this data to develop appropriate water service connection details and details for water line sewer lateral crossings.

In general, ERSC's design team, will provide construction drawings, in plan view only, and specifications for the construction of the proposed waterline replacement project per the following scope of work.

1. Contact SCE to gather information related potential underground electric service located mainly along Village Center Drive north of the Brew Pub. Meet with District staff to discuss and receive record information regarding valving and piping at Bicknell Lane and North Circle Drive.
2. Coordinate with District staff to gather pothole data at points of connection at Bicknell Lane, the Strawberry Creek Crossing and North Circle Drive.
3. Prepare construction drawings (plan view only) for the installation on new pipeline along South Circle Drive and Village Center Drive. The overall project will be broken into segment along South Circle Drive, Village Center Drive from the South Circle Drive to the Brew Pub entrance and Village Circle Drive from the Brew Pub entrance to North Circle Drive. Pothole data will be used to develop the vertical alignment of the pipeline and to verify crossings at culverts, sewer laterals and other utilities. Develop a standard detail for sewer lateral and dry utility crossings, details specific to culvert crossings and details for valving and piping at Bicknell Lane, the Strawberry Creek Crossing and North Circle Drive. The final plan set will include a title sheet, notes and details sheet and two (2) sheets of waterline replacement plans.
4. Develop project specifications in concert with the District's General Manager utilizing data available from the District and sources available to ERSC.

Deliverable:

- One (1) Set of Reproducible Plans and Specifications
  - Plans in .pdf Format
  - Specifications in Word Format.
5. Assist with the acquisition of an encroachment permit from the County of Riverside Transportation Department. Prepare the County's application for signature by district Staff. Also prepare traffic control plans per the California MUTCD to accompany the application. Submit fully executed permit application and coordinate permit approval with the County's Permit Engineer

Deliverable:

- Fully Executed Permit Application.

- Four (4) Sets of Waterline Replacement Plans
  - Four (4) Sets of Traffic Control Plans.
6. Using approved plans and specifications, prepare a bid package for use during bidding. Circulate this bid package to a select group of three to five Contractor's for bidding. Conduct pre-bid conference to acquaint bidder with project location and project requirements. Respond to requests for information during bid process and prepare addenda, if necessary. Attend bid opening, conduct bid analysis and review bids for conformity to the bid requirements. Prepare recommendation to the General Manager indicating the most responsible low bidder.

Deliverable:

- Signed and Sealed Bid Package
  - Bid Analysis
  - Recommendation for Award
7. During construction, provide the services of an Inspector one day a week for four hours to assist District personnel with the inspection process and issues related to on-going construction efforts.

The above Scope of Services is specific to this project and is subject to certain exclusions. These exclusions include environmental documents, archeology and paleontology studies, biological studies, resource agency permits, geotechnical engineering, permit fees and agency fees.

Fees and charges associated with the completion of the above service have been estimated as \$35,779 including reimbursable expenses. We anticipate delivery of the final product to the District within 30 working days of receipt of a notice to proceed.

If you have any questions regarding this proposal, please give me a call.

Respectfully



Matt Brudin, P.E.  
Principal

MB/mb

April 9, 2018

Idyllwild Water District  
Attn: Jack Hoagland  
P.O. Box 397  
Idyllwild, CA 92549-0397

**Subject:** Proposal for construction surveying services for the Idyllwild Village Center Drive Waterline Replacement Project in Idyllwild, CA.

Dear Jack:


The Prizm Civil Engineers & Land Surveyors Group, Inc dba: The Prizm Group (**TPG**) is pleased to provide this proposal to perform surveying and engineering services for the subject project. Our Scope of Services and Fee Schedule are outlined in the following pages and are based upon our field review of the site, conversations with you. We understand that centerline monument preservation will be the responsibility of the construction contractor.

**TPG** is registered as a small business with the State of California Department of Business Services (registration number 1048518). **TPG** is registered with the Contractor State Licensing Board PWCR # 1000018433.

If you have any questions regarding this proposal, please contact me at (951)-737-4406.

Sincerely,

The Prizm Group

  
Vincent Kleppe PE, PLS  
Principal Engineer

IWD VILLAGE CENTER.doc

**Exhibit "A"**  
**Scope of Services**

**1. Main Line Staking**

TPG will provide one set of construction stakes at 50 foot intervals along the proposed waterline alignment. Additional stakes will be set at angle points, bc's ec', grade brakes, and tees. Fire hydrants will be staked with one stake at the main line tee and up to two offset points marking the center of the hydrant riser.

**Fee: \$6,600.00**

**2. Water Service Staking**

TPG will provide one set of construction staking for the proposed water services. We anticipate setting one stake per service, and expect that the services will be staked at the same time the main line staking is done.

**Fee: \$1,060.00**

**Total: \$7,660.00**

**The above surveying costs are based on the number of mobilizations indicated per item. If additional mobilizations are requested in a piece meal fashion then additional charges will apply.**

## **Additional Services**

This proposal is our professional appraisal of the cost required to complete the included items and is valid for ninety (90) days. Services which are not specifically identified herein as services to be performed by The Prizm Group, including re-staking, are considered to be additional services for the purposes of this agreement. Client may request that The Prizm Group perform services which are additional services. However, any task that we are requested to provide beyond the above listed scope of services will be billed to the client on an hourly basis unless a prior agreement for compensation is reached. Our staff will notify the client of these tasks in a timely manner to establish additional scope, schedule and fee.

## **Exclusions**

Consulting services relating to any of the following tasks may be completed by the consultant if negotiated under a separate agreement for a separate fee; but are presently excluded from *this agreement*.

- Any service not specifically identified in the scope of services.
- County and agency fees
- Plan check or Permit fees
- Soils/Geotechnical reports
- Title Report
- Clearing of the site/brush removal
- Easement descriptions and plat
- Biological reports
- Special Studies
- Architectural renderings
- Special expending
- Corner Records
- Tying out Existing Monuments
- Temporary utility and construction easement descriptions

## **Project Team**

**TPG** has performed many similar surveys for this type of project. Survey work shall be accomplished using an electronic total station with dual axis compensation and full data collection interface. All fieldwork will be conducted under the personal direction of Vincent Kleppe, RCE 55750, PLS 7181.





Prevailing Wage Hourly Fee Schedule 2018

<b>Classification</b>	<b>Rates \$/Hr.</b>
 <i>Surveying Services</i>	
Principal Surveyor	\$125.00
Associate Surveyor	\$95.00
 2 Man Crew with Survey Truck and Robotic Equipment	 \$210.00
 <i>Support and Technical Services</i>	
Cad Drafting Designer	\$95.00
 <i>Outside Services</i>	
Special Consultants and Purchased Services	Cost + 15%
 <i>Reimbursement Expenses</i>	
Vehicle Mileage (excluding survey trucks)	0.45/Mile
Air Fare, Ground Fare, Parking, and Subsistence	cost
Copies, prints, telephone, delivery, and sundry charges	cost + 15%

The above rates are subject to change on or about July 1 each year due to salary and cost increases.

**INLAND FOUNDATION ENGINEERING, INC.**  
**Consulting Geotechnical Engineers and Geologists**  
**www.inlandfoundation.com**  
**P.O. Box 937, San Jacinto, California 92581**

April 10, 2018

Attention: Mr. John "Jack" Hoagland  
**Idyllwild Water District**  
25945 Highway 243  
Idyllwild, CA 92549

Re: Proposal for Geotechnical Investigation and Construction Testing Services  
Idyllwild Water District Waterline Replacement Project  
Idyllwild Area, Riverside County, California

Dear Mr. Hoagland:

In response to your request, we are pleased to submit this proposal for conducting a geotechnical investigation and providing construction testing services for the referenced project.

We appreciate the opportunity to submit this proposal and look forward to working with you on this project. If you have any questions, please contact our office.

Respectfully,

**INLAND FOUNDATION ENGINEERING, INC.**



Daniel R. Lind, P.G., C.E.G.

Vice President



**Allen D. Evans, P.E., G.E.**

Principal

DRL:ADE:es

Addressee: (1)

## **INTRODUCTION**

Inland Foundation Engineering, Inc. is pleased to submit this proposal for conducting a geotechnical investigation and construction testing & observation services for the Idyllwild Water District Waterline Replacement Project. The following reference was provided for our use in the development of this proposal:

- A map entitled "IWS Village Center Topo-Model, prepared by Engineering Resources of Southern California, Inc.

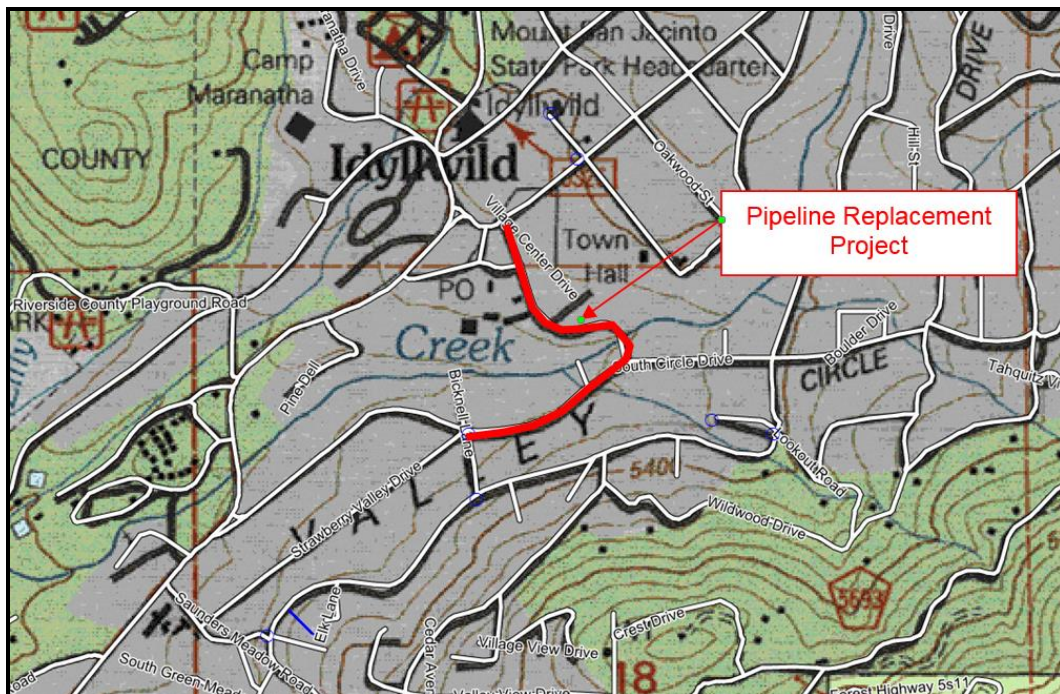
Our firm has conducted numerous projects of this nature and is familiar with the geotechnical engineering and geologic conditions in the project area.

## **PROJECT DESCRIPTION**

We understand that the project will entail the replacement of approximately 2,700 linear feet of aging water line. Based on our understanding of the project, the sections of water line to be replaced include:

- South Circle Drive from Bicknell Lane to Village Center Drive
- Village Center Drive from South Circle Drive to North Circle Drive

Following is a portion of the U.S.G.S. Topographic Map, Idyllwild 7.5' Quadrangle, showing the location of the pipeline replacement project.



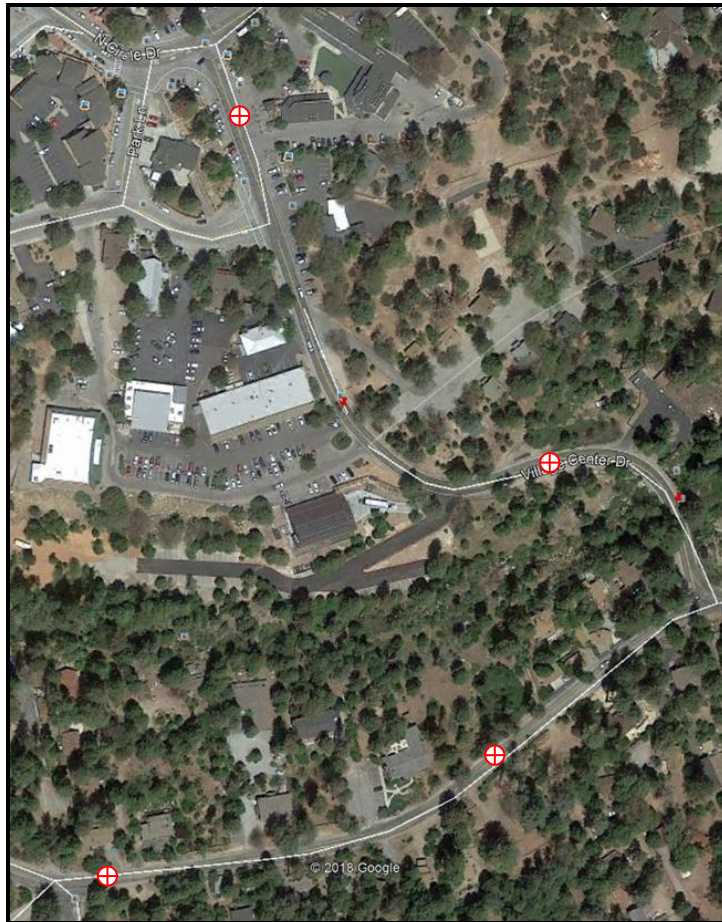
## **PROJECT APPROACH – GEOTECHNICAL INVESTIGATION**

The following paragraphs present a discussion of our project approach and methodology that will be utilized during this study:

**Geologic/Geoseismic Review:** A Certified Engineering Geologist will conduct a geologic/geoseismic review for this project. The purpose of this review will be to identify and characterize the local geologic and seismic conditions/hazards, and to develop appropriate conclusions and recommendations, from a preliminary standpoint, with respect to the proposed pipeline replacement project. Information obtained will be from review of existing geologic data and the site reconnaissance. The geoseismic review will consist of:

- Review of available published geologic data in our files pertinent to the site.
- Field reconnaissance by a State of California Certified Engineering Geologist.
- Discussion of the regional and local geology, faulting, and secondary seismic hazard potentials pertinent to the site.

**Subsurface Exploratory Borings:** We propose to drill five exploratory borings along the proposed waterline replacement alignment. Tentatively, we propose the following boring locations.



We understand that the invert depth of the proposed pipelines will be less than 5 feet. The depth of the borings is anticipated to be on the order of 15 feet, or to practical refusal, whichever is first encountered. Granitic bedrock is present along the project alignment. The boring locations will be pre-marked and Underground Service Alert will be contacted to locate and mark underground utilities. A staff geologist will log the materials encountered during drilling on the site. Representative undisturbed samples will be obtained within our borings by driving a thin-walled steel penetration sampler with successive 30-inch drops of a 140-pound hammer. The number of blows required to achieve each six inches of penetration will be recorded on our boring logs and used for estimating the relative consistencies of the subsoils. The sampler types to be used include one carrying brass sample rings having inner diameters of 2.417 inches and a Standard Penetration Test Sampler (SPT). Relatively undisturbed samples will be removed from the sampler and placed in moisture sealed containers. They will then be transported to our laboratory for further observations and testing. Representative bulk soil samples will also be obtained and transported to our laboratory.

An encroachment permit will be obtained from the Riverside County Transportation Department for the borings, which will be located within the County right-of-way. Appropriate traffic control will be provided during the field activities. The asphalt concrete at the boring locations will be repaired with dyed quickset concrete.

**Laboratory Testing** - We anticipate that our laboratory testing program will include, but will not necessarily be limited to:

- Unit weight
- Moisture content
- Sieve analysis
- Maximum density/Optimum moisture
- Plastic index
- Direct shear strength
- Sand Equivalent

The actual number of samples selected for testing, and the type of testing performed, will be based on the subsurface conditions logged in the exploratory borings.

**Corrosion Evaluation** - A corrosion evaluation for this project will be performed by our corrosion engineering consultant, HDR, Inc. This evaluation will include:

- Reviewing borings logs and selecting soil samples (to be provided by Inland Foundation Engineering, Inc.) for testing.
- Testing three soil samples for as-received resistivity, saturated resistivity, pH, possibly sulfides and oxidation-reduction potential; and performing a chemical analysis for calcium, magnesium, sodium, carbonate, bicarbonate, chloride, sulfate, ammonium, and nitrate.
- Providing a report including preliminary recommendations for controlling corrosion of materials planned for underground use. If additional corrosion protection design services are required, HDR, Inc. can provide these services under separate contract.

**Engineering Analysis And Report Preparation** - Based on our field and laboratory exploration and testing, we will develop conclusions and engineering recommendations, which may be applied to the design of the proposed water pipeline replacement project. These conclusions and recommendations will be presented in a formal report, which will also include field and laboratory test data. The following items will be addressed in this study:

- Overall feasibility
- Soil types expected to be encountered
- Characteristics of native soils
- Groundwater conditions
- Excavation, trenching and shoring considerations
- Lateral earth pressures
- Coefficient of friction
- Sand equivalent values
- Placement and compaction of pipe bedding and trench backfill

Our services will be performed in accordance with the standard of practice exercised by other geotechnical engineers practicing in the same geographic area. No warranty, express or implied, is made.

## **CONSTRUCTION SERVICES**

Our services during construction will include observation and testing during placement and compaction of pipe bedding and trench backfill for the water pipeline. We understand that the actual backfill inspection will be conducted by a representative of the owner (inspector). Testing will be scheduled and directed by the inspector. Our proposed scope of service for this project will include the following:

- Soil testing (both field and laboratory) as necessary to assess compaction of the trench backfill. We estimate that compaction testing within the pipeline backfill will be performed at approximate maximum intervals of approximately 250 lineal feet and at approximate two-foot vertical lifts. This may vary depending on the requirements of the project inspector.
- Preparation of final compaction summary reports signed and stamped by a registered geotechnical engineer in the State of California.

These services will include, but are not limited to the following:

A. Field Compaction Testing

1. Test compaction and moisture content as requested by the project inspector

B. Laboratory Testing

1. Test pipe bedding and trench backfill for specifications compliance
2. Test backfill for maximum dry density and optimum moisture content

C. Technical Management

1. Attend pre-construction meeting
2. Evaluate field testing results
3. Provide recommendations for unforeseen geotechnical conditions

D. Report Preparation

1. Describe field procedures
2. Tabulate field density data, submit original copy to inspector at end of each day
3. Provide laboratory data

During backfill placement, we will observe and document the contractor's work pertinent to the proper backfilling and compaction of the on-site soils. It should be understood that the contractor will be responsible for trench and site safety issues.

We anticipate that differing subsurface conditions may be encountered during construction. As such, proper classification of the soil types will be necessary to conduct the density testing as well as to provide recommendations for backfilling. Other issues that could involve input from the geotechnical engineer include providing backfilling around and beneath existing utilities, slope stability, groundwater and unforeseen conditions.

**FEE PROPOSAL**

Our estimated fees for conducting the services as described in this proposal are presented in the following tables:

<b>ITEM – Geotechnical Investigation</b>	<b>FEE</b>
Geotechnical Exploration and Testing (including field exploration, drilling rig costs, laboratory testing, engineering analysis and geotechnical report)	\$12,500.00
Estimated fee for Riverside County Department of Transportation Encroachment Permit and Application Process*	650.00
Corrosion Evaluation – HDR, Inc.	2,600.00
<b>Subtotal Costs – Geotechnical Investigation</b>	<b>\$15,750.00</b>

\* Does not include engineered traffic control plans.

**Construction Testing Services:** No construction schedule was available at the time of this proposal. Based on our experience with similar projects of this nature, we have estimated that the rate of compacted backfill along the pipeline alignment will be approximately 150 to 200 linear feet per working day. We do not anticipate that our services will be required on a full-time basis. We have assumed that our technician will be on-site approximately 4 hours per day. On this basis, we have developed the following fee estimate for conducting the services as described in this proposal:

<b>ITEM – Construction Testing Services</b>	<b>ESTIMATED FEE</b>
Field Observations/Testing of Soil (based on estimated 20 six-hour days (including travel time) for soil technician @ \$120.00/hr.)	\$14,400.00
Laboratory Testing (4 Maximum Density Tests – Soil)	640.00
Vehicle with Testing Equipment (120 hours at \$12.00/hr.)	1,440.00
Reporting & Administration (15%)	2,450.00
<b>Subtotal – Estimated Construction Testing Services</b>	<b>\$18,930.00</b>

### **Project Fee Summary**

<b>ITEM</b>	<b>ESTIMATED FEE</b>
<b>Geotechnical Investigation and Corrosion Analysis</b>	<b>\$15,750.00</b>
<b>Construction Testing and Observation Services</b>	<b>\$18,930.00</b>
<b>Total Estimated Project Fees</b>	<b>\$34,680.00</b>

Inland Foundation Engineering, Inc. adheres to State of California Department of Industrial Relations (DIR) prevailing wage requirements for public works projects. We propose to perform the work on a time charge basis, as the actual services performed will be dependent on the actual design, construction methods, and progress. Therefore, the actual scope of services and corresponding fees may vary significantly. Our fees will be invoiced on a time and materials basis in accordance with our current fee schedule rates.



# Memo

**To: Board of Directors**

**From: General Manager**

**Date: April 18, 2018**

**Subject: ITEM #5 - CONSIDER DISPOSITION OF UNIT #1 - 2014 TOYOTA FORERUNNER**

## Recommendation

That the Board of Directors, at the request of Director Hunt, consider the disposition of the District's Unit #1, the 2014 Toyota Forerunner.

## Background

The District purchased a 2014 Toyota 4Runner for use by the then General Manager. The current General Manager uses his own personal all-wheel drive vehicle for District business and is compensated with a monthly stipend for automobile travel. The Toyota has 16,000 miles.

Although use has been limited for the last year, staff are now using the Toyota for the 2-3 times per day mail run and other trips by the other administrative staff, thus limiting confusing liability issues in the event of unforeseen circumstances.

# Memo

**To: Board of Directors**

**From: General Manager**

**Date: April 18, 2018**

**Subject: ITEM #6 - CONSIDER ACQUIRING AUDIO EQUIPMENT FOR RECORDING BOARD MEETINGS IN A FORM FOR WEBSITE POSTING**

## Recommendation

That the Board of Directors consider purchase of audio equipment for recording board meetings in a format compatible with website posting for \$5,610.

## Background

The District currently records its board meeting in MP3 digital format. This format is cumbersome, takes up a lot of digital space on the website and is not searchable.

Although the Board consensus has been not to spend \$5,000+ to make the audio available for what appears to be a very limited public demand, a request was made to include this issue for the Board of Directors to make a definitive determination.



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Phone: 480 661-5629 Fax: 480 661-7589  
www.jcgtechnologies.com

## **Budgetary Price Quotation Idyllwild Water District, CA August 3, 2017**

### **Liberty Meeting Recorder Solution**

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JCG Technologies, Inc (JCG) provides cost effective software solutions to organizations that want to automate their workflow and improve access to information; improving customer service while saving time and money. JCG solutions include Digital Audio and Video Recording, Agenda Management, Public Records Request Management, Video/Audio Webcasting Services, and Audio/Video Systems.

Our software based Liberty Meeting Recorder solution is designed as a replacement for antiquated analog cassette tape based and first generation digital recording systems.

The Liberty Meeting Recorder solution software records meeting audio/video to the PC's hard drive. After a recording is complete, the file can be moved to the client's network, a CD, a DVD, or any other PC-compatible storage media.

The Liberty Meeting Recorder software enables you to use a Microsoft® Word® based document (i.e. your agenda or minutes template) to take notes in Microsoft® Word® during the meeting while digitally recording. Drop down lists are provided to record roll calls, motions, and votes. All notes are automatically tied to the audio/video. Following the meeting, you can review the audio/video with the click of a mouse and quickly and easily complete the Minutes. Once approved, the Minutes (with the associated digital audio/video) can be posted to your web site as a pdf or HTML document.

Once posted to the web site, a user can simply click on a Minutes item to playback the meeting audio/video using the industry standard Microsoft® Windows® Media Player.

Optionally, the audio/video can be hosted and streamed live or on demand using our SuiteView webcasting service. The SuiteView solution includes a custom designed public portal, advanced searching and filtering, an interactive calendar, intuitive player, and analytics.



## Pricing

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Quantity	Item	Total
1	Liberty Meeting Recorder Solution Software – 2-Channel	\$2,495
1	JCG MX6/4 Mixer	\$595
1	iMic Sound Device & RCA Cable	\$60
4	ATPro44 Microphones (\$135 each)	\$540
	On-Site Installation & Training	\$1,495
	JCG Support Services Package	\$425
	<b>TOTAL</b>	<b>\$5,610</b>

*Prices are effective until October 3, 2017. Prices do not include tax, shipping, and handling charges.*



## Installation and Training

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Unless specifically noted above, the Client will be responsible for providing:

1. All computers and laptops. Prior to the hardware and software installation all computers must be configured as per the product specifications.
2. All PC/LAN connections and cabling (if the audio is to be archived over the network).
3. All cabling for connecting the system to any of the Customer's external systems/devices (i.e. PA system for audio playback, other recording devices, audio mixer, etc).
4. PC speakers, power supply and cables for PC sound card based playback of the audio.
5. All cabling to the recording PC location, including any cable pulls.
6. Video Encoder (for video recording).

Our installation personnel will load software and install any JCG supplied hardware onto the client's computers that meet or exceed the specifications described in this proposal. Please advise us of the model and configuration of the computers so that we can verify suitability prior to delivery.

Operator training will be provided on the same day as the installation. For training to be most affective it is preferable to have a maximum of 5 persons per session.



## Computer Hardware & Software Minimum Requirements

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This document details the MINIMUM specifications required for the JCG supplied products. This information makes no allowance for other applications that may run on the computer at the same time.

Adding memory and increasing the processor speed will significantly improve performance, especially if the computer will be running other applications.

### Digital Recorder Software

- Standard PC or Laptop with 2.0 GHz Processor or faster (3.0 for video)
- 1GB Memory (RAM) (2GB for video)
- Microsoft® Windows® XP Professional or later
- Windows® compatible, full duplex stereo sound playback support
- USB Port
- 256-color, 800 x 600 video display
- 20GB or more free hard drive capacity
- Microsoft® Word® 2003 or later
- JCG or High Criteria Approved Video encoder card (for video)

NOTE: As with any software, there are minimum hardware and software requirements, which need to be in place prior to installing and using JCG supplied software. While the attached list is minimum specification, it is important to be aware that using additional programs in combination may require a higher specification.



## **JCG Support Services Package**

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The Support Service Package is an annual (1 year) package.

The JCG Support Services Package includes:

- Free software updates and upgrades on annual support renewal
- Unlimited calls (operational and technical) from 8am to 5pm AZ MST, excluding JCG holidays and weekends.
- Electronic logging of issues and questions (email & Web) 24 hours per day.
- On-line access to all released Technical Support memos.
- On-line access to product documentation.
- Software fixes via electronic download; physical media is extra cost.

The JCG Support Services Package is a site-based contract. All JCG supplied products (software and hardware) installed at the site are eligible for technical support.

All products must be registered with JCG to be eligible for support.

## **Contact Information**

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Please do not hesitate to contact me if you have any questions or require any additional information.

Christie Schmenk

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