

**MARIANA RANCHOS COUNTY WATER DISTRICT
BOARD OF DIRECTORS**

MEETING PLACE: DISTRICT OFFICE
9600 Manzanita Street, Apple Valley, CA

Thursday, August 15th, 2019
Starts at 9:30 am

*"The mission of the Mariana Ranchos County Water District is to efficiently
serve our customers with the highest quality water 24/7."*

**REGULAR MEETING
AGENDA**

1. **CALL MEETING TO ORDER:** Invocation and Pledge of Allegiance.
2. **ROLL CALL:** Directors - Ronald Dodge, Chuck Spini, Lauren Stewart, Patricia Stiles and Robert Critzman. Attorney Michael Silander will be attending by phone.

3. **APPROVAL OF AGENDA**

CONSENT AGENDA

4. A. Approval of the Minutes for the Regular Meeting of July 18th, 2019.
B. Approval of Financial Statements for July 2019. Copies are available upon request.

PUBLIC COMMENT

5. All comments are limited to 5 minutes, as recognized by the Chair. No action can be taken on subjects not on the Agenda. Please state the subject you wish to address or an item that you request to have on a future Agenda. Please also state your name and address for the record.

Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance to take action on any item.

NEW BUSINESS

6. A. Discuss site surveys for future expansion.
B. Starting the FY 2018-19 Audit Process.
C. Information on "California Water Find"

7. **ONGOING BUSINESS**

- A. Approval of Resolution 19-05, amending the Admin Code regarding Disc of Services.
- B. Update and response on Water Main Replacement.
- C. Update and response on Radio Read Meter Replacement Project.
- D. Update on California Water Tax proposal.

8. **INFORMATION REPORTS**

- A. **ATTORNEY'S REPORT**
- B. **GENERAL MANAGER'S REPORTS**

- 1. Monthly report on subjects not covered on the agenda.

9. **OTHER BUSINESS**

None

10. **CORRESPONDENCE/CONFERENCES/SEMINARS/MEETINGS/Training**

Current correspondence, conferences, seminars meetings and training will be noted and discussed for possible authorization and/or action. (All correspondence is available for review at the District office).

11. **DIRECTOR'S COMMENTS**

Comments by individual Board Members concerning District business, which may be of interest to the Board and the public. No action is to be taken on comments made by the Board members other than to place a matter on a future Agenda.

12. **ADJOURNMENT**

*** A complete agenda packet containing all accompanying reports for this agenda is available through the District's website at : www.marianaranchoscwd.org ***

Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, that is sought in order to participate in the below agenda public meeting should be directed to the General Manager's office at (760) 247-9405 at least 24 hours prior to said meeting.

MARIANA RANCHOS COUNTY WATER DISTRICT

9600 Manzanita Street
Apple Valley, CA 92308

MINUTES

REGULAR MEETING OF THE BOARD OF DIRECTORS

July 18, 2019

The Regular Meeting of the Board of Directors of the Mariana Ranchos County Water District (MRCWD) was called to order by Board President Dodge at 9:30 a.m. at the District office, 9600 Manzanita St., Apple Valley, CA.

ROLL CALL

PRESENT: President Dodge, Vice President Spini, Director Critzman and Director Stewart
Absent: Director Stiles

STAFF: James Hansen; General Manager and Alice Funderburk; Board Secretary and Attorney Michael Silander and Auditor Jeff Miers in attendance

APPROVAL OF AGENDA

A 1st motion was made by Director Stewart to approve the agenda and a 2nd by Vice President Spini. No discussion; AYE's by Director's Dodge, Spini, Stewart and Critzman, unanimous, motion carries at 100%.

CONSENT AGENDA

Director Critzman made a 1st motion to approve the minutes for the Regular Meeting held on June 20, 2019 and the Financial Statements for June 2019 and a 2nd by Vice President Spini. Director Critzman commented that the Minutes are very well done. No further discussion; AYE's by Director's Dodge, Spini, Stewart, and Critzman, unanimous, motion carries at 100%.

PUBLIC COMMENT

None

NEW BUSINESS

- A. Phone # Listing and Call Down for Emergencies: Incident on July 4th; customers were trying to reach the GM regarding a leak on the road but T Mobile did not forward the calls to his cell. GM decided to cancel services with T Mobile and go with Verizon. President Dodge requested all Board Members to review the new Emergency call down list and requested that they input these numbers to their cell phones in the event of another emergency comes up. Brief discussion by the Board Members.
- B. Discuss and approve FY 2017-18 Audit: 1st motion by Director Stewart to discuss the Audit and a 2nd by Vice President Spini. The Auditor; Mr. Jeff Miers briefly discussed an adjustment he made to Accounts Receivable and explained the Cash Flow statement on the Audit Report. Mr. Miers stated that MRCWD is doing very well financially. No further discussion; AYE's by Director's Dodge, Spini, Stewart, and Critzman to approve the Audit for FY 2017-18, unanimous, motion carries at 100%.

- C. Discuss and review proposed changes to the Administrative and Water Code: Director Critzman 1st motion to discuss the changes to the Administrative and Water Code and a 2nd by Director Stewart. GM praised Mr. Silander for dedicating so much time to this project in reviewing and revising these documents and consolidating them into one. GM and Mr. Silander still have to go over some items, but would like to ask the Board Members some questions before finalizing the Administrative and Water Code documents. Some subjects discussed were compensation for regular Board meetings and Special meetings/Training Classes, acceptance of definition of a service line and acceptance of service connection/meter placement for customer where as such customer would have to supply their own line going to their property from the service connection/meter. Other subjects were discussed by GM and Board members and questions answered by GM and Mr. Silander. The final consolidated draft of the Administrative and Water Code will be available to Board Members for their review no later than September.

President Dodge adjourned the meeting at 10:58 a.m. to break for lunch

President Dodge reconvened the meeting at 11:51 a.m.

ONGOING BUSINESS

- A. Update and response on Water Main Replacement; GM stated that everything is going well but not as fast as he would like; equipment repairs and employee sicknesses are causing some delays. Truck has been fixed; only needed one injector replaced and is working well.
- B. Update and response on Radio Read meter replacement project: GM stated that we now have 63 new radio meters on the ground. Replaced all meters on Central Rd.; north of Ocotillo, and also Juniper Rd. and Yucca Rd.; south of Roundup. He targeted these areas due to either high traffic, meters that were inside private properties and parcels that were hard to get to.
- C. Update on California Water Tax proposal: Waiting on Governor to sign AB 200, Monning Bill – Safe and Affordable Drinking Water Fund. No other updates as of yet.
- D. Update on Free Leak Detection from CRWA: Calif. Rural Water Agency. The technician came out on June 25, 26, and 27, 2019 to hit target areas to see if any leaks could be detected from underground pipes; as GM and Technician were going thru different areas no leaks were found. GM provided photos of the tools the technician used and explained how they worked to detect leaks. Brief discussion by the Board Members.

REPORTS

- A. Attorney Report: Attorney Michael Silander would like the board to review the non discontinuation policy and approve the Resolution so he can send it to Sacramento. Mr. Silander also mentioned that he followed up with another letter to the State Water Resource Control Board asking them to comply with the Public Records Act to submit the

engineer's report he requested back in December 2018; but once again they did not respond back. Board Members along with GM stated that it is a lost cause for Attorney to continue to request the report since they are just going to continue to ignore his letters. Attorney agreed and will not pursue it any longer.

- B. GM Report: GM went over his monthly report on subjects not covered on the agenda. The GM's report is available for review. GM stated that the well that is located at the office site gained two feet of water due to the earth quake on July 4th.

OTHER BUSINESS

None

CONFERENCES/SEMINARS/MEETINGS

PRESIDENT/DIRECTOR'S COMMENTS

Director Stewart would like to put in the agenda for next month the subject of finding a gardener to do landscaping for the Office site from the funds that were put aside from last year. Board Secretary stated that she already contacted a gardener and he will come Friday to give us an estimate for a yard clean up and monthly yard work.

Director Critzman would like to put on the agenda at our next Board Meeting to discuss inquiring a new well site further away from the wells we have now in case there might be a shift underground that would cause an issue of pumping water to the tanks, also a new tank site that is further up in elevation to provide future customers or those we will inherit from consolidation.

ADJOURNMENT

A 1st motion was made by Director Stewart to adjourn the meeting at 12:29 a.m. and was 2nd by Vice President Spini. AYE's by Director's Dodge, Spini, Stewart, and Critzman, unanimous, motion carries at 100%.

Approved: _____

Ronald Dodge, Board President

Alice Funderburk, Board Secretary

Mariana Ranchos County Water District
Statement of Cash Flows for Board Meetings
July 2019

	<u>Jul 19</u>
OPERATING ACTIVITIES	
Net Income	11,092.15
Adjustments to reconcile Net Income to net cash provided by operations:	
410 - Payroll - Parent:410.4 - Aflac E/E Withhold Pre Tax	170.32
410 - Payroll - Parent:410.5 - Aflac E/E Withhold After Tax	175.20
	<hr/>
Net cash provided by Operating Activities	11,437.67
	<hr/>
Net cash increase for period	11,437.67
	<hr/>
Cash at beginning of period	668,889.08
	<hr/>
Cash at end of period	<u>680,326.75</u>

08/08/19

Mariana Ranchos County Water District
Checking & Saving Accounts

Jul 31, 19

ASSETS

Current Assets

Checking/Savings

053 - US Bank Parent

053.1 - US Bank Checking #1161 16,410.64

053.2 - CIP Holding Fund 33,511.19

053.4 - Supplemental Water-Restricted 3,848.00

053.5 - Security Fee 2,511.63

053.7 - GM Discretionary Maintenance 2,983.75

053 - US Bank Parent - Other -713.17

Total 053 - US Bank Parent 58,552.04

140 - LAIF - Unrestricted - Parent

140.3 - Capital Improvement Fund Reserv 237,855.61

140.4 - Admin & General Fund Reserve 13,484.62

140.5 - Emergency Fund Reserve 38,117.48

140.6 - Operating Reserve Fund 53,081.00

140.7 - Rate Stabilization Fund Reserve 61,686.00

140.8 - Water Banking Fund Reserve 217,550.00

Total 140 - LAIF - Unrestricted - Parent 621,774.71

Total Checking/Savings 680,326.75

Total Current Assets 680,326.75

TOTAL ASSETS 680,326.75

LIABILITIES & EQUITY 0.00

Mariana Ranchos County Water District
Income Statement
July 2019

	Jul 19
Ordinary Income/Expense	
Income	
600 · Water Sales	37,911.12
605 · Stand-by Charges	3,907.71
606 · Late Fees	285.00
609 · Hydrant Meter Rentals	127.00
635 · Customer Refunds	0.00
636 · Customer Returned Item Charges	
636.3 · Customer Returned Check Fee	55.00
	55.00
Total 636 · Customer Returned Item Charges	55.00
655 · Inactive Meters	275.87
656 · Multiple Meters	170.16
657 · Security Fee	1,160.00
690 · Convenience Fees - Parent	
690.5 · Credit Card Fee	204.00
	204.00
Total 690 · Convenience Fees - Parent	204.00
Total Income	44,095.86
Gross Profit	44,095.86
Expense	
800 · Payroll Exp - Parent	
800.1 · Field Labor	2,634.00
800.2 · Admin Salaries	1,671.85
800.3 · Board Meetings	
800.31 · Directors Compensation	400.00
800.32 · Board Secretary Compensation	50.00
	450.00
Total 800.3 · Board Meetings	450.00
800.4 · General Manager Salary	7,293.20
800.6 · On Call (Pager)	120.00
800.8 · Payroll Taxes	941.13
800.9 · PR Process Co (QB-Benefit Mall)	102.21
	13,212.39
Total 800 · Payroll Exp - Parent	13,212.39
801 · Installation/ Repair Supplies	
801.1 · Meter Installation supplies	221.28
801 · Installation/ Repair Supplies - Other	23.84
	245.12
Total 801 · Installation/ Repair Supplies	245.12
802 · Water Quality Monitor - Parent	
802.1 · Monthly Water Quality Monitor	90.00
802 · Water Quality Monitor - Parent - Other	0.00
	90.00
Total 802 · Water Quality Monitor - Parent	90.00
805 · Dig Alert	13.20
806 · Pumping Station Power-Parent	
806 2 · Well #2	41.02
806 3 · Moonbeam Booster	306.49
806 5 · Alegre Vista Booster	100.46
806 6 · Well #1	2,248.84
	2,696.81
Total 806 · Pumping Station Power-Parent	2,696.81
807 · LAFCO Fee	965.62
810 · Field Repairs - Parent	
810.3 · Maint Equip & Tools	91.66
	91.66
Total 810 · Field Repairs - Parent	91.66
813 · Watermaster Fees	237.25

Mariana Ranchos County Water District

Income Statement

July 2019

08/08/19

Accrual Basis

	<u>Jul 19</u>
818 - Insurance - Parent	
818.1 - Workers Comp	382.53
Total 818 - Insurance - Parent	382.53
821 - Office Supplies - Parent	
821.5 - Office Sundries	12.45
Total 821 - Office Supplies - Parent	12.45
830 - Sales Tax (on purchases)	26.10
832 - Bank/IC/Sage NSF/Reject Charges	
832.5 - IC/Sage Reject	75.00
Total 832 - Bank/IC/Sage NSF/Reject Charges	75.00
836 - Billing Fees - Parent	
836.1 - Credit Card Fee (Bankcard Sage)	135.92
836.2 - EFT Fees (Sage)	30.30
836.4 - INV Cloud Monthly Charge	241.60
Total 836 - Billing Fees - Parent	407.82
838 - System Improvements	1,145.57
851 - Legal Fees - Parent	
851.1 - Attorney/Legal	1,987.50
Total 851 - Legal Fees - Parent	1,987.50
852 - Auditor	9,380.00
855 - Office Utilities - Parent	
855.2 - SCE	179.78
855.3 - Trash	68.64
Total 855 - Office Utilities - Parent	248.42
856 - Telephone - Parent	
856.1 - Office	210.50
856.2 - Internet	139.43
856.5 - Cell Phones	124.22
Total 856 - Telephone - Parent	474.15
858 - Repairs & Maint - Parent	
858.3 - Tank Maint Program	4,010.91
858.7 - Cleaning Service	150.00
858.9 - Gardner	150.00
Total 858 - Repairs & Maint - Parent	4,310.91
863 - Vehicle (Rollng Stock) - Parent	
863.6 - DitchWitch FX-30	76.77
Total 863 - Vehicle (Rollng Stock) - Parent	76.77
868 - Fuel - Parent	
868.1 - Gasoline	292.91
Total 868 - Fuel - Parent	292.91
870 - Personal Safety Equip - Parent	
870.1 - Personal Protect Equip	80.00
870.2 - Uniform (Cintas)	500.56
Total 870 - Personal Safety Equip - Parent	580.56
Total Expense	36,952.74
Net Ordinary Income	7,143.12

Mariana Ranchos County Water District
Income Statement
July 2019

	<u>Jul 19</u>
Other Income/Expense	
Other Income	
910 - Interest Income-District	3,949.03
Total Other Income	<u>3,949.03</u>
Net Other Income	<u>3,949.03</u>
Net Income	<u><u>11,092.15</u></u>

Mariana Ranchos County Water District
Income Statement Previous Year Comparison jim

July 2019

	Jul 19	Jul 18	\$ Change	% Change
Ordinary Income/Expense				
Income				
600 · Water Sales	37,911.12	36,143.15	1,767.97	4.9%
601 · Meter Fees & Installation	0.00	268.00	-268.00	-100.0%
605 · Stand-by Charges	3,907.71	1,899.90	2,007.81	105.7%
606 · Late Fees	285.00	285.00	0.00	0.0%
609 · Hydrant Meter Rentals	127.00	1,813.00	-1,686.00	-93.0%
618 · Supplemental Water Fee	0.00	1,250.00	-1,250.00	-100.0%
622 · Connection Fee	0.00	2,250.00	-2,250.00	-100.0%
635 · Customer Refunds	0.00	0.00	0.00	0.0%
636 · Customer Returned Item Charges				
636.3 · Customer Returned Check Fee	55.00	25.00	30.00	120.0%
Total 636 · Customer Returned Item Charges	55.00	25.00	30.00	120.0%
655 · Inactive Meters	275.87	310.50	-34.63	-11.2%
656 · Multiple Meters	170.16	187.00	-16.84	-9.0%
657 · Security Fee	1,160.00	1,095.00	65.00	5.9%
690 · Convenience Fees - Parent				
690.5 · Credit Card Fee	204.00	180.00	24.00	13.3%
Total 690 · Convenience Fees - Parent	204.00	180.00	24.00	13.3%
Total Income	44,095.86	45,706.55	-1,610.69	-3.5%
Gross Profit	44,095.86	45,706.55	-1,610.69	-3.5%
Expense				
800 · Payroll Exp - Parent				
800.1 · Field Labor	2,634.00	2,436.00	198.00	8.1%
800.2 · Admin Salaries	1,671.85	1,560.00	111.85	7.2%
800.3 · Board Meetings				
800.31 · Directors Compensation	400.00	400.00	0.00	0.0%
800.32 · Board Secretary Compensation	50.00	50.00	0.00	0.0%
Total 800.3 · Board Meetings	450.00	450.00	0.00	0.0%
800.4 · General Manager Salary	7,293.20	7,080.78	212.42	3.0%
800.6 · On Call (Pager)	120.00	120.00	0.00	0.0%
800.8 · Payroll Taxes	941.13	905.28	35.85	4.0%
800.9 · PR Process Co (QB-Benefit Mall)	102.21	87.00	15.21	17.5%
Total 800 · Payroll Exp - Parent	13,212.39	12,639.06	573.33	4.5%
801 · Installation/ Repair Supplies				
801.1 · Meter Installation supplies	221.28	0.00	221.28	100.0%
801.3 · clamps saddles taps	0.00	318.94	-318.94	-100.0%
801 · Installation/ Repair Supplies - Other	23.84	0.00	23.84	100.0%
Total 801 · Installation/ Repair Supplies	245.12	318.94	-73.82	-23.2%
802 · Water Quality Monitor - Parent				
802.1 · Monthly Water Quality Monitor	90.00	90.00	0.00	0.0%
802 · Water Quality Monitor - Parent - Other	0.00	0.00	0.00	0.0%
Total 802 · Water Quality Monitor - Parent	90.00	90.00	0.00	0.0%
805 · Dig Alert	13.20	29.80	-16.60	-55.7%
806 · Pumping Station Power-Parent				
806 2 · Well #2	41.02	2,168.74	-2,127.72	-98.1%
806 3 · Moonbeam Booster	306.49	364.73	-58.24	-16.0%
806 5 · Alegre Vista Booster	100.46	104.21	-3.75	-3.6%
806 6 · Well #1	2,248.84	48.01	2,200.83	4,584.1%
Total 806 · Pumping Station Power-Parent	2,696.81	2,685.69	11.12	0.4%
807 · LAFCO Fee	965.62	1,352.32	-386.70	-28.6%
810 · Field Repairs - Parent				
810.1 · Field Repairs	0.00	433.62	-433.62	-100.0%
810.3 · Maint Equip & Tools	91.66	88.99	2.67	3.0%
Total 810 · Field Repairs - Parent	91.66	522.61	-430.95	-82.5%
813 · Watermaster Fees	237.25	252.30	-15.05	-6.0%
818 · Insurance - Parent				
818.1 · Workers Comp	382.53	274.25	108.28	39.5%
Total 818 · Insurance - Parent	382.53	274.25	108.28	39.5%

Mariana Ranchos County Water District
Income Statement Previous Year Comparison jim

July 2019

	Jul 19	Jul 18	\$ Change	% Change
821 - Office Supplies - Parent				
821.1 - Office Supplies	0.00	7.18	-7.18	-100.0%
821.5 - Office Sundries	12.45	0.00	12.45	100.0%
Total 821 - Office Supplies - Parent	12.45	7.18	5.27	73.4%
830 - Sales Tax (on purchases)	26.10	69.17	-43.07	-62.3%
832 - Bank/IC/Sage NSF/Reject Charges				
832.5 - IC/Sage Reject	75.00	15.00	60.00	400.0%
Total 832 - Bank/IC/Sage NSF/Reject Charges	75.00	15.00	60.00	400.0%
836 - Billing Fees - Parent				
836.1 - Credit Card Fee (Bankcard Sage)	135.92	201.84	-65.92	-32.7%
836.2 - EFT Fees (Sage)	30.30	29.00	1.30	4.5%
836.4 - INV Cloud Monthly Charge	241.60	241.60	0.00	0.0%
836.5 - 3rd Party Mailing Fees	0.00	724.57	-724.57	-100.0%
Total 836 - Billing Fees - Parent	407.82	1,197.01	-789.19	-65.9%
838 - System Improvements	1,145.57	0.00	1,145.57	100.0%
841 - Shredding Service	0.00	91.88	-91.88	-100.0%
851 - Legal Fees - Parent				
851.1 - Attorney/Legal	1,987.50	487.50	1,500.00	307.7%
Total 851 - Legal Fees - Parent	1,987.50	487.50	1,500.00	307.7%
852 - Auditor	9,380.00	0.00	9,380.00	100.0%
855 - Office Utilities - Parent				
855.1 - Gas	0.00	11.00	-11.00	-100.0%
855.2 - SCE	179.78	140.02	39.76	28.4%
855.3 - Trash	68.64	65.88	2.76	4.2%
Total 855 - Office Utilities - Parent	248.42	216.90	31.52	14.5%
856 - Telephone - Parent				
856.1 - Office	210.50	206.85	3.65	1.8%
856.2 - Internet	139.43	139.43	0.00	0.0%
856.5 - Cell Phones	124.22	34.98	89.24	255.1%
Total 856 - Telephone - Parent	474.15	381.26	92.89	24.4%
858 - Repairs & Maint - Parent				
858.2 - Office Repairs/Maint	0.00	72.37	-72.37	-100.0%
858.3 - Tank Maint Program	4,010.91	4,010.91	0.00	0.0%
858.7 - Cleaning Service	150.00	0.00	150.00	100.0%
858.9 - Gardner	150.00	0.00	150.00	100.0%
Total 858 - Repairs & Maint - Parent	4,310.91	4,083.28	227.63	5.6%
863 - Vehicle (Rolling Stock) - Parent				
863.1 - Truck Expenses	0.00	145.78	-145.78	-100.0%
863.6 - DitchWitch FX-30	76.77	0.00	76.77	100.0%
Total 863 - Vehicle (Rolling Stock) - Parent	76.77	145.78	-69.01	-47.3%
868 - Fuel - Parent				
868.1 - Gasoline	292.91	70.92	221.99	313.0%
868.2 - Diesel	0.00	92.10	-92.10	-100.0%
Total 868 - Fuel - Parent	292.91	163.02	129.89	79.7%
870 - Personal Safety Equip - Parent				
870.1 - Personal Protect Equip	80.00	80.00	0.00	0.0%
870.2 - Uniform (Cintas)	500.56	378.60	121.96	32.2%
Total 870 - Personal Safety Equip - Parent	580.56	458.60	121.96	26.6%
Total Expense	36,952.74	25,481.55	11,471.19	45.0%
Net Ordinary Income	7,143.12	20,225.00	-13,081.88	-64.7%
Other Income/Expense				
Other Income				
910 - Interest Income-District	3,949.03	2,873.37	1,075.66	37.4%
Total Other Income	3,949.03	2,873.37	1,075.66	37.4%
Net Other Income	3,949.03	2,873.37	1,075.66	37.4%
Net Income	11,092.15	23,098.37	-12,006.22	-52.0%

Mariana Ranchos County Water District
Check Register for this Month

As of July 31, 2019

Type	Date	Num	Name	Memo	Amount
053 - US Bank Parent					
053.1 - US Bank Checking #1161					
Deposit	07/01/2019			Deposit	152.50
Deposit	07/01/2019			Deposit	1,609.62
Transfer	07/01/2019			Funds Transfer	-2,700.00
Transfer	07/01/2019			Funds Transfer	-1,145.00
Deposit	07/02/2019			Deposit	208.40
Deposit	07/02/2019			Deposit	1,130.14
Check	07/03/2019	INV CLOUD	Invoice Cloud Monthly Charge		-241.60
Check	07/03/2019	7101	Mojave Basin Area Watermaster	3rd Qtr - 2018-19 Water Year - A...	-237.25
Check	07/03/2019	7102	County Treasurer (LAFCO?)	LAFCO's 2019-2020 Apportionm...	-965.62
Deposit	07/03/2019			Deposit	260.84
Deposit	07/03/2019			Deposit	1,480.71
Deposit	07/04/2019			Deposit	115.36
Check	07/05/2019	ONL	Charter Communications	Service Period 6/18/19 thru 7/17/...	-319.93
Check	07/05/2019	ONL	Valero Marketing and Supply Company	Statement Closing Date 6/17/19	-292.91
Deposit	07/05/2019			7/15/19	1,734.51
General Jour...	07/05/2019			# 90805215C - Li, Guankun- RO...	-50.31
General Jour...	07/05/2019			# 90805215C - Li, Guankun- RO...	-2.50
General Jour...	07/05/2019			# 90805215C - Li, Guankun- RO...	-15.00
Deposit	07/05/2019			Deposit	360.70
Deposit	07/05/2019			Deposit	1,536.60
Deposit	07/06/2019			Deposit	275.09
Deposit	07/06/2019			Deposit	273.13
Deposit	07/07/2019			Deposit	345.88
Deposit	07/07/2019			Deposit	323.10
Deposit	07/08/2019			Deposit	1,766.08
Deposit	07/09/2019			Deposit	103.72
Deposit	07/09/2019			Deposit	893.22
Check	07/09/2019	7103	ACWA/Joint Powers Insurance Authority	Worker's Comp. Program - QTR 4	-382.53
General Jour...	07/10/2019			# 00832153-Whitehall - Reject : I...	-55.21
General Jour...	07/10/2019			# 00832153-Whitehall - Reject : I...	-2.50
General Jour...	07/10/2019			# 00832153-Whitehall - Reject : I...	-15.00
Deposit	07/10/2019			Deposit	85.71
Deposit	07/10/2019			Deposit	852.75
Check	07/10/2019	7104	Petty Cash/ Funderburk	replenish petty cash	-162.45
Check	07/11/2019	ONL	Inland Water Works Supply	Statement Peroid June 2019	-1,145.57
Deposit	07/11/2019			Deposit	83.76
Deposit	07/11/2019			Deposit	938.98
General Jour...	07/11/2019			#00822146 - Jeson Wood - R03-...	-128.26
General Jour...	07/11/2019			#00822146 - Jeson Wood - R03-...	-5.00
General Jour...	07/11/2019			#00822146 - Jeson Wood - R03-...	-15.00
Deposit	07/12/2019			7/15/19	2,965.12
Check	07/12/2019	CompuPay	Compupay		-5,005.00
Check	07/12/2019	CompuPay	Compupay		-47.15
Check	07/12/2019	Compupay...	Compupay		-1,473.88
Deposit	07/12/2019			Deposit	3,907.71
Deposit	07/12/2019			Deposit	243.00
Deposit	07/12/2019			Deposit	930.60
Deposit	07/13/2019			Deposit	74.34
Deposit	07/13/2019			Deposit	484.48
Deposit	07/14/2019			Deposit	304.95
Check	07/15/2019	ONL	AVCO DISPOSAL, INC.	Invoice # N062702995	-68.64
Check	07/15/2019	ONL	Southern California Edison	Service Period 5/21/19 thru 6/25/...	-2,876.59
Check	07/15/2019	ONL	Utility Service Co., Inc.	Invoice # 481210	-4,010.91
Check	07/15/2019	ONL	T-Mobile	Service Period 5/24/19 - 6/23/19	-34.75
Check	07/15/2019	ONL	Union Bank	Statement Period 5/27/19 - 6/25/...	-30.00
Check	07/15/2019	ONL	Cintas Corporation #150	Service Period June 2019	-500.56
Check	07/15/2019	ONL	Michael Silander	Service Period June 2019	-1,987.50
Check	07/15/2019	ONL	Underground Service Alert	Invoice # 620190458	-13.20
General Jour...	07/15/2019			#00821246 - Lockhorst - R01-NSF	-117.00
General Jour...	07/15/2019			#00821246 - Lockhorst - R01-NSF	-5.00
General Jour...	07/15/2019			#00821246 - Lockhorst - R01-NSF	-15.00
Deposit	07/15/2019			Deposit	2,056.38
Deposit	07/15/2019			Deposit	9,179.98
Check	07/15/2019	7105	San Bernardino County	VOID: void check used for ACH ...	0.00
Deposit	07/16/2019			Deposit	68.06
Deposit	07/16/2019			Deposit	1,226.89
Deposit	07/17/2019			Deposit	219.37
Deposit	07/17/2019			Deposit	672.57
Check	07/18/2019	ONL	Miers & Miers	Invoice # 787 - Audit for Year En...	-9,380.00
Check	07/18/2019	ONL	Verizon	Invoice # 9833584162	-89.47
General Jour...	07/18/2019			#20814327 - Stiles - NSF	-15.00
Check	07/19/2019	ONL	Lowe's	Statement Date 7/02/19	-362.88
Deposit	07/19/2019			7/22/19	1,886.88
Deposit	07/19/2019			7/22/19	127.00
Deposit	07/19/2019			Deposit	63.16
Deposit	07/19/2019			Deposit	115.72

10:38 AM

08/08/19

Accrual Basis

Mariana Ranchos County Water District
 Check Register for this Month

As of July 31, 2019

Type	Date	Num	Name	Memo	Amount
Deposit	07/21/2019			Deposit	61.66
Check	07/22/2019	ONL	Ditch Witch West	Invoice # 298065	-76.77
Check	07/22/2019	ONL	Geo-Monitor, Inc.	Invoice # 21969	-90.00
Deposit	07/22/2019			Deposit	205.79
Deposit	07/24/2019			Deposit	393.76
Deposit	07/25/2019			Deposit	0.45
Deposit	07/26/2019			8/05/19	754.32
Check	07/26/2019	7106	Rene Gramajo	Yard Clean up	-150.00
Deposit	07/26/2019			Deposit	362.41
Deposit	07/26/2019			Deposit	1,126.19
Check	07/26/2019	CompuPay	Compupay		-4,949.57
Check	07/26/2019	CompuPay	Compupay		-55.06
Check	07/26/2019	Compupay...	Compupay		-1,416.21
Deposit	07/27/2019			Deposit	596.99
Deposit	07/27/2019			Deposit	501.06
Deposit	07/28/2019			Deposit	161.46
Deposit	07/28/2019			Deposit	379.67
Check	07/28/2019	Sage	Sage Payment Solutions		-30.30
Deposit	07/29/2019			Deposit	101.90
Deposit	07/29/2019			Deposit	283.26
Check	07/29/2019	SAGE	BankCard (Sage Merchant)		-135.92
Deposit	07/30/2019			Deposit	35.08
Deposit	07/30/2019			Deposit	105.74
Check	07/31/2019	7107	KMC Investment Corp.	Security Deposit Refund	-72.18
Deposit	07/31/2019			Deposit	78.00
Deposit	07/31/2019			Deposit	329.52
Total 053.1 - US Bank Checking #1161					3,644.09
Total 053 - US Bank Parent					3,644.09
TOTAL					3,644.09

RESOLUTION NO. 19-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF MARIANA RANCHOS COUNTY WATER DISTRICT AMENDING THE ADMINISTRATIVE CODE BY REMOVING DISTRICT'S DISCONTINUATION POLICY AND IMPLEMENTING ALTERNATIVE MEASURES TO ENCOURAGE TIMELY PAYMENTS OF WATER BILLS

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF MARIANA RANCHOS COUNTY WATER DISTRICT ("DISTRICT"), as follows:

1. Scope and Purpose.

This resolution amends the Administrative Code to remove District's discontinuation policy for non-payment of water bills and replacing that policy with measures that encourage timely payments of water bills in a less intrusive manner.

2. Findings.

District is a small county water district incorporated pursuant to California Water Code section 30000, et seq. District serves approximately 1360 customers, totaling 425 connections, in the Southern end of the Town of Apple Valley. District employs one full time General Manager and three part time employees.

SB 998 (Dodd) was signed into law September 28, 2018, and adds section 116900, et seq. ("Water Shutoff Protection Act" or "Act"), to California's Health and Safety Code. The Act applies to urban and community water systems, defined as a public water system that supplies water to more than 200 service connections, and is therefore applicable to District. For District, the law takes effect as of April 1, 2020.

The Water Shutoff Protection Act imposes significant new requirements and procedures applicable to water districts that currently have, or intend to implement, a policy whereby water service is discontinued for customers who do not pay their water bills. Those requirements and restrictions include, but are not necessarily restricted to, the following:

- Discontinuation policy: Districts that are subject to the Act and that have or intend to implement a discontinuation policy must develop a written policy on discontinuation of residential service for nonpayment in English, the languages listed in Section 1632 of the Civil Code (Spanish, Chinese, Tagalog, Vietnamese, and Korean), plus any other language spoken by at least 10 percent of the people residing in its service area. The policy must include (1) a plan for deferred or reduced payments, (2) alternative payment schedules, (3) a formal mechanism for a customer to contest or appeal a bill, and (4) a telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment. If applicable, the policy must be available on District's website.
- Discontinuation procedures: The Act further provides that districts must not discontinue residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. No less than seven business days before discontinuation, districts must contact the delinquent customer by telephone or in writing. When contacting the customer, the district must offer to provide (in writing) the district's discontinuation policy. A district must also offer to discuss options to avert discontinuation, including but not limited to alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal. If the district elects to contact the customer in writing (which is wise in order to create a paper trail and prove compliance with the

new law), the written notice must include (1) the customer's name and address, (2) the amount of the delinquency, (3) the date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service, (4) a description of the process to apply for an extension of time to pay the delinquent charges, (5) a description of the procedure to petition for bill review and appeal, and (6) a description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule. Additional requirements for the notice apply.

- Discontinuation limitation #1 – health and safety: In addition to the procedures set forth above, districts that are subject to Act may not discontinue residential service if (1) the customer submits a certification of a primary care provider that discontinuation will be life threatening to, or pose a serious threat to the health and safety of, a resident, (2) the customer demonstrates that he or she is financially unable to pay for water service within the urban and community water system's normal billing cycle, and (3) the customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment. If these conditions are met, a district must offer the customer one or more of the following options: (1) Amortization of the unpaid balance. (2) Participation in an alternative payment schedule. (3) A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers. (4) Temporary deferral of payment. If the district eventually discontinues service for nonpayment, it must provide the customer with information on how to restore service.

- Discontinuation limitation #2 – means: For customers who have a household income below 200 percent of the federal poverty line, a water district must do both of the following: (1) Set a service fee for reconnection during normal operating hours at fifty dollars (\$50), but not to exceed the actual cost of reconnection if it is less. (2) Waive interest charges on delinquent bills once every 12 months.

- Reporting requirements: Each water district is also required to report the number of annual discontinuations of residential service for inability to pay on its website.

District currently has a discontinuation policy in effect in order to assure that customers paying their water bills are not unfairly burdened by non-paying customers, and to encourage all customers to pay their bills for water obtained and used in a timely manner. However, the new mandates imposed by the Water Shutoff Protection Act would force District to implement and enforce policies and procedures that would significantly increase the cost and workload of District's limited resources and staff. District finds that implementing the discontinuation policies pursuant to the Act would require District to add to its four-person staff, which in turn would necessitate District raising its water rates and placing a further financial burden on District's rate-payers.

Based on the foregoing findings, District's board of directors has decided to cease its current discontinuation policy and refrain from implementing a new discontinuation policy for non-payment of water bills. Instead, District will replace that policy with alternative and less drastic measures to encourage its rate-payers to pay their water bills in a timely manner. To this end, District, through its board of directors, amends District's Administrative Code by removing its discontinuation policy and implementing alternative measures as set forth below.

2. Amendments: Discontinuation of Water Service Revoked

Section 3.08 of the Administrative Code is hereby amended to read in its entirety as follows:

"Section 3.08 Penalty for Violation

For the failure of any customer to comply with all or any part of this code, and any other ordinance, resolution or order of the Board of Directors of this District, except as set forth in section 10.18.01 of the Administrative Code, in addition to any other penalties or actions available to the District, the customer's service shall be discontinued and water shall not be supplied to such customer until he shall have complied with the rule or regulation which he has violated, or in the event that he cannot immediately comply with said rule or regulations until he shall have satisfied the District that in the future he will comply with the applicable rules and regulations established by the District and with all applicable rates and charges of the District."

Section 9.02 of the Administrative Code is hereby amended to read in its entirety as follows:

"Section 9.02 Use of Security Deposit

If a customer fails to pay for water used and provided by the District, the amount remaining unpaid for water service may be retained by the District as an offset from the security deposit."

Section 9.04 of the Administrative Code is hereby amended to read in its entirety as follows:

"Section 9.04 Security Deposit Required/Turn-Off for Non-Payment

A customer with a deposit that is insufficient to cover the amount of a delinquent bill shall be charged an additional deposit sufficient to cover the difference for security. These required deposits should be paid in full, along with all other necessary fees. Said security deposit will be not less than the minimum deposit as established by the Board of Directors as described in §9.01 above."

Section 10.18.01 of the Administrative Code is amended to read in its entirety as follows:

"Section 10.18.01 Notice of Delinquency; Time; Prior to Termination; Notice of Termination; Third-Party Notification for Elders or Dependent Adults; Contents of Notice

(a) If a water bill remains unpaid in part or in full (without a previous arrangement) within 48 hours prior to the last business day of the billing month, a flow reduction notice will be placed on the door handle, gate, or other conspicuous place on the property receiving the water service, and an additional notice fee of fifty (\$50.00) will be charged. If payment is not received by 11:00 a.m. PST on the last business day after the notice has been posted, District may, at its sole discretion, reduce the flow of potable water to the residence at a rate that would allow the customer adequate water for human consumption, cooking, and sanitary purposes. The water service reduction will not be lifted except upon payment of (1) the full outstanding amount, (2) the notice fee of fifty dollars (\$50.00), and (3) an additional restriction lift fee of fifty dollars (\$50.00).

(b) District will make available to its residential customers who are 65 years of age or older, or who are dependent adults, a third-party notification service, whereby the District will attempt to notify a person designated by the customer to receive notification when the customer's account is past due and subject to restriction. The notification shall include information on what is required to prevent restriction of service. The residential customer shall make a request for third-party notification on a form provided by the District and shall include the written consent of the designated third party. The third-party notification does not obligate the third party to pay

the overdue charges and shall not prevent or delay any flow restriction or imposition of fees as set forth in subsection (a), above.

(c) Every notice of water flow restriction shall include all of the following:

(1) The name and address of the customer whose account is delinquent;

(2) The amount of the delinquency;

(3) The date by which payment or arrangements for payment is required in order to avoid the imposition of flow restrictions; and

(4) The telephone number of a representative of the District who can provide additional information or institute arrangements for payment."

Section 10.22 of the Administrative Code is hereby amended to read in its entirety as follows:

"Section 10.22 Water Used Without Proper Applications Being Made

A person taking possession of premises and using water from an active service connection without having made application to the District for water service shall be held liable for the water delivered from the date of the last recorded meter reading, and if the meter is found inoperative, the quantity consumed will be estimated by the District. If proper application for water service is not made upon notification to do so by the District, the service shall be discontinued by the District without further notice."

Section 10.26 of the Administrative Code is hereby amended to read in its entirety as follows:

"Section 10.26 Water Flow Restriction Imposed for Non-payment

When service has been subjected to water flow restrictions because an account is delinquent, or if water service has been disconnected for any other infraction of the rules, there will be a charge of fifty dollars (\$50.00) for restoration of full water flow and fifty dollars (\$50.00) for turn on made. These amounts as well as all other outstanding amounts must be paid before restoration of full water flow will be restored."

PASSED, APPROVED AND ADOPTED on August 15th, 2019.

Ronald E. Dodge, President

ATTEST:

Alice Funderburk, Secretary