

**JOSHUA BASIN WATER DISTRICT
DISTRICT PROFILE SUMMARY SHEET**

District Contact Persons:

General Manager: Joe Guzzetta

Assistant GM/Controller: Susan Greer

Address:

61750 Chollita Road PO Box 675
Joshua Tree, CA 92252

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San Bernardino County

E-mail Address:

jguzzetta@jbwd.com; sgreer@jbwd.com; jbwd@jbwd.com

Website Address: (under construction):

jbwd.com

Date of Formation:

By Resolution of the County Board of Supervisors January 21, 1963 pursuant to election and other provisions of Section 30000 of the State Water Code.

Principal Act:

State of California Water Code 30000

Improvement Districts: Yes No

Please see attached Boundary Description.

Governing Body:

Five member board of directors elected at-large.

Membership:

William C. Long	President
Gary Given	Vice President
Gary Lovelace	Director
Gary Wilson	Director
Karl Wyne	Director

Public Meetings:

Held first and third Wednesdays of each month at 7:00 pm at the District office: 61750 Chollita Road, Joshua Tree, CA 92252

SERVICES

Currently Authorized Powers

SERVICE	FUNCTIONS
Water	Retail, agricultural, domestic, replenishment.
Sewer	Operation of Package Treatment Plants defined as consisting of units or modules designed for construction, assembly, connection and installation at the site for treatment of sewage and are to be operated for a limited area, including but not limited to a residential subdivision; Planning and engineering for regional sewer service.

Latent Powers (Services) – those services authorized by the Agency’s principal act, but not activated through the LAFCO process:

SERVICE	FUNCTIONS
Waste water collection and treatment	Sewer collection and treatment

Area served: 98 Square Miles/62,720 Acres

Population: 8,137 (2000 Census)

Registered Voters: 3,957 As Of October 17, 2006

Services Provided Outside Agency Boundaries:

SERVICE	PROVIDED TO WHOM	DATE OF CONTRACT	SUNSET DATE
None			

Special Charges for services outside boundaries: The District has the ability to provide water to neighboring water agencies under emergency circumstances. Rates are now under review.

Special policies for providing service outside boundaries: Emergency basis only, to adjoining water agencies.

SPHERE OF INFLUENCE

Established:

LAFCO Number	Resolution No./ Date Adopted	Location

CHANGES:

LAFCO Number	Resolution No./ Date Adopted	Type of Change	Location

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**JOSHUA BASIN WATER DISTRICT
MUNICIPAL SERVICE REVIEW**

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I. Growth and Population

1. Population Information

- a) Existing population is 8,170 based on the 2000 Census, the most recent data available. The District has added about 600 service units since that time, or as many as 1,000 to the population. Buildout population is projected at 98,000.
- b) JBWD surrounds two sections of land in the northwest area, which are in the Sphere of Influence. They were excluded at the time that JBWD voters approved an assessment to have access to State water. There are no inhabitants. The buildout number of dwellings is 256 with a population of 700.

2. Master Plan

The JBWD July 2004 Master Plan Update shows 36,006 service connections at "buildout." The calculation is based on land use from the San Bernardino County General Plan and Zoning Ordinance. The Master Plan does not calculate a specific population.

II. Present and planned capacity of public facilities and adequacy of public services

1. Capital Improvement Plans Studies

The JBWD Master Plan identifies the major water storage and distribution facilities required at buildout, making it easy to calculate the specific facilities needed to serve any new development. Since development in Joshua Tree has been erratic and relatively slow overall, JBWD does not have plans to build growth-related facilities in any particular year. JBWD does plan for the necessary replacement and upgrade of existing facilities to maintain a high level of service to existing customers. The primary improvements within the next five years will be to increase storage in the H and F zones, and to replace the last of aging steel four-inch pipe for better flow and fire protection.

2. Water Service Plans.

The total capacity of the JBWD's 17 storage reservoirs is 12.33 million gallons, or three to four times the current maximum day demand of 2.75 million gallons. Since the storage is not dispersed evenly there are deficiencies in some zones. JBWD plans to increase storage in those areas but is able to meet the current demand by adjusting the operations to assure adequate supply systemwide.

When JBWD begins to approach "build-out" it will be necessary to import water from the State Water Project through Mojave Water Agency (the local water wholesaler). JBWD currently has about 625,000 acre feet of water in storage and uses about 1750 acre feet per year. There is no "natural recharge" (replenishment through precipitation, surface water, etc.) Although this is an ample supply, our policy is to replenish the current usage in order not to

“overdraft” the aquifer. JBWD is conducting studies that will result in constructing a recharge facility to store water from the State Water Project and other sources. JBWD is entitled to 1984 acre feet of water through the year 2022.

3. Sewer Service Plans/Studies

The District has just been granted the authority to own, operate, and maintain local “package” sewer treatment plants and to plan for a future central sewer system. There are currently no sewer treatment plants within JBWD. Most residential and commercial customers have septic systems.

JBWD’s three-staged strategy to provide wastewater treatment is:

- 1) To own, operate, and maintain package plants serving new development, designed to connect to a central plant when it is economically feasible to do so;
- 2) Plan for central municipal wastewater treatment facilities (which could be decades away);
- 3) Implement a financing program that will require all new development served by package plants to contribute some funding toward a centralized municipal treatment plant.

4. Age and Condition of Water Facilities

The construction dates of existing storage reservoirs is as follows: 1966 (3 reservoirs), 1975 (6 reservoirs), 1986, 1988, 1989, 1994, 1996, 1998, (1 reservoir each); 2001 (2 reservoirs). Of the 1,400,000 feet of water distribution mains, about 600,000 have been installed or replaced since 1998. This includes replacing about half of the 105,000 feet of 4-inch steel pipe with 8” and 12” pipe to meet fire as well as domestic standards. The District plans to replace most of the remaining 4-inch line within the next 2 years.

5. Capacity Analysis

- a) JBWD anticipates 36,000 service connections at “build-out”. JBWD has storage capacity for about 12,000 to 15,000 service connections overall, but will need additional storage depending on where the future units are developed. The location of new development will determine whether or not the distribution system will need to be expanded. The system did not have to expand at all to accommodate all 600 units connected in the past few years. New development will pay for the costs of expanding the system to serve each development.
- b) JBWD has about 4400 active and 1100 inactive accounts currently.
- c) All services are within JBWD boundaries.

6. Future Development

- a) As development occurs 12-inch mainlines will be installed on a .5 mile grid. At “build-out” 14 of the 17 pumping zones will require additional storage capacity delivered through 26 new reservoirs. JBWD is embarking on a program to acquire the additional land needed for this purpose. Pumps and related equipment will be needed. Development impact fees are now collected to pay for all of this.
- b) At “build-out” JBWD will need to import water from the State Water Project and other sources through Mojave Water Agency (local water wholesaler). JBWD is conducting

studies that will lead to the construction of recharge facilities to store the water in two years.

- c) Development Impact (Capacity) fees
- d) The schedule for improvements will depend on the rate of development. All development currently approved has sufficient infrastructure or the infrastructure has been required as a condition of development.

7. Reserve Capacity

- a) JBWD's policy is to have 2 times the Average Daily Demand for storage facilities. For groundwater storage, since the aquifer is confined with no natural recharge, the policy is to replenish the aquifer with the same amount of water that is extracted, maintaining the aquifer at about 625,000 acre feet. At the current rate of extraction and population growth, JBWD would have reserves for over 100 years. As "build-out" approaches, JBWD would have a 15 to 20 year reserve (using an estimated 13,000 acre feet at "build-out").
- b) JBWD has no inter-ties with other agencies but has installed temporary inter-ties when necessary to assist an adjoining agency in the past.

III. Financial Ability to Provide Services

1. Finance Documents/Plans for:

The most recently adopted two-year budget (06/07 and 07/08) is attached. The two most recent completed audits are attached. Capital improvement plan and 2-year capital budget is attached.

2. Bond Rating

JBWD's most recent bond rating was provided in conjunction with the District's \$5,400,000 Revenue Refunding Bonds, Series 1997. As of 10/29/97, Moody's rating was Aaa; Standard & Poor's rating was AAA. JBWD has not issued any new bond debt since that time and do not have a more current bond rating.

3. Revenue sources

JBWD has several revenue sources including user fees for water service, ad valorem tax and special assessments for debt service, standby charges and general tax revenues. JBWD taxes and assessments for debt service cannot be increased more than the debt service due. Standby charges cannot be increased without Prop. 218 vote; all indications are that the election would fail to provide authorization for increase. General tax revenue increases are limited by Proposition 13 and are currently being considered for a Prop. 1A shift anyway. JBWD has a multi-year user fee increase plan in place. JBWD reviews its fee structure regularly to assure that new development "pays its way" and to adhere to state laws regarding fees.

4. Major Expenditure Categories

JBWD's major expenditure categories are payroll costs, debt service and capital replacement and expansion. Costs are controlled by comparative pricing and bidding, and overseen by a frugal Board of Directors and community.

5. Joint Financing Projects

- a. The bonds refunded in 1997 were issued under the Joshua Basin—Hi-Desert Financing Authority, a joint powers authority formed for this purpose. Policies are provided in the attached Agreement.
- b. The District cooperates financially with other agencies where feasible, such as participating in the cost of extending a mainline for two miles to serve Copper Mountain College.

6. Overlapping/Duplicative Services

7. Rely on Other Agencies

JBWD does not rely on other agencies for administrative functions or grant management. We have no comparative costs for in-house cost vs. outside cost.

8. Per Unit Service Costs

- a. Currently, monthly costs for a typical, ¾” residential water meter is indicated below:

Basic Fee	21.20
Water Consumption	
0-5 units	1.91 per unit
6-20 units	2.12 per unit
21-40 units	2.25 per unit
41 + units	2.35 per unit

Our typical residential customer uses about 10 units of water per month for a monthly cost of \$41.35, or \$4.14 per unit.

- b. Typically, JBWD rates are far lower than Hi Desert Water Agency, about the same or lower than Bighorn Desert View Water Agency, and higher than Twentynine Palms Water District.

New service connection charges for a typical ¾” residential meter are \$3,119 Capacity Charge and \$875 Meter Installation Charge.

9. Identify Current Rates and Plans.

Resolution 07-806 is attached, indicating both current and planned rate increases.

IV. Status of, and opportunities for shared facilities

1. Shared Facilities

- a) Existing facilities: JBWD currently shares no facilities with other agencies.
- b) Future opportunities/options: In the future, from a technical perspective, the following options could occur:
 - Waste water treatment facilities could be shared with one or more water districts. The economic benefit has not been evaluated.
 - Since the aquifer is entirely within the JBWD boundaries, there would be great resistance to sharing any water facilities with other jurisdictions.
 - JBWD has made great efforts to coordinate programs and resources other than physical resources, with other agencies. This includes coordinating conservation

programs with other high desert communities, serving as lead agency to obtain a Bureau of Reclamation conservation grant for high desert agencies, participating in the Morongo Basin Open Space conservation committee, and working with the Joshua Tree National Park.

2. Duplication of Facilities

Other than the possible duplication of future waste water facilities, we do not anticipate duplicating facilities of any other agencies.

V. Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies

1. Budget

a. Policies: JBWD prepares a bi-annual budget. The following informal budget policies are followed:

- With the exception of depreciation, operating revenue equals or exceeds operating expenses.
- Rates are set on a multi-year basis to escalate with inflation and avoid major sudden increases.
- Reserves are established for heavy equipment, vehicles, and major computer expenses.
- Reserves are established for long term replacement of major infrastructure (pipes, wells, etc.).
- The District maintains a very low debt ratio. Most expenditures, including major infrastructure, are not financed.

b. Policies for payment of the governing body: Administration Code is attached, see Article 2.03 and 2.04, relating to policies for reimbursement of expenses to Board of Directors. Ordinance 07-6 is attached, relating to Director compensation.

c. Preparation/public involvement: The Board conducts strategic planning workshops to identify priorities and programs of work. Staff prepares a draft budget to include those priorities. The draft is reviewed by the Citizens Advisory Committee and presented to the Board of Directors and general public at a minimum of one public meeting to obtain public input. The last two-year budget is summarized below:

	06/07	07/08
Revenues	\$4,355,194	\$4,364,271
Expenditures	\$3,404,471	\$3,474,522
Net Revenue	\$ 947,723	\$ 889,749

d. The District's revenues exceed expenditures by approximately \$900,000 in the last two budgets. Reserves are approximately \$8,000,000. The District prefers a pay-as-you-go system, using net revenues and reserves to fund capital replacement and expansion.

2. Governing Body

- a. The District's five-member Board of Directors is elected at-large to a four-year term. Appointments to fill vacancies that occur outside of the regular election schedule are filled as provided by state code.
- b. Frequency of meetings: Regular meetings are held two times per month and special meetings are scheduled otherwise as needed.
- c. Brown Act: JBWD adheres strictly to the Brown Act as indicated in Article 7 of the Administration Code attached.
- d. Number of elections: Over the last ten years, four elections have been held.

3. Level of Service

- a. Meets Customer Needs: Generally, we believe that levels of service exceed customer needs. We have expanded staff and improved technology and equipment over the last few years to better meet customer demand. We are currently in the design phase for a website that will provide public information and opportunity to make payment online, a frequent request. JBWD is in the last phase of an 11-mile mainline replacement project that will eliminate frequent leaks and provide improved fire flows in the southwest area.
- b. Customer satisfaction: We have not conducted any customer surveys but gauge the customer satisfaction in other ways. Lack of negative feedback as more than 1,000 customers pay in person each month provides an indicator of satisfaction. When multi-year rates were adopted two years ago, 8000 notices were mailed. Eight protests were received; five of those from one individual. The District often receives complements about its service, and rarely receives complaints.

4. Customer/Community Access

- a. Hours: JBWD offices are open for service Monday through Friday 8am to 5pm excluding major holidays. After-hours emergency service is available 24 hours per day.
- b. Newsletters: The District sends a newsletter along with the water bills every month and has received positive feedback about the information provided.
- c. Website: A website is in construction and scheduled to go online in July 2008, with input about content already provided by the Citizens Advisory Committee.
- d. Media Coverage: JBWD business is reported regularly by the local newspaper, the Hi-Desert Star, as well as the local radio station, KCDZ FM. Meeting notices are publicized by both and we post notices of the meetings in the local post office as well. JBWD Board meetings are televised on local cable TV and JBWD was the first local agency in the Morongo Basin to do so.

5. Regular Progress Reports

The District reviews progress of the program of work and major projects at each Board meeting.

6. Does the agency recommend any government structure options (consolidation, reorganization, status quo)?

Based on citizen interest the District reviewed the viability of participating in a Community Services District (CSD) that would merge JBWD with Community Services Area 20. While

the Board has not taken a position on a CSD, the Citizens Advisory Committee reviewed the structure and found no reason for the District not to participate in a CSD.

a. Benefit to customers

- A CSD would provide a more identifiable local government agency to deal with broader issues on a more local level.
- Representation to the CSD would be entirely from Joshua Tree.
- The CSD could become involved appropriately in land use matters, which is the major public policy issue typically facing Joshua Tree.
- A CSD would provide a framework to consider future incorporation of a city as it moves toward the "build-out" population of 98,000. The fact that JBWD has a strong administrative organization would make future incorporation more likely at an earlier date than if there were no structure in place.
- A CSD would save some administrative costs resulting in more services to local residents.

b. Services to be provided: A CSD would initially provide water, sewer, park, and street light services. It would probably become involved in land use matters to the extent allowed by the Government Code.

c. Major hurdles to consolidation: The major hurdle to consolidation would be local political differences of opinion.

7. Does the agency have strategies or policies for future service delivery?

The District has long term strategies in place to provide the services necessary at "build-out" of Joshua Tree. This includes importing water from the State Water Project, although the District's current supply of water would serve the current population for over 150 years. It also includes planning for sewer services although the need for a municipal sewer will probably not occur for a decade or longer.

8. Operational Efficiencies

JBWD contracted for an organizational study two years ago to assess staffing levels and structure. We are currently at full staff, with 23 employees, including several new "lead" positions suggested by the study. Several job descriptions were changed to improve efficiency and provide better service. Cross-training is in progress.

JBWD has the leading technology within the Morongo Basin including a geographic information system (GIS) to facilitate mapping, field operations, and new development. All new PC's were purchased a few years ago and a major comprehensive municipal software program is now being installed. Almost all of the field vehicles are new and well-equipped. JBWD is the only Morongo Basin water district to read meters remotely through radio technology, reducing the time required for meter reading from one month to one week. The District has no joint powers agreements related to providing service. A JPA was formed for financing purposes only as indicated above in section III.5.

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JOSHUA BASIN WATER DISTRICT
MANDATORY FIVE YEAR UPDATE
SPHERE OF INFLUENCE REVIEW

LAFCO
San Bernardino County
NAME OF AGENCY: Joshua Basin Water District

2. Provide an identification of the entities that provide service to your agency. Please indicate whether they are public or private entities and include subsidiary districts in this description. Please include a description of City or District-governed agencies (i.e. redevelopment agency, development corporations, joint powers authorities, improvement districts, etc.):

a) County of San Bernardino General Services (Law enforcement, roads, flood control, registrar of voters, etc.)

b) County Service Area 20 (Parks, recreation, street lights, fire); subsidiary of County of San Bernardino.

c) Morongo Basin Ambulance Association (non-profit)

3. Provide a narrative description of anticipated alterations in the agency's current sphere of influence that should be considered in this review. This identification should include any potential development that would require a sphere of influence amendment for implementation, etc.

The District's sphere is contiguous with the boundaries except for two islands, and no changes are anticipated.

4. CITIES: Provide an outline of negotiations with the County of San Bernardino related to any sphere change anticipated. Please include an outline of agreements on boundaries, development standards, zoning requirements, if any. This is required pursuant to Government Code Section 56425 (b)

N/A

5. CITIES: Provide an outline of the dates for adoption and plans for update, if any, for;

General Plan: _____

Elements if adopted separately

NAME

DATE OF ADOPTION/UPDATE PLANS

N/A

_____	_____
_____	_____
_____	_____
_____	_____

6. **CITIES/SPECIAL DISTRICTS:** For the services provided by the agency identify the appropriate document below and provide an outline of the date of adoption, schedule for update, copy of the document and copy of environmental document, if applicable:

Master Plan for Water Utility	2000 with 2004 update
Master Plan for Sewer Utility	_____
Master Plan for Fire Service	_____
Master Plan for Park Service	_____
Urban Water Management Plan (with copy of certification from Department of Water Resources)	2005: Department of Water Resources has just requested additional information.
Other (Please name):	_____
_____	_____

7. **SPECIAL DISTRICTS:** Provide an outline of the following items related to the services provided by the District. This response is specifically required by Government Code Section 56425(i) et seq.

a) Provide a written statement specifying the functions and/or classes of service provided by your District.

1. JBWD acquires, constructs, owns and operates water production and distribution facilities and provides water to retail customers.
2. JBWD has authority to acquire, construct, and operate local facilities for the collection, treatment and disposal of sewage and waste water.
3. JBWD has authority to plan for the construction, ownership and operations of central sewage and waste water facilities.

b) Provide a written description of the nature, location and extent of the functions and/or classes of service outlined above. Where the service area is less than the boundaries of the District provide a map depiction of the location.

1. JBWD provides water to all areas within the boundaries (some more sparsely than others) except the two sections that have never annexed to the District.
2. JBWD has only recently obtained authority for local sewage and waste water facilities and none have been constructed to date.
3. JBWD has initiated some very preliminary studies relative to sewage and wastewater treatment facilities.

c) Provide a brief outline of master plans adopted for each of the services listed above including a summary of their findings and the date of their adoption. If master plans are required to be filed with a County, State or Federal agency please note the date of their acceptance. Provide a copy of the master plans with this document if not previously provided to the LAFCO staff office including a copy of the environmental determination associated with the document.

The JBWD Water Master Plan was written in 2000 and updated in 2004. It provides requirements for distribution and storage for a buildout of 36,000 service connections (about 98,000 population).

8. Provide a response to the four factors outlined in Government Code Section 56425 required for a sphere of influence review outlined as follows:

- a) **The present and planned land uses in the area, including agricultural and open-space lands.**

The two islands within the District are zoned for low density residential with an estimated 256 single family residential units at "build-out".

- b) **The present and probable need for public facilities and services in the area.**

Water and some level of waste water treatment or septic system will be required.

- c) **The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

The property owners of the islands elected to be excluded from the District when standby charges were put in place many years ago. Upon payment of "avoided fees" and installation of infrastructure the District would provide water service to the properties.

- d) **The existence of any social or economic communities of interest in the area.**

The County of San Bernardino Joshua Tree Community Plan and County Service Area 20 are approximately contiguous with the JBWD and provide a community of interest.

CERTIFICATION

I hereby certify that the statements furnished above and in the attached supplements, exhibits, and documents present the date and information required for this mandatory review to the best of my ability, and that the facts, statements, and information presented herein are true and correct to the best of my knowledge and belief.

DATE: 6/3/2008

Joe Guzzetta
Signature of Official

JOE GUZZETTA
Printed Name

GENERAL MANAGER
Title