



AGENDA

**REGULAR MEETING OF THE BOARD OF DIRECTORS
LA PUENTE VALLEY COUNTY WATER DISTRICT
112 N. FIRST STREET, LA PUENTE, CALIFORNIA
MONDAY, JULY 22, 2019 AT 5:30 PM**

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL OF BOARD OF DIRECTORS

President Escalera ____ Vice President Hernandez ____ Director Barajas ____
Director Hastings ____ Director Rojas ____

4. PUBLIC COMMENT

Anyone wishing to discuss items on the agenda or pertaining to the District may do so now. The Board may allow additional input during the meeting. A five-minute limit on remarks is requested.

5. ADOPTION OF AGENDA

Each item on the Agenda shall be deemed to include an appropriate motion, resolution or ordinance to take action on any item. Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the District office, located at the address listed above.

6. APPROVAL OF CONSENT CALENDAR

There will be no separate discussion of Consent Calendar items as they are considered to be routine by the Board of Directors and will be adopted by one motion. If a member of the Board, staff, or public requests discussion on a particular item, that item will be removed from the Consent Calendar and considered separately.

- A. Approval of Minutes of the Regular Meeting of the Board of Directors held on July 8, 2019.
- B. Receive and File the Report on Director Expenses for the Second Quarter of 2019.

7. FINANCIAL REPORTS

- A. Summary of the District's Cash and Investments as of June 30, 2019.
Recommendation: Receive and File.
- B. Statement of District's Revenue and Expenses as of June 30, 2019.
Recommendation: Receive and File.
- C. Statement of the Industry Public Utilities Water Operations' Revenue and Expenses as of June 30, 2019.
Recommendation: Receive and File.

8. ACTION / DISCUSSION ITEMS

- A. Consideration of Resolution No. 260 Adopting Revised Board Members Guidelines for Conduct.

Recommendation: Adopt Resolution No. 260.

- B. Consideration of Proposal from Doty Bros. Construction Company for Asphalt Restoration for the District’s 5th Street Waterline Improvement Project.

Recommendation: Authorize the General Manager to Secure Services from Doty Bros. Construction Company for Asphalt Restoration for the District’s 5th Street Waterline Improvement Project, for an Amount Not to Exceed \$25,406.70.

- C. Consideration to Approve the Project Justification and Description for the District’s Nitrate Treatment Project at Its Groundwater Treatment Facility.

Recommendation: Board Discretion.

- D. Consideration of Proposal from Stetson Engineer’s Inc. to Evaluate Potential Nitrate-Nitrogen Concentrations at the District’s Wellfield.

Recommendation: Authorize the General Manager to Proceed with the Evaluation of Potential Nitrate-Nitrogen Concentrations at the District’s Wellfield, as Proposed by Stetson Engineer’s Inc., for an Amount Not to Exceed \$20,000.

- E. Discussion on the District’s Communication Strategy for 2019 and 2020.

Recommendation: Board Discretion.

9. ENGINEERING & COMPLIANCE MANAGER’S REPORT

Recommendation: Receive and File.

10. GENERAL MANAGER’S REPORT

11. OTHER ITEMS

- A. Upcoming Events.
- B. Information Items.

12. ATTORNEY’S COMMENTS

13. BOARD MEMBER COMMENTS

- A. Report on Events Attended.
- B. Other Comments.

14. FUTURE AGENDA ITEMS

15. ADJOURNMENT

POSTED: Friday, July 19, 2019

President John P. Escalera, Presiding.

Any qualified person with a disability may request a disability-related accommodation as needed to participate fully in this public meeting. In order to make such a request, please contact Mr. Greg Galindo, Board Secretary, at (626) 330-2126 in sufficient time prior to the meeting to make the necessary arrangements.

Note: Agenda materials are available for public inspection at the District office or visit the District's website at www.lapuentewater.com.



**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
LA PUENTE VALLEY COUNTY WATER DISTRICT
FOR MONDAY, JULY 08, 2019 AT 5:30 PM**

1. CALL TO ORDER

President Escalera called the meeting to order at 5:30 p.m.

2. PLEDGE OF ALLEGIANCE

President Escalera led the meeting in the Pledge of Allegiance.

3. ROLL CALL OF THE BOARD OF DIRECTORS

President Escalera	Vice President Hernandez	Director Barajas	Director Hastings	Director Rojas
Present	Present	Present	Present	Present

OTHERS PRESENT

Staff and Counsel: General Manager & Board Secretary, Greg Galindo; Office Manager, Gina Herrera; and District Counsel, Jim Ciampa.

Public: Alfonso Contreras, Vice President of the Upper San Gabriel Municipal Water District.

4. PUBLIC COMMENTS

Mr. Contreras said hello to the Board.

5. ADOPTION OF AGENDA

Motion: Adopt Agenda as Presented.

1st: Director Rojas

2nd: Vice President Hernandez

	Escalera	Hernandez	Barajas	Hastings	Rojas
Vote	Yes	Yes	Yes	Yes	Yes

Motion carried by a vote of: 5 Yes, 0 No, 0 Abstain.

6. APPROVAL OF CONSENT CALENDAR

Mr. Galindo summarized the June productions reports for the District's and Industry Public Utilities' water systems.

Motion: Approve Consent Calendar as Presented.

1st: Director Hastings

2nd: Vice President Hernandez

	Escalera	Hernandez	Barajas	Hastings	Rojas
Vote	Yes	Yes	Yes	Yes	Yes

Motion carried by a vote of: 5 Yes, 0 No, 0 Abstain.

7. ACTION / DISCUSSION ITEMS

A. Consideration of Metropolitan Water District Local Resource Program Agreement between Metropolitan Water District, Upper San Gabriel Valley Municipal Water District, and La Puente Valley County Water District, for the District's Recycled Water Project.

Mr. Galindo provided an in-depth explanation of the proposed Agreement between Metropolitan Water District (MWD), Upper San Gabriel Valley Municipal Water District, and the District. Mr. Galindo explained that MWD developed the Local Resource Program (LRP) to incentivize local resource development projects within MWD's service area for the purposes of improving regional water supply reliability. Mr. Galindo stated that the District's Recycled Water Project meets the qualifications to participate in program. He added, that the LRP will provide funding to the District to help off-set capital debt repayment and operating costs related to the Recycled Water Project.

After a lengthy discussion regarding the Recycled Water Project funding and Project schedule a motion was made by Director Rojas.

Motion: Authorize the General Manager to Enter into the Metropolitan Water District Local Resource Program Agreement.

1st: Director Rojas

2nd: Vice President Hernandez

	Escalera	Hernandez	Barajas	Hastings	Rojas
Vote	Yes	Yes	Yes	Yes	Yes

Motion carried by a vote of: 5 Yes, 0 No, 0 Abstain.

8. GENERAL MANAGER'S REPORT

Mr. Galindo thanked the Board for their support of the District's Engineering and Compliance Manager.

9. OTHER ITEMS

A. Upcoming Events.

Mrs. Herrera reviewed upcoming events with the Board and verified what events each member would be attending.

B. Information Items.

Included in Board Packet.

10. ATTORNEY'S COMMENTS

Mr. Ciampa commented on the recent earthquake near Ridgecrest, California. He stated that the PWAG Emergency Preparedness Program Coordinator, Mike Holmes, reached out to several PWAG agencies to verify their status. No damages were reported.

11. BOARD MEMBER COMMENTS

A. Report on Events Attended.

No events attended.

B. Other Comments.

President Escalera thanked staff for their support of Mr. Frausto.

12. FUTURE AGENDA ITEMS

No future agenda items were requested.

13. ADJOURNMENT

President Escalera adjourned the meeting at 6:02 p.m.

Attest:

John P. Escalera, President

Greg B. Galindo, Secretary

La Puente Valley County Water District
Board of Director's 2nd Quarter and Year to Date 2019 Expenses
As of June 30, 2019

Date	Director	Description	2nd Quarter 2019	Year to Date Per Diem	Year to Date Expenses
04/18/2019	Cesar J Barajas	SCWUA	\$ 30.00		
05/01/2019	Cesar J Barajas	SGVWA	\$ 30.00		
05/15/2019	Cesar J Barajas	ACWA 2019 Spring Conference Mileage	\$ 396.72		
05/15/2019	Cesar J Barajas	ACWA 2019 Spring Conference Expenses	\$ 980.81		
05/21/2019	Cesar J Barajas	SCWUA	\$ 25.00		
05/23/2019	Cesar J Barajas	SCWUA	\$ 30.00		
05/31/2019	Cesar J Barajas	ACWA 2019 Spring Conference Expenses	\$ 67.08		
Apr-Jun 2019	Cesar J Barajas	12 Days of Service	\$ 1,954.44	\$ 3,350.43	\$ 2,639.61
		5562-CB · Cesar Barajas	\$ 3,514.05		\$ 5,990.04
04/18/2019	David H Hastings	SCWUA	\$ 30.00		
05/01/2019	David H Hastings	SGVWA	\$ 30.00		
05/15/2019	David H Hastings	ACWA 2019 Spring Conference Mileage	\$ 421.08		
05/15/2019	David H Hastings	ACWA 2019 Spring Conference Expenses	\$ 862.02		
05/21/2019	David H Hastings	SCWUA	\$ 25.00		
05/31/2019	David H Hastings	ACWA 2019 Spring Conference Expenses	\$ 83.17		
Apr-Jun 2019	David H Hastings	13 Days of Service	\$ 2,117.31	\$ 3,513.30	\$ 2,091.27
		5562-DH · David Hastings	\$ 3,568.58		\$ 5,604.57
04/10/2019	Henry P Hernandez	AWWA Annual Conference 2019	\$ 495.00		
05/14/2019	Henry P Hernandez	ACWA 2019 Spring Conference Mileage	\$ 421.08		
05/14/2019	Henry P Hernandez	ACWA 2019 Spring Conference Expenses	\$ 1,009.47		
05/21/2019	Henry P Hernandez	SCWUA	\$ 25.00		
05/31/2019	Henry P Hernandez	ACWA 2019 Spring Conference Expenses	\$ 41.88		
06/24/2019	Henry P Hernandez	ACE 2019 Annual Conference Expenses	\$ 1,478.50		
Apr-Jun 2019	Henry P Hernandez	13 Days of Service	\$ 2,117.31	\$ 3,513.30	\$ 4,508.93
		5562-HH · Henry Hernandez	\$ 5,588.24		\$ 8,022.23
04/18/2019	John P Escalera	SCWUA	\$ 30.00		
04/30/2019	John P Escalera	ACWA 2019 Spring Conference Expenses	\$ 15.30		
05/01/2019	John P Escalera	SGVWA	\$ 30.00		
05/10/2019	John P Escalera	ACWA 2019 Spring Conference Mileage	\$ 410.06		
05/10/2019	John P Escalera	ACWA 2019 Spring Conference Expenses	\$ 554.40		
05/21/2019	John P Escalera	SCWUA	\$ 25.00		
05/23/2019	John P Escalera	SCWUA	\$ 30.00		
05/31/2019	John P Escalera	ACWA 2019 Spring Conference Expenses	\$ 67.09		
Apr-Jun 2019	John P Escalera	13 Days of Service	\$ 2,117.31	\$ 4,133.74	\$ 2,319.85
		5562-JE · John Escalera	\$ 3,279.16		\$ 6,453.59
04/18/2019	William R Rojas	SCWUA	\$ 30.00		
05/01/2019	William R Rojas	SGVWA	\$ 30.00		
05/21/2019	William R Rojas	SCWUA	\$ 25.00		
05/23/2019	William R Rojas	SCWUA	\$ 30.00		
05/29/2019	William R Rojas	ACWA 2019 Spring Conference (NAR)	\$ (345.00)		
Apr-Jun 2019	William R Rojas	10 Days of Service	\$ 1,628.70	\$ 3,334.91	\$ 235.00
		5562-WR · William (Bill) Rojas	\$ 1,398.70		\$ 3,569.91
2nd Quarter Totals			\$ 17,348.73	YTD Totals	\$ 29,640.34



Summary of Cash and Investments
June 2019

La Puente Valley County Water District

Investments	Interest Rate (Apportionment Rate)	Beginning Balance	Receipts/ Change in Value	Disbursements/ Change in Value	Ending Balance
Local Agency Investment Fund	2.57%	\$ 2,880,227.28	\$ -	\$ -	\$ 2,880,227.28
Raymond James Financial Services		\$ 100,519.69	\$ 400.69	\$ -	\$ 100,920.38
Checking Account					
Well Fargo Checking Account (per General Ledger)		\$ 702,670.27	\$ 480,694.80	\$ 370,148.66	\$ 813,216.41
District's Total Cash and Investments:					\$ <u>3,794,364.07</u>

Industry Public Utilities

Checking Account	Beginning Balance	Receipts	Disbursements	Ending Balance
Well Fargo Checking Account (per General Ledger)	\$ 876,552.61	\$ 227,843.65	\$ 250,519.90	\$ 853,876.36
IPU's Total Cash and Investments:				\$ <u>853,876.36</u>

I certify that: (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy as set forth in Resolution No. 237 and, (2) the District will meet its expenditure obligations for the next six (6) months.

_____, General Manager

Date: 7-19-19

Greg B. Galindo

La Puente Valley County Water District (Treatment Plant Included)
Statement of Revenues and Expenses
For the Period Ending June 30, 2019
(Unaudited)

	LPVCWD YTD 2019	TP YTD 2019	COMBINED YTD 2019	COMBINED BUDGET 2019	50% OF BUDGET	COMBINED 2018 YE
Total Operational Rate Revenues	\$ 945,304	\$ -	\$ 945,304	\$ 2,120,000	45%	\$ 2,027,154
Total Operational Non-Rate Revenues	535,160	585,068	1,120,228	2,375,900	47%	\$ 2,307,988
Total Non-Operating Revenues	179,152	-	179,152	313,500	57%	361,363
TOTAL REVENUES	1,659,615	585,068	2,244,683	4,809,400	47%	4,696,506
Total Salaries & Benefits	824,109	146,977	971,086	2,009,900	48%	1,931,953
Total Supply & Treatment	301,980	382,869	684,849	1,780,700	38%	1,631,908
Total Other Operating Expenses	107,823	46,552	154,375	481,000	32%	320,725
Total General & Administrative	165,693	8,670	174,363	412,200	42%	393,526
TOTAL EXPENSES	1,399,605	585,068	1,984,673	4,683,800	42%	4,278,112
TOTAL OPERATIONAL INCOME	260,010	-	260,010	125,600	207%	418,394
Capital Improvements	(90,418)	-	(90,418)	(2,055,000)	4%	(262,934)
Capital Outlay	(31,390)	-	(31,390)	(70,000)	45%	(28,286)
TOTAL CAPITAL	(121,809)	-	(121,809)	(2,125,000)	6%	(291,219)
INCOME (AFTER CAPITAL EXPENSE)	138,201	-	138,201	(1,999,400)	-7%	127,175
Capital Reimbursement (OU Projects)	-	-	-	110,000	0%	-
Grant Revenue	-	-	-	300,000	0%	-
Loan Proceeds	-	-	-	1,500,000	0%	-
Loan Repayment	-	-	-	-	0%	-
PROJECTED CHANGE IN CASH	138,201	-	138,201	(89,400)	-155%	127,175
Contributed Capital	-	-	-	-		213,160
Add Back Capitalized Assets	121,809	-	121,809	2,125,000	6%	291,219
Less Depreciation Expense	(158,333)	(75,000)	(233,333)	(560,000)	42%	(520,380)
Less OPEB & Pension Liability Expense	-	-	-	(10,000)	0%	(65,927)
NET INCOME (LOSS)	\$ 101,677	\$ (75,000)	\$ 26,677	\$ 1,465,600	2%	\$ 45,248

La Puente Valley County Water District
Statement of Revenues and Expenses
For the Period Ending June 30, 2019
(Unaudited)

	JUNE 2019	YTD 2019	ANNUAL BUDGET 2019	50% OF BUDGET	YEAR END 2018
Operational Rate Revenues					
Water Sales	\$ 135,597	\$ 544,803	\$ 1,345,000	41%	\$ 1,279,563
Service Charges	59,065	327,547	640,000	51%	612,240
Surplus Sales	3,514	24,884	40,000	62%	45,028
Customer Charges	2,616	17,295	34,100	51%	30,661
Fire Service	8,845	30,279	59,900	51%	57,698
Miscellaneous Income	-	496	1,000	50%	1,964
Total Operational Rate Revenues	209,637	945,304	2,120,000	45%	2,027,154
Operational Non-Rate Revenues					
Management Fees	47,356	171,213	265,900	64%	260,711
PVOU Service Fees (Labor)	-	4,669	40,000	12%	14,553
BPOU Service Fees (Labor)	25,256	146,977	301,400	49%	304,377
IPU Service Fees (Labor)	55,750	359,278	695,600	52%	688,181
Other O & M Fees	-	-	13,000	0%	12,892
Total Operational Non-Rate Revenues	128,363	682,136	1,315,900	52%	1,280,713
Non-Operational Revenues					
Taxes & Assessments	9,939	111,024	215,000	52%	244,409
Rental Revenue	3,116	18,424	36,800	50%	36,038
Interest Revenue	18,748	36,722	40,000	92%	56,997
Miscellaneous Income	288	8,590	16,700	51%	19,382
Developer Fees	-	4,392	5,000	88%	4,537
Total Non-Operational Revenues	32,091	179,152	313,500	57%	361,363
TOTAL REVENUES	370,090	1,806,592	3,749,400	48%	3,669,231
Salaries & Benefits					
Total District Wide Labor	91,754	572,777	1,195,800	48%	1,109,643
Directors Fees & Benefits	8,913	55,901	116,600	48%	118,898
Benefits	23,891	156,209	308,800	51%	302,046
OPEB Payments	28,897	73,381	142,000	52%	150,061
Payroll Taxes	7,287	47,000	92,800	51%	92,806
Retirement Program Expense	9,763	65,819	153,900	43%	158,499
Total Salaries & Benefits	170,503	971,086	2,009,900	48%	1,931,953
Analysis Purposes Only:					
<i>Offsetting Revenue</i>	(81,006)	(510,924)	(1,057,000)	48%	(1,007,110)
<i>District Labor Net Total</i>	89,497	460,162	952,900	48%	924,843
Supply & Treatment					
Purchased & Leased Water	189	224,347	467,200	48%	377,335
Power	16,703	73,992	163,700	45%	151,904
Assessments	-	-	248,300	0%	189,588
Treatment	394	1,489	6,700	22%	2,898
Well & Pump Maintenance	272	2,152	32,500	7%	19,250
Total Supply & Treatment	17,558	301,980	918,400	33%	740,975

La Puente Valley County Water District
Statement of Revenues and Expenses
For the Period Ending June 30, 2019
(Unaudited)

	JUNE 2019	YTD 2019	ANNUAL BUDGET 2019	50% OF BUDGET	YEAR END 2018
Other Operating Expenses					
General Plant	562	10,688	48,100	22%	24,799
Transmission & Distribution	1,815	26,803	102,400	26%	75,273
Vehicles & Equipment	1,970	21,023	31,300	67%	21,166
Field Support & Other Expenses	2,741	25,087	69,000	36%	44,972
Regulatory Compliance	1,601	24,222	63,000	38%	34,621
Total Other Operating Expenses	8,690	107,823	313,800	34%	200,831
General & Administrative					
District Office Expenses	1,495	39,256	64,100	61%	31,919
Customer Accounts	1,780	11,253	25,000	45%	20,161
Insurance	15,692	26,031	65,800	40%	65,177
Professional Services	4,443	53,850	120,000	45%	149,737
Training & Certification	2,517	21,237	37,500	57%	38,323
Public Outreach & Conservation	83	2,861	32,500	9%	35,382
Other Administrative Expenses	892	11,206	36,800	30%	36,377
Total General & Administrative	26,901	165,693	381,700	43%	377,077
TOTAL EXPENSES	223,653	1,546,582	3,623,800	43%	3,250,836
TOTAL OPERATIONAL INCOME	146,438	260,010	125,600	207%	418,395
Capital Improvements					
Zone 3 Improvements	-	(10,860)	-	N/A	(174,029)
Fire Hydrant Repair/Replacements	(282)	(282)	(5,000)	6%	(15,001)
Service Line Replacements	(17,017)	(17,017)	(25,000)	68%	(60,055)
Valve Replacements	(1,994)	(1,994)	(40,000)	5%	(7,710)
Meter Read Collection System	-	-	(20,000)	0%	(181)
SCADA Improvements	-	-	(50,000)	0%	-
Main & 1st Street Building Retrofit	-	-	-	N/A	(4,080)
Ferrero Lane & Rorimer St. Improvements	-	-	(75,000)	0%	-
5th Avenue Waterline Improvement	(53,031)	(60,266)	(180,000)	33%	-
LP-CIWS Interconnection (Ind. Hills)	-	-	(10,000)	0%	-
Hudson Plant Improvements	-	-	(75,000)	0%	-
Well No.5 Rehab (Design)	-	-	(25,000)	0%	-
Nitrate Treatment System	-	-	(85,000)	0%	-
Phase 1 - Recycled Water System	-	-	(1,450,000)	0%	(1,879)
Other Improvements	-	-	(15,000)	0%	-
Total Capital Improvements	(72,323)	(90,418)	(2,055,000)	4%	(262,934)

La Puente Valley County Water District
Statement of Revenues and Expenses
For the Period Ending June 30, 2019
(Unaudited)

	JUNE 2019	YTD 2019	ANNUAL BUDGET 2019	50% OF BUDGET	YEAR END 2018
Capital Outlay					
Truck(s)	(928)	(31,390)	(40,000)	78%	(28,286)
Other Equipment	-	-	(10,000)	0%	-
IT Equipment	-	-	(20,000)	0%	-
Total Capital Outlay	(928)	(31,390)	(70,000)	45%	(28,286)
TOTAL CAPITAL	(73,252)	(121,809)	(2,125,000)	6%	(291,219)
INCOME (AFTER CAPITAL EXPENSE)	73,186	138,201	(1,999,400)	-7%	127,176
Funding & Debt Repayment					
Capital Reimbursement (OU Projects)	-	-	110,000	0%	-
Grant Revenue	-	-	300,000	0%	-
Loan Proceeds	-	-	1,500,000	0%	-
Loan Repayment	-	-	-	N/A	-
CASH DIFFERENCE	73,186	138,201	(89,400)	-155%	127,176
Contributed Capital	-	-	-	N/A	213,160
Add Back Capitalized Assets	73,252	121,809	2,125,000	6%	291,219
Less Depreciation Expense	(31,667)	(158,333)	(380,000)	42%	(364,997)
Less OPEB Expense - Not Funded	-	-	(10,000)	0%	(65,927)
NET INCOME (LOSS)	\$ 114,771	\$ 101,677	\$ 1,645,600	6%	\$ 200,632

Treatment Plant
Statement of Revenues and Expenses
For the Period Ending June 30, 2019
(Unaudited)

Description	JUNE 2019	YTD 2019	ANNUAL BUDGET 2019	50% OF BUDGET	YEAR END 2018
Non-Rate Operational Revenues					
Reimbursements from CR's	120,280	438,091	\$ 1,361,400	32%	1,027,275
Miscellaneous Income	-	-	-	N/A	-
Total Non-Rate Operational Revenues	120,280	438,091	1,361,400	32%	1,027,275
Salaries & Benefits					
<i>BPOU TP Labor (1)</i>	25,256	146,977	301,400	49%	-
Contract Labor	-	-	-	N/A	-
Total Salaries & Benefits	25,256	146,977	301,400	49%	-
Supply & Treatment					
NDMA, 1,4-Dioxane Treatment	5,321	83,360	218,200	38%	209,363
VOC Treatment	854	854	20,000	4%	1,756
Perchlorate Treatment	91,037	188,119	344,000	55%	446,147
Other Chemicals	1,384	17,624	17,500	101%	14,148
Treatment Plant Power	14,400	70,092	200,200	35%	185,672
Treatment Plant Maintenance	929	15,107	42,000	36%	24,568
Well & Pump Maintenance	-	7,713	20,400	38%	9,279
Total Supply & Treatment	113,925	382,869	862,300	44%	890,933
Other Operating Expenses					
General Plant	1,348	8,274	40,000	21%	16,262
Transmission & Distribution	-	-	-	N/A	263
Vehicles & Equipment	970	6,012	12,200	49%	10,926
Field Support & Other Expenses	-	22	15,000	0%	55
Regulatory Compliance	4,038	32,244	100,000	32%	92,388
Total Other Operating Expenses	6,355	46,552	167,200	28%	119,894
General & Administrative					
District Office Expenses	-	-	2,500	0%	-
Insurance	-	-	18,000	0%	9,153
Professional Services	-	8,670	10,000	87%	7,296
Total General & Administrative	-	8,670	30,500	28%	16,449
TOTAL EXPENSES	145,537	585,068	1,361,400	43%	1,027,276
TOTAL EXPENSES (Minus Labor)	120,280	438,091	1,060,000	41%	1,027,276
TOTAL OPERATIONAL INCOME	-	-	-		-
Depreciation Expense	(15,000)	(75,000)	(180,000)	42%	(155,383)
Total Non-Cash Items (Dep. & OPEB)	(15,000)	(75,000)	(180,000)	42%	(155,383)
NET INCOME (LOSS)	\$ (15,000)	\$ (75,000)	\$ (180,000)	42%	(155,383)

(1) The labor expense depicted here is the amount of labor billed to the BPOU in which the District receives reimbursement which is shown on the District's Statement of Revenues and Expenses as operational non-rate revenue (BPOU Service Fees).

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS
Statement of Revenue and Expenses Summary
For the Period Ending June 30, 2019
(Unaudited)

DESCRIPTION	JUNE 2019	FISCAL YTD 2018-2019	BUDGET FY 2018-2019	100% OF BUDGET	FY END 2017-2018
Total Operational Revenues	\$ 114,252	\$ 1,859,347	\$ 2,026,800	92%	\$ 1,920,277
Total Non-Operational Revenues	(24)	19,425	30,000	65%	40,307
TOTAL REVENUES	114,228	1,878,772	2,056,800	91%	1,960,584
Total Salaries & Benefits	39,757	673,986	668,600	101%	644,392
Total Supply & Treatment	55,756	607,453	848,565	72%	607,538
Total Other Operating Expenses	9,281	150,627	171,500	88%	149,475
Total General & Administrative	49,723	258,980	301,568	86%	245,510
Total Other & System Improvements	22,695	58,760	120,800	49%	45,748
TOTAL EXPENSES	177,213	1,749,804	2,111,000	83%	1,692,664
OPERATING INCOME	(62,984)	128,968	(54,200)	-238%	267,920
NET INCOME (LOSS)	\$ (62,984)	\$ 128,968	\$ (54,200)	-238%	\$ 267,920

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS

Statement of Revenue and Expenses

For the Period Ending June 30, 2019

(Unaudited)

DESCRIPTION	JUNE 2019	FISCAL YTD 2018-2019	BUDGET FY 2018-2019	100% OF BUDGET	FY END 2017-2018
Operational Revenues					
Water Sales	\$ 62,656	\$ 1,133,377	\$ 1,317,750	86%	\$ 1,206,751
Service Charges	46,411	605,285	600,000	101%	598,493
Customer Charges	1,240	19,095	21,000	91%	20,000
Fire Service	3,945	101,590	88,000	115%	95,032
Total Operational Revenues	114,252	1,859,347	2,026,800	92%	1,920,277
Non-Operational Revenues					
Contamination Reimbursement	-	19,449	30,000	65%	40,267
Developer Fees	-	-	-	N/A	-
Miscellaneous Income	(24)	(24)	-	N/A	39
Total Non-Operational Revenues	(24)	19,425	30,000	65%	40,307
TOTAL REVENUES	114,228	1,878,772	2,056,800	91%	1,960,584
Salaries & Benefits					
Administrative Salaries	16,361	200,341	186,800	107%	190,967
Field Salaries	8,883	231,034	238,000	97%	219,465
Employee Benefits	7,682	145,869	149,000	98%	143,834
Pension Plan	3,560	60,337	57,440	105%	54,946
Payroll Taxes	1,692	29,991	30,360	99%	29,215
Workman's Compensation	1,579	6,413	7,000	92%	5,964
Total Salaries & Benefits	39,757	673,986	668,600	101%	644,392
Supply & Treatment					
Purchased Water - Leased	-	379,470	377,614	100%	326,781
Purchased Water - Other	1,920	21,271	17,500	122%	17,128
Power	2,547	97,621	120,000	81%	119,441
Assessments	-	11,030	184,752	6%	135,945
Treatment	-	2,834	6,200	46%	4,834
Well & Pump Maintenance	51,289	95,226	142,500	67%	3,409
Total Supply & Treatment	55,756	607,453	848,565	72%	607,538
Other Operating Expenses					
General Plant	107	12,384	10,500	118%	4,932
Transmission & Distribution	5,067	72,205	64,000	113%	54,395
Vehicles & Equipment	-	15,310	32,000	48%	31,553
Field Support & Other Expenses	2,096	24,898	35,000	71%	31,104
Regulatory Compliance	2,012	25,830	30,000	86%	27,491
Total Other Operating Expenses	9,281	150,627	171,500	88%	149,475

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS
Statement of Revenue and Expenses
For the Period Ending June 30, 2019
(Unaudited)

DESCRIPTION	JUNE 2019	FISCAL YTD 2018-2019	BUDGET FY 2018-2019	100% OF BUDGET	FY END 2017-2018
General & Administrative					
Management Fee	47,356	187,569	187,568	100%	183,891
Office Expenses	650	32,815	21,000	156%	17,478
Insurance	-	11,439	15,000	76%	5,667
Professional Services	-	4,409	45,000	10%	15,576
Customer Accounts	1,607	17,191	16,000	107%	16,247
Public Outreach & Conservation	14	3,648	15,000	24%	3,923
Other Administrative Expenses	96	1,908	2,000	95%	2,727
Total General & Administrative	49,723	258,980	301,568	86%	245,510
Other Expenses & System Improvements (Water Operations Fund)					
Transfer to Capital or Expense	-	-	-	N/A	-
Developer Capital Contributions	-	-	-	N/A	-
Developer Project -	-	-	-	N/A	-
Net Developer Project Activity	-	-	-	0%	-
Master Plan Update / Hydraulic Model	-	-	-	N/A	-
Other System Improvements (Materials)	-	-	-	N/A	-
FH Laterals	-	-	6,300	0%	790
Service Line Replacements	15,647	41,583	30,000	139%	31,693
Valve Replacements	1,076	8,723	19,500	45%	5,874
Fire Hydrant Repair/Replace	5,972	8,454	-	N/A	-
Meter Installations - Industry Hills	-	-	-	0%	7,391
Meter Read Collection System	-	-	25,000	0%	-
SCADA System Assessment & Upgrades	-	-	40,000	0%	-
Total Other & System Improvements	22,695	58,760	120,800	49%	45,748
TOTAL EXPENSES	177,213	1,749,804	2,111,000	83%	1,692,664
OPERATING INCOME	(62,984)	128,968	(54,200)	N/A	267,920

Memo



To: Honorable Board of Directors

From: Greg Galindo, General Manager

Date: June 22, 2019

Re: Consideration of Resolution No. 260 - Revised Board Members Guidelines for Conduct

At the July 8, 2019 Board of Directors meeting, the Board discussed potential changes to the Board Members Guidelines for Conduct policy document. During the discussion, Board President Escalera formed an Ad Hoc Committee to review the potential changes and make a recommendation to the Board on a revised policy document.

This Ad Hoc Committee met on July 17th, where staff along with District Counsel presented a redlined draft of revised Guidelines for Conduct. The revisions included updated language recommended by District Counsel along with staff's recommended revisions. After review of the draft, the Committee directed staff to finalize the revised document and present to the Board for consideration.

Enclosed is the redlined draft of the Guidelines for Conduct that shows all of the revisions that are being proposed. Also enclosed is Resolution No. 260, which will adopt the revised Guidelines for Conduct. A final version of the revised Guidelines, without redlines, is attached as Exhibit "A" to the resolution.

Staff looks forward to discussing this item with the Board, at this Monday's meeting. If you have any questions ahead of time, please feel free to give me a call.

Respectfully Submitted,

Greg B. Galindo

General Manager

Enclosure(s)

- Redlined Draft of the Revised Board Members Guidelines for Conduct
- Resolution No. 260 – Adopting a Revised Board Members Guidelines for Conduct

“Exhibit A”

**Board Members
Guidelines for Conduct**



April 28, 2014

[Revised July 22, 2019]



Board Members Guidelines for Conduct

Table of contents

Preamble	4
I. Purpose of the Policy	4
II. Responsibility of a Public Office	4
III. Fair and Equal Treatment	4
IV. Proper Use and Safeguarding District's Property and Resources	5
V. Use of Confidential Information	5
VI. Conflict of Interest	6
VII. Soliciting Political Contributions	7
VIII. Incompatible Offices	8
IX. Board-General Manager Relationship	8
X. Improper Activities and the Reporting of Such Activities; Protection of Whistle Blowers	9
XI. Compliance with the Brown Act	9
XII. Rules of Conduct	10
A. Regular Meetings	10
B. Special Meetings	10
C. Adjournment: Adjourned Meetings	10
D. Closed Sessions	10
E. Cancellation	11
F. Board President	11
G. Agenda	11
H. Time Certain	11
I. Posting	11
J. Actions	11
K. Motions	11
L. Voting	11
M. Rules of Order	12
N. Disorderly Conduct	12
XIII. Board members' Compensation and Expense Reimbursement	13
A. Board members' Expenses	13
B. Conference and Meetings Expenses	12
C. Compensation for Attendance at Compensable Events	14

D.	Travel Time and Expenses	14
E.	Conference Lodging	14
F.	Meal Expenses	15
G.	Travel, Lodging and Meals Paid Directly by District	15
H.	Cancellation of Conference or Travel Reservations	15
I.	Reimbursement and Expense Report Forms	16
J.	Report on Events Attended	16
K.	Reporting of Expenditures	16
XIV.	Changes in Compensation	16
XV.	Candidate's Statement	16
XVI.	Ethics Training	16
XVII.	Violations of Ethics Policy	17
XVIII.	Consulting District Counsel	17
XIX.	"Exhibit A" Directors Expense Report	18

PREAMBLE

“Government is a trust, and the officers of government are the trustees; and both the trust and the trustees are created for the benefit of the people.” (Henry Clay, 1829)

The mission of the La Puente Valley County Water District is to provide its customers with high quality water for residential, commercial, industrial and fire protection uses that meets or exceeds all local, state and federal standards and to provide courteous and responsive service at the most reasonable cost.

I. Purpose of the Policy

The policy of La Puente Valley County Water District (“the District”) is to maintain the highest ethical standards for its Board members. The proper operation of the District requires that decisions and policy be made within the proper channels of governmental structure, that public office not be used for personal gain and that Board members remain objective and responsive to the needs of the public they serve. Accordingly, it is the policy of the District that Board members maintain the highest ethical standards. The objectives of this policy are to (1) provide guidance for dealing with ethical issues; (2) heighten awareness of ethics and values as critical elements in Board members’ conduct; and, (3) improve ethical decision making and value-based management.

II. Responsibility of a Public Office

Board members are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Board members will comply with applicable laws regulating their conduct, including conflict of interest, financial disclosure and open government laws. Board members will work in cooperation with other public officials unless prohibited from doing so by law or officially recognized confidentiality of their work. *(Government Code Section 1360; Article 20, Section 3 of the California Constitution.)*

III. Fair and Equal Treatment

Board members will not, in the performance of their official duties and responsibilities, discriminate against or harass any person on the basis of race, religion, color, creed, age, marital status, national origin, ancestry, gender, gender identity, gender expression, sexual preference, medical condition, pregnancy, childbirth, disability, veteran status or other protected class under applicable state and federal law. A Board member will not grant any special consideration, treatment or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.

IV. Proper use and Safeguarding District’s Property and Resources

Except as specifically authorized, a Board member will not use or permit the use of District owned vehicles, equipment, telephones, materials or property for personal benefit or

Deleted: or

Deleted: (See, e.g., Article 1, Section 31 of the California Constitution; Age Discrimination in Employment Act of 1967 (29 U.S.C., §§ 621-634); Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.); Fair Employment and Housing Act (Government Code §§ 12900 et seq.); Rehabilitation Act of 1973 (29 U.S.C., §§ 2000e et seq.); Title VII of the Civil Rights Act of 1964; Labor Code Section 1102.1.)¶

profit. A Board member will not ask or require a District employee to perform services for personal benefit or profit. Each Board member must protect and properly use any District asset within his or her control, including information recorded on paper or in electronic form. Board members will safeguard District property, equipment, moneys and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust.

V. Use of Confidential Information

- A. Board members are not authorized and shall not, without approval of the Board of Directors, to disclose information that qualifies as confidential information under applicable provisions of law, to a person not authorized to receive it, that: (1) has been received for, or during, a closed session meeting of the Board; (2) is protected from disclosure under the attorney/client or other evidentiary privilege; or (3) is not required to be disclosed under the California Public Records Act.
- B. This section does not prohibit any of the following: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the District, an elected official or employee; (2) expressing an opinion concerning the propriety or legality of actions taken by the District in closed session, including disclosure of the nature and extent of the allegedly illegal action; or, (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Board member will first bring the matter to the attention of either the President of the Board or the full Board, so that the Board will have an opportunity to cure an alleged violation.
- C. A Board member who willfully and knowingly discloses for monetary gain confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code section 1098.

Deleted: (Article 16, Section 6 of the California Constitution, Government Code § 8314, Penal Code § 424, see *People v. Battin* (1978) 77 Cal. App. 3d 635.)¶

Deleted: (Government Code Section 54963.)

VI. Conflict of Interest

- A. The District has adopted a Conflict of Interest Code and each Board member shall comply with all the requirements thereof, and with other applicable laws, including, but not limited to, other provisions of the Political Reform Act and Government Code Section 1090, in his/her actions or conduct as an elected official.
- B. A Board member shall therefore not have a financial interest in a contract with the District, or be a purchaser at a sale by the District, or a vendor at a purchase made by the District, unless the Board member's participation was authorized under Government Code Sections 1091 or 1091.5 or other provisions of law. A Board member will not participate in the discussion, deliberation or vote on a matter

before the Board of Directors, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter as defined in the Political Reform Act, Government Code sections 81000, and the following provisions relating to conflicts of interest.

Generally, a Board member has a financial interest in a matter if it is reasonably foreseeable that the Board decision would have a "material financial effect" (as defined by the Fair Political Practices Commission's [FPPC] regulations) that is distinguishable from the effect on the public generally on: (a) a business entity in which the Board member has a direct or indirect investment in the amount specified in FPPC regulations; (b) real property in which the Board member has a direct or indirect investment interest, with a worth in the amount specified in FPPC regulations; (c) a source of income of the Board member in the amount specified in FPPC regulations, within twelve months before the Board decision; (d) a source of gifts to the Board member in an amount specified in FPPC regulations within twelve months before the Board decision; or (e) a business entity in which the Board member holds a position as a director, trustee, officer, partner or manager. An "indirect interest" means any investment or interest owned by a spouse or child of the Board member, by an agent on behalf of the Board member, or by a business entity or trust in which the Board member, or the Board member's spouse, child or agent, owns directly, indirectly or beneficially a ten percent interest or greater.

A Board member will not accept gifts or honoraria that exceed the limitations specified in the Fair Political Practices Act or FPPC regulations (~~\$500.00~~ for calendar years ~~2019 and 2020~~, subject to adjustment in ~~2021~~, and thereafter). Board members will report all gifts, honoraria, campaign contributions, income and financial information as required under the District's Conflict of Interest Code and the provisions of the Fair Political Practices Act and the FPPC Regulations.

C. ~~If a Board member believes that he or she may be disqualified from participation in the discussion, deliberations, or vote on a particular matter due to a conflict of interest, the following procedure shall be followed:~~

- a. If the member becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, he or she Board member will notify the District's General Manager and the District's legal counsel of the potential conflict of interest, so that a determination can be made as to whether it is a disqualifying conflict of interest;
- b. If it is not possible for the Board member to discuss the potential conflict with the General Manager and the District's legal counsel before the meeting, or if the Board member does not become aware of the potential conflict until during the meeting, the Board member will immediately disclose the potential conflict during the Board meeting so that there can be a determination as to whether it is a disqualifying conflict of interest;
- c. Upon a determination that there is a disqualifying conflict of interest under the Political Reform Act, whether prior to or at the meeting, the Board member shall do all of the following:

~~Deleted: 440.00~~

~~Deleted: 2013 and 2014~~

~~Deleted: 2015~~

~~Deleted: (Government Code sections 1090 and following and Government Code Sections 87100, 87103 and 89503, and California Code of Regulations Title 2 Section 18940.2.)¶~~

1. at the meeting, the Board member shall publicly identify the financial interest that gives rise to the conflict;
2. the Board member shall not participate in the discussion, deliberation or vote on the matter for which a conflict of interests exist; and,
3. the Board member shall leave the room until the discussion, vote and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters, in which event, the Board member may speak on the issue during the time that the general public speaks on the issues.

d. The identification of the conflict of interest and the Board member's recusal and absence during discussion and action shall be noted in the minutes.

e. Notwithstanding the foregoing, if the conflict of interest results from a director's interest a potential contract into which the District is considering entering, recusal is only permitted in the event the director in question has a remote interest or non-interest under applicable law (Government Code Sections 1091 and 1091.5, respectively). If no exception under those statutes applies, the director in question may not recuse himself or herself and the District is prohibited from entering into that contract.

D. A Board member will not recommend the employment of a relative by the District. In addition, a Board member will not recommend the employment of a relative to any person known by the Board member to be bidding for or negotiating a contract with the District.

E. A Board member who knowingly asks for, accepts or agrees to receive any gift, reward or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code section 70.

VII. **Soliciting Political Contributions.**

Board members are prohibited from soliciting political funds or contributions at District facilities or from District employees. A Board member will not accept, solicit or direct a political contribution from

- (a) District employees, officers, consultants or contractors, or
- (b) District vendors with a material financial interest in a contract or other matter while that contract or other matter is pending before the District.

A Board member will not use the District's seal, trademark, stationery or other indicia of the District's identity, or facsimile thereof, in any solicitation for political contributions.

VIII. **Incompatible Offices.**

Any Board member appointed or elected to a public office of another public entity, the duties of which may require action contradictory or inconsistent with the interests of the first entity (as determined under applicable law), will resign from the former office by operation of law pursuant to Government Code Section 1099. In addition, directors

Deleted: (Government Code Sections 1090, and following, 81000, and following, and 87105; Penal Code § 68 (soliciting or receiving bribes); Penal Code § 70 (acceptance of gratuities))¹

Deleted: (Government Code Sections 3204, 3205 and 3205.5.)¹

should be aware of Government Code Section 53227, under which an employee of a special district may not be sworn into office as an elected or appointed member of the Board of the same special district, unless he or she resigns as an employee.

Deleted:)

IX. Board-General Manager Relationship.

A. The Board sets the policy for the District. The Board will retain and periodically review the work of an auditor as an independent contractor of the District who will report to the Board, to conduct an annual audit of the District's books, records and financial affairs. In addition, at the Board's discretion, the District may retain a Financial Consultant, an independent contractor, who will report to the Board on the District's financial affairs.

B. The District's General Manager: (a) has full charge and control of the maintenance, operation and construction of the water system and other facilities of the District; (b) has full power and authority to employ and discharge all employees and assistants, consistent with District policy and other provisions of the law; (c) prescribes the duties of employees and assistants, consistent with District policy; and (d) fixes and alters the compensation of employees, pursuant to the Board approved salary ranges for each position. The General Manager shall perform other such duties or functions requested by the Board and shall report to the Board in accordance with the Board's instructions.

C. The District's General Manager serves at the pleasure of the Board. The Board will provide policy direction and instructions to the General Manager on matters within the authority of the Board by majority vote of the Board during duly-convened Board meetings. Individual Board members are not authorized to speak for the District or the Board or to bind the District to a particular course of action, unless specifically authorized to do so by proper Board action. Members of the Board will deal with matters within the authority of the General Manager through the General Manager, and not through other District employees, except consultants, including the District auditor. Members of the Board will refrain from making requests directly to District employees (rather than to the General Manager) to undertake analyses, perform other work assignments or change the priority of work assignments. Members of the Board may request non-confidential, factual information regarding District operations from District employees.

Deleted: The Board will retain and periodically review the work of an auditor as an independent contractor of the District who will report to the Board, to conduct an annual audit of the District's books, records and financial affairs. In addition, at the Board's discretion, the District may retain a Financial Consultant, an independent contractor, who will report to the Board on the District's financial affairs.¶

X. Improper Activities and the Reporting of Such Activities; Protection of "Whistle Blowers."

Deleted: (Water Code §§ 30575-30582)¶

A. The General Manager has primary responsibility for: (1) ensuring compliance with the District's personnel policies and procedures, and ensuring that District employees do not engage in improper activities; (2) investigating allegations of improper activities; and, (3) taking appropriate corrective and disciplinary actions. The Board has a duty to ensure that the General Manager is properly managing District affairs and operations according to law and the policies approved by the Board. Board members are encouraged to fulfill their obligation to the public and the District by disclosing to the General Manager, to the extent not expressly prohibited by law, improper activities within their knowledge. Board members will

not interfere with the General Manager's responsibilities in identifying, investigating and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities. Nothing in this section affects the responsibility of the Board to oversee the performance of the General Manager.

- B. A Board member will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute: (a) a work-related violation of any law or regulation by a Board member or District employee; (b) a waste of District funds; (c) an abuse of authority; (d) a specific and substantial danger to public health or safety due to an act or omission of a District official or employee; (e) use of a District office or position or of District resources for personal gain; or (f) a conflict of interest of a Board member or District employee.
- C. A Board member will not use or threaten to use any official authority or influence to effect any action as a reprisal against a Board member or District employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.

XI. Compliance with the Brown Act.

- A. The members of the Board and persons elected to the Board who have not yet assumed office as members of the Board, will fully comply with the provisions of the State's open meeting law for public agencies (the Ralph M. Brown Act or "Brown Act").
- B. A copy of the Brown Act will be provided to each member of the Board and to each person elected to serve as director who has not yet assumed the duties of office.
- C. A quorum of the Members of the Board shall not meet, or use any form of direct communication, personal intermediaries, or technological devices to develop a collective concurrence as to action to be taken on an item within the subject matter jurisdiction of the District, except as a part of an open and noticed public meeting, or pursuant to an authorized closed session.

XII. Rules for conducting a Meeting

A. Regular Meetings

The regular meetings of the Board shall be held, on the second and fourth Monday of each calendar month. Meetings shall commence at 5:30 p.m., unless otherwise specified, in the District's Conference Room.

Deleted: (Labor Code § 1102.5, et seq., Government Code §§ 53298 and 53298.5.)¶

Deleted: but

Deleted: (Government Code §54952.1 and §54959). ¶

Deleted: (Government Code §54952.7)

Deleted: (Government Code §54952.2) (Government Code sections 54950, and following.)¶

B. Special Meetings

A special meeting of the Board may be called at any time by the Board President or by a Majority of the members, in accordance with the Brown Act.

C. Adjournment: Adjourned Meetings

The Board may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all members are or will be absent from any regular or adjourned regular meeting, the Secretary may declare the meeting adjourned to a stated time and place and shall cause a written notice of the adjournment to be given in the same manner as provided for special meetings. Within 24 hours after the time of adjournment, a copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held. When a regular or adjourned regular meeting is adjourned as provided in this Rule, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for a regular meeting.

D. Closed Sessions

The Board may hold closed sessions during a regular or special meeting, or at any time otherwise authorized by law, to consider or hear any matter which it is authorized by law to hear or consider in closed session, and may exclude from any such closed session any person or persons which it is authorized by law to exclude from such closed sessions.

E. Cancellation

Any meeting of the Board may be canceled in advance by majority vote of the Board members. The President may cancel a meeting when a majority of members have confirmed in writing their unavailability to attend a meeting.

F. Board President

The President shall preside over all Board meetings. In the President's absence, the Vice President shall serve as presiding officer. In the absence of both the President and the Vice President, the Board members shall poll the then present members and by a majority vote of those Board members present, select a member to preside at that meeting.

Deleted: and

G. Agenda

The Secretary or General Manager shall prepare for each meeting of the Board an agenda specifying the time and place of the meeting and setting forth a brief general description of each item of business to be considered by the Board at that meeting. The agenda for each regular meeting shall include all items of business requested to be placed on the agenda by the Board, individual Board members, the General Manager, or District's Legal Counsel.

H. Time Certain

Certain items may be listed on the agenda for a time certain. Such listing shall mean that the item shall be heard as soon as reasonably possible after the specified time.

I. Posting

The agenda for each regular meeting shall be posted in accordance with the Brown Act. The Secretary shall maintain a record of such posting in a form approved by the General Counsel.

J. Actions

The Board shall not take action on any matter not appearing on the posted agenda unless one of the exceptions listed in the Brown Act is applicable.

K. Motions

When a motion is made and seconded, it may be debated by the Board. Members may speak in debate of a motion only when addressing the President and being recognized by the President. Whenever the subject of the motion has been discussed and considered and roll call has been started, there shall be no further discussion or debate except that members may be allowed to explain their vote or propose supplemental motions.

L. Voting

All members of the Board, who are present at a meeting when a question comes up for a vote, shall vote for or against the measure or abstain. The

Board secretary will ensure that the minutes reflect each Board member's vote on all actions taken. After the vote is taken, the President or other director chairing the meeting if the President is not present, shall announce the result of the vote and the votes cast, if not unanimous.

M. Rules of Order

Except as otherwise provided herein, the presiding officer at any Board meeting shall be responsible for the orderly conduct of the Board meeting. The presiding officer shall be guided in that process by Robert's Rules of Order, which are for guidance only, and shall not be binding on the District the Board or the presiding officer.

N. Disorderly Conduct

The President shall have the authority to preserve order at all Board meetings, to remove or cause the removal of any person from any meeting of the Board for disorderly conduct, to enforce the rules of the Board and to determine the order of business under the rules of the Board and in compliance with the Brown Act. For the above purposes, the President may command the assistance of any peace officers who shall enforce all lawful orders of the President.

Disorderly conduct shall be deemed to include, but not be limited to, each of the following:

1. Willfully disturbing or breaking up, without authority of law, any of the following: Board member doing any act or engaging in any conduct, at any Board meeting, without authority of law, with intent to disturb or break up such meeting; urging or promoting the disturbance or breaking up of such meeting, or urging others to commit acts or engage in conduct which will disturb or break up such meeting. Acts or conduct which shall be deemed disturbing to the meeting shall be deemed to include, but not be limited to, unreasonably loud and prolonged yelling, screaming, clapping or other noise-creating acts which render it impossible or difficult for the Board to conduct or continue with its proceedings;
2. Doing any act or engaging in any conduct in the immediate view or hearing and presence of Board members with intent to disturb the proceedings of the Board or to impair the respect due ~~the authority of~~ the President or Board;
3. Doing any act or engaging in any conduct with intent to cause a riot, urging a riot, or urging others to commit acts of force or violence, or the burning or destroying of property, under circumstances which produce a clear, present and immediate danger of acts of force or violence directed at persons or property or the burning or destroying of property. As used herein, "riot" means any use of force or violence, disturbing the public peace, or any threat to use such force or violence, if accompanied by the immediate power of execution, by two or more persons acting together and without authority of law;
4. Threatening to commit or cause bodily injury to or upon any member of the Board, or upon any officer or employee of the Board or the District, or upon any other person, or to burn or destroy or cause the burning or destruction of any property if the Board fails or refuses to act, or to refrain from acting, in accordance with the wishes of the threatening person;
5. Willfully refusing or failing to comply with any rule of the Board or with any reasonable order of the President or the Board.

Deleted: to

XIII. Board members' Compensation and Expense Reimbursement.

Board members will comply with the provisions of the Board's "Policy on Board members' Compensation and Expense Reimbursement" as set forth in this section.

A. Board members' Expenses

Each Board member is encouraged to participate in those outside activities and organizations which in the judgment of the Board further the interests of the District. Expenses incurred by Board members in connection with such official duties are reimbursable. The following general rules apply:

1. All expenses shall be actual and necessary and Board members are encouraged to exercise restraint and prudence in all expenditures.
2. The most economical mode and class of transportation consistent with scheduling requirements shall be used.
3. Expenditures for food and lodging shall be moderate and reasonable.
4. When available, government and group rates offered by a provider of transportation or lodging services for travel and lodging shall be used.
5. Expenses incurred by a family member or guest of a Board member in connection with the Board member's service will not be reimbursed. Any increased costs in the Board member's accommodations resulting from the Board member's desire to accommodate a guest will be at the Board member's expense, unless otherwise approved by the Board.
6. Expenses that exceed the amounts established in this policy that are not approved at a Board meeting before such expenses are incurred are not reimbursable by the District.

B. Conference and Meeting Expenses

1. Compensable Events

Board members shall receive compensation in accordance with Section C, below, and reimbursement of actual and necessary expenses in accordance with Section 3, et seq., below, for the following Compensable Events:

- a. Regular and special meetings of the District's Board of Directors;
- b. Meetings of standing committees established by the District's Board of Directors; or duly created ad hoc committees.
- c. Any conferences or organized educational activities, including, but not limited to, conferences sponsored by any special district or water-related association of which the District is a member, water educational workshops, water classes, water seminars, water symposiums, water facility tours and other special water-related functions, approved in advance by the Board, or be ratified after the event upon approval of at least a four-fifths vote of the Board (provided that expenses as set forth in Subdivisions D, E, F and G of this Section XIII are not reimbursable for any events ratified or approved after the event has occurred); and
- d. Any other event that may be approved in advance by the Board, or be ratified after the event upon approval of at least a four-fifths vote of the Board (provided that expenses as set forth in Subdivisions D, E, F and G of this Section XIII are not reimbursable for any events ratified or approved after the event has occurred), as a Compensable Event under this policy.

Deleted: ¶

C. Compensation for Attendance at Compensable Events

Board members shall be compensated for attendance at Compensable Events at the current rate per day (in accordance with District Ordinance 2007-01), provided, however, that such daily compensation shall not be paid for more than a total of ten (10) days in any one calendar month; provided, however, that a Board member shall not be entitled to receive more than a total of sixty (60) days of compensation in a calendar year for all compensable events, described in Section B.1(C) & (D) in that calendar year. Such compensation shall be provided in addition to any reimbursement for conference registration fees, meals, lodging and travel expenses incurred in attending the event as set forth below, provided an expense report has been submitted as described in Section I below.

- Deleted:** and no
- Deleted:** shall be paid
- Deleted:** as

D. Travel Time and Expenses

Reasonable and necessary travel time shall include one (1) day prior to and one (1) day after a Compensable Event, as defined in Section B.1 above, unless the Compensable Event takes place within 50 miles of the District's principal offices, in which case no compensation shall be paid for travel time.

Board members shall be reimbursed for actual expenses incurred in traveling to and from Compensable Events which are attended on behalf of the District. The most economical mode and class of transportation reasonably consistent with scheduling needs and space requirements and the most time-efficient route should be utilized. Travel expenses shall include round-trip airfare where necessary, actual reasonable expenses for ground transportation to and from airports and hotels, car rental, parking fees and mileage reimbursement (at the maximum allowable per mile rate established by the Internal Revenue Service) for use by Board members of privately-owned vehicles in the conduct of District business. When available, government and group rates must be used. Incidental gratuities, including, but not limited to, gratuities paid to valet parking or taxi service, are permissible, up to a total of \$10.00 per day. Such incidental expenses shall be listed in the expense form submitted pursuant to Subdivision I, below, and where possible, the Board member shall obtain documentation evidencing those expenses.

- Deleted:** direct and
- Deleted:**

- Deleted:** , housekeeping services, bellman and
- Formatted:** Not Highlight
- Deleted:** 15
- Deleted:** attempt to

E. Conference Lodging

1. For lodging in connection with a conference or organized educational activity, the lodging costs shall not exceed the maximum group rate published by the conference or activity, provided the lodging is available to the Board member at the time of booking. If the group rate is not available, the Board member shall use applicable government or group rates offered by the provider of lodging or, alternatively, reasonable and necessary lodging that is comparable to, but not to exceed twenty-five percent (25%) of, the group rates associated with the conference.

Incidental gratuities, including, but not limited to, gratuities paid to housekeeping or bellman are permissible, up to a total of \$10.00 per day. Such incidental expenses shall be listed in the expense form submitted pursuant to Subdivision I, below, and where possible, the Board member shall obtain documentation evidencing those expenses.

Deleted: attempt to

2. No reimbursement claim or request for overnight accommodations will be approved for expenses incurred within the District's service area, or within 50 miles outside the District's service area, except upon advance approval by the Board.

F. Meal Expenses

Board members who attend Compensable Events as representatives of the District shall be reimbursed for actual out-of-the-local-area meal expenses, including gratuities. Board members shall have the option to take meals offered in connection with such events, in which case the District may prepay the expense as part of the conference registration or, in the alternative, be reimbursed for meal expenses and meal gratuities, not to exceed \$125 per day. Requests for reimbursements shall be submitted in accordance with Section I below.

Deleted: \$105

Deleted: 1

Deleted: 0

Deleted: as set forth below

Deleted: , and shall not exceed \$60.00 for any one meal.

~~Breakfast: not to exceed \$25.00~~

~~Lunch: not to exceed \$35.00~~

~~Dinner: not to exceed \$45.00~~

G. Travel, Lodging and Meals Paid Directly by District

The District, in most cases arranges for travel and lodging for Board members attending the conferences or events, will be paid directly by the District. Meals while attending the event will be purchased directly by the District. To the extent that a Board member has discretion over the cost of such travel, lodging and meal expenses, the same standards of prudence, reasonableness and limits shall apply as where the Board member incurs the expense and requests reimbursement (i.e. travel will be by the most economical means consistent with scheduling constraints and meals and lodging will be moderate and reasonable and in accordance with District policy).

H. Cancellation of Conference or Travel Reservations

In the event the registration fee for a Board member to attend a meeting or conference has been paid by the District and the Board member fails to attend such meeting or conference without canceling his or her attendance in sufficient time to allow the District to obtain a full refund of the paid registration fee, then the non-refunded amounts of such registration fee shall be reimbursed to the District by the Board member; provided, however, that this policy shall not apply if the reason for the Board member's failure to attend

Deleted: deducted from monies otherwise payable

Deleted: by the

Deleted: to that

results from a personal or family emergency, including, but not limited to, serious illness, a work or business scheduling conflict or other circumstance out of the Board member's control.

Formatted: Not Highlight

I. Reimbursement and Expense Report Forms

All requests for reimbursement of actual and necessary expenses shall be submitted within two weeks after the expenses were incurred unless circumstances warrant otherwise, but in no event later than thirty (30) days after incurring the expense. Requests for reimbursement shall be submitted through expense report forms in the form attached as “**Exhibit A**” hereto or as otherwise prescribed by the District, and shall be accompanied with an explanation of the District related purpose for the expenditure and receipts evidencing each expense. Expenditures which are not consistent with this Policy or otherwise not properly accounted for or consistent with the prohibition against gifts of public funds set forth in the California Constitution will not be reimbursed or accepted by the District. Where such expenses have been paid by the District, they will be deducted from monies otherwise due a Board member. Alcoholic beverages and other non-essential expenses (including, but not limited to, in-room movies, Service Bar, etc.) will not be reimbursed.

Deleted: the policies set forth requiring

J. Report on Events Attended

Each Board member who attends a Compensable Event, other than a Board meeting or Board committee meeting, at the expense of the District shall give at the next regular Board meeting a brief report (oral or written, at the Board member's discretion) on the event attended. If multiple Board members attend the same event, a joint report may be made.

K. Reporting of Expenditures

To implement the reporting requirements of Government Code Section 53065.5, the District will prepare a list of the amount and purpose of each expense reimbursement made to each Board member for the preceding quarter, which will be available to the public.

XIX. Changes in Compensation

Increases in the per diem compensation payable to Board members under this policy shall be made by ordinance adopted after a noticed public hearing. Changes on compensation are made in accordance to District's Ordinance 2007-01.

XX. Candidate's Statement

A Board member will not include false or misleading information in a candidate's statement for a general District election filed pursuant to section 13307 of the Elections Code.

Deleted: (Water Code §20200)¶

XXI. Ethics and Sexual Harassment Prevention Training

Each Board member and the General Manager, the Accounting Supervisor and

Commented [GG1]: Do we also need to add a section on Sexual Harassment training?

Deleted: (Elections Code section 13313.)¶

Distribution and Treatment Supervisors shall receive at least two hours training in ethics for any two years of service or employment pursuant to Government Code Section 53235. Each Board member, the General Manager and other District employees, as required by law, shall receive sexual harassment prevention training, as required by law. The General Manager shall provide information to the Board of Directors and Staff on training available to meet the requirements for ethics training at least once annually, and shall schedule the training for the Board members and designated staff members. All costs and expenses associated with compliance with the ethics training requirements shall be paid by the District. Records of the ethics training completed by Board members and designated staff members, including the date of attendance and the entity providing the training shall be kept by the District for a minimum of five years after the completion of the training.

XXII. Violation of Ethics Policy

A perceived violation of this policy by a Board member should be referred to the President of the Board or the full Board of Directors for investigation and consideration of any appropriate action that may be warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval or censure of the conduct of the Board member who has violated this policy; (b) injunctive relief; or (c) referral of the violation to the District Attorney and/or the Grand Jury.

XVIII. Consulting District Counsel

Any Board member who has a question about the application of this policy with respect to his own circumstances or conduct or the conduct of the Board or any of its members may make a confidential inquiry of District Legal Counsel for guidance. The intent of this section is to assist the Board members to avoid or correct violations of this ethics policy, (for instance to receive advice on returning a gift which exceeds the gift limitation.) The purpose of this provision is not to enable concealing any of violations of legal requirements. Legal Counsel shall not be prohibited from reporting actual violations of legal requirements to the Board of Directors.



RESOLUTION NO. 260

RESOLUTION OF THE BOARD OF DIRECTORS OF LA PUENTE VALLEY COUNTY WATER DISTRICT ADOPTING A REVISED BOARD MEMBERS GUIDELINES FOR CONDUCT AND RESCINDING RESOLUTION 222

WHEREAS, the proper operation of the La Puente Valley County Water District (the "District") requires that decisions and policy be made within the proper channels of governance by its elected Board of Directors (the "Board");

WHEREAS, the public is entitled to expect and the District desires to maintain the highest ethical standards for its Board members so that the elected public offices of the District are not used for personal gain and that Board members will fairly and objectively perform their duties so that the District's mission of providing high quality, reliable potable water to its customers at a reasonable cost is achieved;

WHEREAS, the members of the Board are representatives of the District and their actions play an important role in shaping the community's perception of the District;

WHEREAS, the District believes it is prudent to provide its Board members with guidance in dealing with ethical issues, to help heighten awareness of ethics and values as critical elements of Board member conduct, and to improve decision making and management;

WHEREAS, it is in the best interests of the public, voters, District staff and Board members that the District adopt a formal policy to promote, assist, and ensure proper Board member conduct and procedures for the conduct of Board meetings;

WHEREAS, the Board has previously adopted in April of 2014 Resolution No. 222 adopting Board Members Guidelines for Conduct;

WHEREAS, the Board completed a review of the Board Members' Guidelines for Conduct and desires to revise certain sections of this policy document to conform to statutory changes and to otherwise update the desired policies;

NOW THEREFORE BE IT RESOLVED that the Board of Directors of the La Puente County Water District hereby adopt a revised Board Members Guidelines for Conduct, a copy of which is attached hereto as Exhibit "A," to govern the actions and procedures of the Board and conduct of meetings of its members, including all policies of ethics, compensation and compliance applicable to members of the Board;

BE IT FURTHER RESOLVED that Resolution No. 222 is hereby rescinded in its entirety and is no longer of any force and effect, as the rules adopted therein have been incorporated and restated in the Board Members Guidelines for Conduct attached hereto;

ADOPTED, SIGNED AND APPROVED this 22nd day of July, 2019

Ayes:

Noes:

Absent:

Abstain:

John P. Escalera, President
Board of Directors
La Puente Valley County Water District

ATTEST:

Greg B. Galindo, Board Secretary

“Exhibit A”

**Board Members
Guidelines for Conduct**



Revised July 22, 2019



Board Members Guidelines for Conduct

Table of contents

Preamble	4
I. Purpose of the Policy	4
II. Responsibility of a Public Office	4
III. Fair and Equal Treatment	4
IV. Proper Use and Safeguarding District's Property and Resources	4
V. Use of Confidential Information	5
VI. Conflict of Interest	5
VII. Soliciting Political Contributions	7
VIII. Incompatible Offices	7
IX. Board-General Manager Relationship	8
X. Improper Activities and the Reporting of Such Activities; Protection of Whistle Blowers	8
XI. Compliance with the Brown Act	9
XII. Rules for Conducting a Meeting.....	9
A. Regular Meetings	9
B. Special Meetings	9
C. Adjournment: Adjourned Meetings	9
D. Closed Sessions	10
E. Cancellation	10
F. Board President	10
G. Agenda	10
H. Time Certain	10
I. Posting	10
J. Actions	11
K. Motions	11
L. Voting	11
M. Rules of Order	11
N. Disorderly Conduct	11
XIII. Board members' Compensation and Expense Reimbursement	12
A. Board members' Expenses	12
B. Conference and Meetings Expenses	13
C. Compensation for Attendance at Compensable Events	13

D.	Travel Time and Expenses	14
E.	Conference Lodging	14
F.	Meal Expenses	15
G.	Travel, Lodging and Meals Paid Directly by District	15
H.	Cancellation of Conference or Travel Reservations	15
I.	Reimbursement and Expense Report Forms	15
J.	Report on Events Attended	16
K.	Reporting of Expenditures	16
XIV.	Changes in Compensation	16
XV.	Candidate's Statement	16
XVI.	Ethics Training	16
XVII.	Violations of Ethics Policy	16
XVIII.	Consulting District Counsel	17
XIX.	“Exhibit A” Directors Expense Report	18

PREAMBLE

“Government is a trust, and the officers of government are the trustees; and both the trust and the trustees are created for the benefit of the people.” (Henry Clay, 1829)

The mission of the La Puente Valley County Water District is to provide its customers with high quality water for residential, commercial, industrial and fire protection uses that meets or exceeds all local, state and federal standards and to provide courteous and responsive service at the most reasonable cost.

I. Purpose of the Policy

The policy of La Puente Valley County Water District (“the District”) is to maintain the highest ethical standards for its Board members. The proper operation of the District requires that decisions and policy be made within the proper channels of governmental structure, that public office not be used for personal gain and that Board members remain objective and responsive to the needs of the public they serve. Accordingly, it is the policy of the District that Board members maintain the highest ethical standards. The objectives of this policy are to (1) provide guidance for dealing with ethical issues; (2) heighten awareness of ethics and values as critical elements in Board members’ conduct; and, (3) improve ethical decision making and value-based management.

II. Responsibility of a Public Office

Board members are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Board members will comply with applicable laws regulating their conduct, including conflict of interest, financial disclosure and open government laws. Board members will work in cooperation with other public officials unless prohibited from doing so by law or officially recognized confidentiality of their work. *(Government Code Section 1360; Article 20, Section 3 of the California Constitution.)*

III. Fair and Equal Treatment

Board members will not, in the performance of their official duties and responsibilities, discriminate against or harass any person on the basis of race, religion, color, creed, age, marital status, national origin, ancestry, gender, gender identity, gender expression, sexual preference, medical condition, pregnancy, childbirth, disability, veteran status or other protected class under applicable state and federal law. A Board member will not grant any special consideration, treatment or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.

IV. Proper use and Safeguarding District’s Property and Resources

Except as specifically authorized, a Board member will not use or permit the use of District owned vehicles, equipment, telephones, materials or property for personal benefit or

profit. A Board member will not ask or require a District employee to perform services for personal benefit or profit. . Each Board member must protect and properly use any District asset within his or her control, including information recorded on paper or in electronic form. Board members will safeguard District property, equipment, moneys and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust.

V. Use of Confidential Information

- A. Board members are not authorized and shall not, without approval of the Board of Directors, to disclose information that qualifies as confidential information under applicable provisions of law, to a person not authorized to receive it, that: (1) has been received for, or during, a closed session meeting of the Board; (2) is protected from disclosure under the attorney/client or other evidentiary privilege; or (3) is not required to be disclosed under the California Public Records Act.
- B. This section does not prohibit any of the following: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the District, an elected official or employee; (2) expressing an opinion concerning the propriety or legality of actions taken by the District in closed session, including disclosure of the nature and extent of the allegedly illegal action; or, (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Board member will first bring the matter to the attention of either the President of the Board or the full Board, so that the Board will have an opportunity to cure an alleged violation.
- C. A Board member who willfully and knowingly discloses for monetary gain confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code section 1098.

VI. Conflict of Interest

- A. The District has adopted a Conflict of Interest Code and each Board member shall comply with all the requirements thereof, and with other applicable laws, including, but not limited to, other provisions of the Political Reform Act and Government Code Section 1090, in his/her actions or conduct as an elected official.
- B. A Board member shall therefore not have a financial interest in a contract with the District, or be a purchaser at a sale by the District, or a vendor at a purchase made by the District, unless the Board member's participation was authorized under Government Code Sections 1091 or 1091.5 or other provisions of law. A Board member will not participate in the discussion, deliberation or vote on a matter before the Board of Directors, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with

respect to the matter as defined in the Political Reform Act, Government Code sections 81000, and the following provisions relating to conflicts of interest.

Generally, a Board member has a financial interest in a matter if it is reasonably foreseeable that the Board decision would have a "material financial effect" (as defined by the Fair Political Practices Commission's [FPPC] regulations) that is distinguishable from the effect on the public generally on: (a) a business entity in which the Board member has a direct or indirect investment in the amount specified in FPPC regulations; (b) real property in which the Board member has a direct or indirect investment interest, with a worth in the amount specified in FPPC regulations; (c) a source of income of the Board member in the amount specified in FPPC regulations, within twelve months before the Board decision; (d) a source of gifts to the Board member in an amount specified in FPPC regulations within twelve months before the Board decision; or (e) a business entity in which the Board member holds a position as a director, trustee, officer, partner or manager. An "indirect interest" means any investment or interest owned by a spouse or child of the Board member, by an agent on behalf of the Board member, or by a business entity or trust in which the Board member, or the Board member's spouse, child or agent, owns directly, indirectly or beneficially a ten percent interest or greater.

A Board member will not accept gifts or honoraria that exceed the limitations specified in the Fair Political Practices Act or FPPC regulations (\$500.00 for calendar years 2019 and 2020, subject to adjustment in 2021, and thereafter). Board members will report all gifts, honoraria, campaign contributions, income and financial information as required under the District's Conflict of Interest Code and the provisions of the Fair Political Practices Act and the FPPC Regulations.

- C. If a Board member believes that he or she may be disqualified from participation in the discussion, deliberations, or vote on a particular matter due to a conflict of interest, the following procedure shall be followed:
- a. If the member becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, he or she Board member will notify the District's General Manager and the District's legal counsel of the potential conflict of interest, so that a determination can be made as to whether it is a disqualifying conflict of interest;
 - b. If it is not possible for the Board member to discuss the potential conflict with the General Manager and the District's legal counsel before the meeting, or if the Board member does not become aware of the potential conflict until during the meeting, the Board member will immediately disclose the potential conflict during the Board meeting so that there can be a determination as to whether it is a disqualifying conflict of interest;
 - c. Upon a determination that there is a disqualifying conflict of interest under the Political Reform Act, whether prior to or at the meeting, the Board member shall do all of the following:
 1. at the meeting, the Board member shall publicly identify the financial interest that gives rise to the conflict;
 2. the Board member shall not participate in the discussion, deliberation

or vote on the matter for which a conflict of interests exist; and,

3. the Board member shall leave the room until the discussion, vote and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters, in which event, the Board member may speak on the issue during the time that the general public speaks on the issues.
 - d. The identification of the conflict of interest and the Board member's recusal and absence during discussion and action shall be noted in the minutes.
 - e. Notwithstanding the foregoing, if the conflict of interest results from a director's interest a potential contract into which the District is considering entering, recusal is only permitted in the event the director in question has a remote interest or non-interest under applicable law (Government Code Sections 1091 and 1091.5, respectively). If no exception under those statutes applies, the director in question may not recuse himself or herself and the District is prohibited from entering into that contract.
- D. A Board member will not recommend the employment of a relative by the District. In addition, a Board member will not recommend the employment of a relative to any person known by the Board member to be bidding for or negotiating a contract with the District.
- E. A Board member who knowingly asks for, accepts or agrees to receive any gift, reward or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code section 70.

VII. Soliciting Political Contributions.

Board members are prohibited from soliciting political funds or contributions at District facilities or from District employees. A Board member will not accept, solicit or direct a political contribution from

- (a) District employees, officers, consultants or contractors, or
- (b) District vendors with a material financial interest in a contract or other matter while that contract or other matter is pending before the District.

A Board member will not use the District's seal, trademark, stationery or other indicia of the District's identity, or facsimile thereof, in any solicitation for political contributions.

VIII. Incompatible Offices.

Any Board member appointed or elected to a public office of another public entity, the duties of which may require action contradictory or inconsistent with the interests of the first entity (as determined under applicable law), will resign from the former office by operation of law pursuant to Government Code Section 1099. In addition, directors should be aware of Government Code Section 53227, under which an employee of a special district may not be sworn into office as an elected or appointed member of the Board of the same special district, unless he or she resigns as an employee.

IX. Board-General Manager Relationship.

- A. The Board sets the policy for the District. The Board will retain and periodically review the work of an auditor as an independent contractor of the District who will report to the Board, to conduct an annual audit of the District's books, records and financial affairs. In addition, at the Board's discretion, the District may retain a Financial Consultant, an independent contractor, who will report to the Board on the District's financial affairs.
- B. The District's General Manager: (a) has full charge and control of the maintenance, operation and construction of the water system and other facilities of the District; (b) has full power and authority to employ and discharge all employees and assistants, consistent with District policy and other provisions of the law; (c) prescribes the duties of employees and assistants, consistent with District policy; and (d) fixes and alters the compensation of employees, pursuant to the Board approved salary ranges for each position. The General Manager shall perform other such duties or functions requested by the Board and shall report to the Board in accordance with the Board's instructions.
- C. The District's General Manager serves at the pleasure of the Board. The Board will provide policy direction and instructions to the General Manager on matters within the authority of the Board by majority vote of the Board during duly-convened Board meetings. Individual Board members are not authorized to speak for the District or the Board or to bind the District to a particular course of action, unless specifically authorized to do so by proper Board action. Members of the Board will deal with matters within the authority of the General Manager through the General Manager, and not through other District employees, except consultants, including the District auditor. Members of the Board will refrain from making requests directly to District employees (rather than to the General Manager) to undertake analyses, perform other work assignments or change the priority of work assignments. Members of the Board may request non-confidential, factual information regarding District operations from District employees.

X. Improper Activities and the Reporting of Such Activities; Protection of "Whistle Blowers."

- A. The General Manager has primary responsibility for: (1) ensuring compliance with the District's personnel policies and procedures, and ensuring that District employees do not engage in improper activities; (2) investigating allegations of improper activities; and, (3) taking appropriate corrective and disciplinary actions. The Board has a duty to ensure that the General Manager is properly managing District affairs and operations according to law and the policies approved by the Board. Board members are encouraged to fulfill their obligation to the public and the District by disclosing to the General Manager, to the extent not expressly prohibited by law, improper activities within their knowledge. Board members will not interfere with the General Manager's responsibilities in identifying, investigating and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities. Nothing in this section affects the responsibility of the Board to oversee the

performance of the General Manager.

- B. A Board member will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute: (a) a work-related violation of any law or regulation by a Board member or District employee; (b) a waste of District funds; (c) an abuse of authority; (d) a specific and substantial danger to public health or safety due to an act or omission of a District official or employee; (e) use of a District office or position or of District resources for personal gain; or (f) a conflict of interest of a Board member or District employee.
- C. A Board member will not use or threaten to use any official authority or influence to effect any action as a reprisal against a Board member or District employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.

XI. Compliance with the Brown Act.

- A. The members of the Board and persons elected to the Board who have not yet assumed office as members of the Board, will fully comply with the provisions of the State's open meeting law for public agencies (the Ralph M. Brown Act or "Brown Act").
- B. A copy of the Brown Act will be provided to each member of the Board and to each person elected to serve as director who has not yet assumed the duties of office.
- C. A quorum of the Members of the Board shall not meet, or use any form of direct communication, personal intermediaries, or technological devices to develop a collective concurrence as to action to be taken on an item within the subject matter jurisdiction of the District, except as a part of an open and noticed public meeting, or pursuant to an authorized closed session.

XII. Rules for Conducting a Meeting

A. Regular Meetings

The regular meetings of the Board shall be held, on the second and fourth Monday of each calendar month. Meetings shall commence at 5:30 p.m., unless otherwise specified, in the District's Conference Room.

B. Special Meetings

A special meeting of the Board may be called at any time by the Board President or by a Majority of the members, in accordance with the Brown Act.

C. Adjournment: Adjourned Meetings

The Board may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all members are or will be

absent from any regular or adjourned regular meeting, the Secretary may declare the meeting adjourned to a stated time and place and shall cause a written notice of the adjournment to be given in the same manner as provided for special meetings. Within 24 hours after the time of adjournment, a copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held. When a regular or adjourned regular meeting is adjourned as provided in this Rule, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for a regular meeting.

D. Closed Sessions

The Board may hold closed sessions during a regular or special meeting, or at any time otherwise authorized by law, to consider or hear any matter which it is authorized by law to hear or consider in closed session, and may exclude from any such closed session any person or persons which it is authorized by law to exclude from such closed sessions.

E. Cancellation

Any meeting of the Board may be canceled in advance by majority vote of the Board members. The President may cancel a meeting when a majority of members have confirmed in writing their unavailability to attend a meeting.

F. Board President

The President shall preside over all Board meetings. In the President's absence, the Vice President shall serve as presiding officer. In the absence of both the President and the Vice President, the Board members shall poll the then present members and by a majority vote of those Board members present select a member to preside at that meeting.

G. Agenda

The Secretary or General Manager shall prepare for each meeting of the Board an agenda specifying the time and place of the meeting and setting forth a brief general description of each item of business to be considered by the Board at that meeting. The agenda for each regular meeting shall include all items of business requested to be placed on the agenda by the Board, individual Board members, the General Manager, or District's Legal Counsel.

H. Time Certain

Certain items may be listed on the agenda for a time certain. Such listing shall mean that the item shall be heard as soon as reasonably possible after the specified time.

I. Posting

The agenda for each regular meeting shall be posted in accordance with the Brown Act. The Secretary shall maintain a record of such posting in a form approved by the General Counsel.

J. Actions

The Board shall not take action on any matter not appearing on the posted agenda unless one of the exceptions listed in the Brown Act is applicable.

K. Motions

When a motion is made and seconded, it may be debated by the Board. Members may speak in debate of a motion only when addressing the President and being recognized by the President. Whenever the subject of the motion has been discussed and considered and roll call has been started, there shall be no further discussion or debate except that members may be allowed to explain their vote or propose supplemental motions.

L. Voting

All members of the Board, who are present at a meeting when a question comes up for a vote, shall vote for or against the measure or abstain. The

Board secretary will ensure that the minutes reflect each Board member's vote on all actions taken. After the vote is taken, the President or other director chairing the meeting if the President is not present, shall announce the result of the vote and the votes cast, if not unanimous.

M. Rules of Order

Except as otherwise provided herein, the presiding officer at any Board meeting shall be responsible for the orderly conduct of the Board meeting. The presiding officer shall be guided in that process by Robert's Rules of Order, which are for guidance only, and shall not be binding on the District the Board or the presiding officer.

N. Disorderly Conduct

The President shall have the authority to preserve order at all Board meetings, to remove or cause the removal of any person from any meeting of the Board for disorderly conduct, to enforce the rules of the Board and to determine the order of business under the rules of the Board and in compliance with the Brown Act. For the above purposes, the President may command the assistance of any peace officers who shall enforce all lawful orders of the President.

Disorderly conduct shall be deemed to include, but not be limited to, each of the following:

1. Willfully disturbing or breaking up, without authority of law, any of the following: Board member doing any act or engaging in any conduct, at any Board meeting, without authority of law, with intent to disturb or break up such meeting; urging or promoting the disturbance or breaking up of such meeting, or urging others to commit acts or engage in conduct which will disturb or break up such meeting. Acts or conduct which shall be deemed disturbing to the meeting shall be deemed to include, but not be limited to, unreasonably loud and prolonged yelling, screaming, clapping or other noise-creating acts which render it impossible or difficult

- for the Board to conduct or continue with its proceedings;
2. Doing any act or engaging in any conduct in the immediate view or hearing and presence of Board members with intent to disturb the proceedings of the Board or to impair the respect due the authority of the President or Board:
 3. Doing any act or engaging in any conduct with intent to cause a riot, urging a riot, or urging others to commit acts of force or violence, or the burning or destroying of property, under circumstances which produce a clear, present and immediate danger of acts of force or violence directed at persons or property or the burning or destroying of property. As used herein, "riot" means any use of force or violence, disturbing the public peace, or any threat to use such force or violence, if accompanied by the immediate power of execution, by two or more persons acting together and without authority of law;
 4. Threatening to commit or cause bodily injury to or upon any member of the Board, or upon any officer or employee of the Board or the District, or upon any other person, or to burn or destroy or cause the burning or destruction of any property if the Board fails or refuses to act, or to refrain from acting, in accordance with the wishes of the threatening person;
 5. Willfully refusing or failing to comply with any rule of the Board or with any reasonable order of the President or the Board.

XIII. Board members' Compensation and Expense Reimbursement.

Board members will comply with the provisions of the Board's "Policy on Board members' Compensation and Expense Reimbursement" as set forth in this section.

A. Board members' Expenses

Each Board member is encouraged to participate in those outside activities and organizations which in the judgment of the Board further the interests of the District. Expenses incurred by Board members in connection with such official duties are reimbursable. The following general rules apply:

1. All expenses shall be actual and necessary and Board members are encouraged to exercise restraint and prudence in all expenditures.
2. The most economical mode and class of transportation consistent with scheduling requirements shall be used.
3. Expenditures for food and lodging shall be moderate and reasonable.
4. When available, government and group rates offered by a provider of transportation or lodging services for travel and lodging shall be used.
5. Expenses incurred by a family member or guest of a Board member in connection with the Board member's service will not be reimbursed. Any increased costs in the Board member's accommodations resulting from the

Board member's desire to accommodate a guest will be at the Board member's expense, unless otherwise approved by the Board.

6. Expenses that exceed the amounts established in this policy that are not approved at a Board meeting before such expenses are incurred are not reimbursable by the District.

B. Conference and Meeting Expenses

1. Compensable Events

Board members shall receive compensation in accordance with Section C, below, and reimbursement of actual and necessary expenses in accordance with Section 3, et seq., below, for the following Compensable Events:

- a. Regular and special meetings of the District's Board of Directors;
- b. Meetings of standing committees established by the District's Board of Directors; or duly created ad hoc committees.
- c. Any conferences or organized educational activities, including, but not limited to, conferences sponsored by any special district or water-related association of which the District is a member, water educational workshops, water classes, water seminars, water symposiums, water facility tours and other special water-related functions, approved in advance by the Board, or be ratified after the event upon approval of at least a four-fifths vote of the Board (provided that expenses as set forth in Subdivisions D, E, F and G of this Section XIII are not reimbursable for any events ratified or approved after the event has occurred); and
- d. Any other event that may be approved in advance by the Board, or be ratified after the event upon approval of at least a four-fifths vote of the Board (provided that expenses as set forth in Subdivisions D, E, F and G of this Section XIII are not reimbursable for any events ratified or approved after the event has occurred), as a Compensable Event under this policy.

C. Compensation for Attendance at Compensable Events

Board members shall be compensated for attendance at Compensable Events at the current rate per day (in accordance with District Ordinance 2007-01), provided, however, that such daily compensation shall not be paid for more than a total of ten (10) days in any one calendar month; provided, however, that a Board member shall not be entitled to receive more than a total of sixty (60) days of compensation in a calendar year for all compensable events described in Section B.1(C) & (D) in that calendar year. Such compensation shall be provided in addition to any reimbursement for conference registration fees, meals, lodging and travel expenses incurred in attending the event as set forth below, provided an expense report has been submitted as described in Section I below.

D. Travel Time and Expenses

Reasonable and necessary travel time shall include one (1) day prior to and one (1) day after a Compensable Event, as defined in Section B.1 above, unless the Compensable Event takes place within 50 miles of the District's principal offices, in which case no compensation shall be paid for travel time.

Board members shall be reimbursed for actual expenses incurred in traveling to and from Compensable Events which are attended on behalf of the District. The most economical mode and class of transportation reasonably consistent with scheduling needs and space requirements and the most time-efficient route should be utilized. Travel expenses shall include round-trip airfare where necessary, actual reasonable expenses for ground transportation to and from airports and hotels, car rental, parking fees and mileage reimbursement (at the maximum allowable per mile rate established by the Internal Revenue Service) for use by Board members of privately-owned vehicles in the conduct of District business. When available, government and group rates must be used. Incidental gratuities, including, but not limited to, gratuities paid to valet parking or taxi service, are permissible, up to a total of \$10.00 per day. Such incidental expenses shall be listed in the expense form submitted pursuant to Subdivision I, below, and where possible, the Board member shall obtain documentation evidencing those expenses.

E. Conference Lodging

1. For lodging in connection with a conference or organized educational activity, the lodging costs shall not exceed the maximum group rate published by the conference or activity, provided the lodging is available to the Board member at the time of booking. If the group rate is not available, the Board member shall use applicable government or group rates offered by the provider of lodging or, alternatively, reasonable and necessary lodging that is comparable to, but not to exceed twenty-five percent (25%) of, the group rates associated with the conference. Incidental gratuities, including, but not limited to, gratuities paid to housekeeping or bellman are permissible, up to a total of \$10.00 per day. Such incidental expenses shall be listed in the expense form submitted pursuant to Subdivision I, below, and where possible, the Board member shall obtain documentation evidencing those expenses.
2. No reimbursement claim or request for overnight accommodations will be approved for expenses incurred within the District's service area, or within 50 miles outside the District's service area, except upon advance approval by the Board.

F. Meal Expenses

Board members who attend Compensable Events as representatives of the District shall be reimbursed for actual out-of-the-local-area meal expenses, including gratuities. Board members shall have the option to take meals offered in connection with such events, in which case the District may prepay the expense as part of the conference registration or, in the alternative, be reimbursed for meal expenses and meal gratuities, not to exceed \$125 per day. Requests for reimbursements shall be submitted in accordance with Section I below.

G. Travel, Lodging and Meals Paid Directly by District

The District, in most cases arranges for travel and lodging for Board members attending the conferences or events, will be paid directly by the District. Meals while attending the event will be purchased directly by the District. To the extent that a Board member has discretion over the cost of such travel, lodging and meal expenses, the same standards of prudence, reasonableness and limits shall apply as where the Board member incurs the expense and requests reimbursement (i.e. travel will be by the most economical means consistent with scheduling constraints and meals and lodging will be moderate and reasonable and in accordance with District policy).

H. Cancellation of Conference or Travel Reservations

In the event the registration fee for a Board member to attend a meeting or conference has been paid by the District and the Board member fails to attend such meeting or conference without canceling his or her attendance in sufficient time to allow the District to obtain a full refund of the paid registration fee, then the non-refunded amounts of such registration fee shall be reimbursed to the District by the Board member; provided, however, that this policy shall not apply if the reason for the Board member's failure to attend results from a personal or family emergency, including, but not limited to, serious illness, a work or business scheduling conflict or other circumstance out of the Board member's control.

I. Reimbursement and Expense Report Forms

All requests for reimbursement of actual and necessary expenses shall be submitted within two weeks after the expenses were incurred unless circumstances warrant otherwise, but in no event later than thirty (30) days after incurring the expense. Requests for reimbursement shall be submitted through expense report forms in the form attached as "**Exhibit A**" hereto or as otherwise prescribed by the District, and shall be accompanied with an explanation of the District related purpose for the expenditure and receipts evidencing each expense. Expenditures which are not consistent with this Policy or otherwise not properly accounted for or consistent with the prohibition against gifts of public funds set forth in the California Constitution will not be reimbursed or accepted by the District. Where such expenses have been paid by the

District, they will be deducted from monies otherwise due a Board member. Alcoholic beverages and other non-essential expenses (including, but not limited to, in-room movies, Service Bar, etc.) will not be reimbursed.

J. Report on Events Attended

Each Board member who attends a Compensable Event, other than a Board meeting or Board committee meeting, at the expense of the District shall give at the next regular Board meeting a brief report (oral or written, at the Board member's discretion) on the event attended. If multiple Board members attend the same event, a joint report may be made.

K. Reporting of Expenditures

To implement the reporting requirements of Government Code Section 53065.5, the District will prepare a list of the amount and purpose of each expense reimbursement made to each Board member for the preceding quarter, which will be available to the public.

XIX. Changes in Compensation

Increases in the per diem compensation payable to Board members under this policy shall be made by ordinance adopted after a noticed public hearing. Changes on compensation are made in accordance to District's Ordinance 2007-01.

XX. Candidate's Statement

A Board member will not include false or misleading information in a candidate's statement for a general District election filed pursuant to section 13307 of the Elections Code.

XXI. Ethics and Sexual Harassment Prevention Training

Each Board member and the General Manager, the Accounting Supervisor and Distribution and Treatment Supervisors shall receive at least two hours training in ethics for any two years of service or employment pursuant to Government Code Section 53235. Each Board member, the General Manager and other District employees, as required by law, shall receive sexual harassment prevention training, as required by law. The General Manager shall provide information to the Board of Directors and Staff on training available to meet the requirements for ethics training at least once annually, and shall schedule the training for the Board members and designated staff members. All costs and expenses associated with compliance with the ethics training requirements shall be paid by the District. Records of the ethics training completed by Board members and designated staff members, including the date of attendance and the entity providing the training shall be kept by the District for a minimum of five years after the completion of the training.

XXII. Violation of Ethics Policy

A perceived violation of this policy by a Board member should be referred to the President of the Board or the full Board of Directors for investigation and consideration of any appropriate action that may be warranted. A violation of this policy may be

addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval or censure of the conduct of the Board member who has violated this policy; (b) injunctive relief; or (c) referral of the violation to the District Attorney and/or the Grand Jury.

XVIII. Consulting District Counsel

Any Board member who has a question about the application of this policy with respect to his own circumstances or conduct or the conduct of the Board or any of its members may make a confidential inquiry of District Legal Counsel for guidance. The intent of this section is to assist the Board members to avoid or correct violations of this ethics policy, (for instance to receive advice on returning a gift which exceeds the gift limitation.) The purpose of this provision is not to enable concealing any of violations of legal requirements. Legal Counsel shall not be prohibited from reporting actual violations of legal requirements to the Board of Directors.

STAFF REPORT



Meeting Date: July 22, 2019

To: Honorable Board of Directors

Subject: Consideration of Proposal from Doty Bros. Construction Company for Asphalt Restoration for the District's 5th Street Waterline Improvement Project.

Purpose - *To secure services from Doty Bros. Construction Company (Doty Bros.) for asphalt restoration for the District's 5th Street Waterline Improvement Project.*

Recommendation - *Authorize the General Manager to secure services from Doty Bros. for asphalt restoration for an amount not to exceed \$25,406.70.*

Fiscal Impact - *The District 2019 Capital Improvement Budget appropriates \$180,000 for the 5th Street Waterline Improvement Project. The 2019 year to date total for this project is \$148,589.38. The proposed cost for asphalt restoration is \$25,406.70, which is within Budget appropriation.*

Background

The District's 2017 Water Master Plan includes a Capital Improvement Program (CIP) that is aimed to (1) resolve identified hydraulic issues and (2) cyclical replacements due to issues arising from age and condition. With that being said, the 5th Street Waterline Project was classified as "High" priority in the CIP provided that the hydraulic industrial fire flow deficiency was adjacent to Workman Elementary School.

To address this flow deficiency, it is recommended to upsize the existing 6-inch main (~550 feet) in 5th Street to a 12-inch main and install two new fire hydrants. One fire hydrant would be installed in front of Workman Elementary School and the second fire hydrant would be installed at the northeast corner of 5th Street and Workman Street. Based upon hydraulic modeling, this improvement should result in a fire flow greater than 4,000 gpm.

Summary

The final design of the new 12-inch Ductile Iron Pipe (DIP) waterline consists of a tie-in with the existing 16-inch ACP main in Main St. and extends northerly along 5th Street approximately 550 feet to points of connection with the existing 6-inch ACP main in Workman Street and the existing 6-inch ACP main in 5th Street (Intersection of 5th Street and Workman Street).

In accordance with the District's purchasing policy, staff requested and received proposals for asphalt restoration for the 5th Street waterline improvement. Proposal prices are shown in the table below:

<i>Supplier</i>	<i>Total Amount</i>
Doty Bros. Construction Company	\$23,097.00
GM Sager Construction Company	\$29,500.00
Arambul Concrete	Declined to submit proposal

Fiscal Impact

The District 2019 Capital Improvement Budget appropriates \$180,000 for the 5th Street Waterline Improvement Project. The 2019 year to date total for project is \$148,589.38. The proposed (**Enclosure 1**) cost for asphalt restoration is \$25,406.70 (10% contingency included), which is within the Budget appropriation.

The table below provides an estimated budget listing of work items with respect to the 5th Street Waterline Improvement Project. As shown, the highlighted items indicate work items that have been completed and/or are being proposed.

Item #	Description	QTY	Unit	Unit Cost	Total Cost
1	CEQA Notice of Exemption Filing	1	LS	\$76.75	\$76.75
2	Engineering Design Services	1	LS	\$17,300.00	\$17,300.00
3	Permits	1	LS	\$2,500.00	\$2,500.00
4	Material	1	LS	\$53,505.23	\$53,505.23
5	Construction	1	LS	\$77,707.40	\$77,707.40
6	Compaction Test	1	LS	\$1,000.00	\$1,000.00
7	Asphalt/Concrete Replacement	1	LS	\$30,000.00	\$25,406.70
Estimated Budget Total					\$173,996.08

Recommendation

Authorize the General Manager to secure services from Doty Bros. for asphalt restoration for the 5th Street Waterline Improvement Project for an amount not to exceed \$25,406.70.

Respectfully Submitted,

Roy Frausto
Engineering & Compliance Manager

Enclosure(s)

- *Doty Bros. Cost Proposal*

Proposal

DOTY BROS. CONSTRUCTION CO.

Job Code: 10190405b REV1

Description: La Puente Water: 5th Street Waterline Project

Job Code 10190405b REV1
Job Description La Puente Water: 5th Street Waterline Project
Job Location N 5th Street (between Workman St & Main St)
Job City La Puente
Bid Date 12-Apr-2019
Bid Time 10:30:00 PM

Proposal						
Pay Item No.	Description	Quantity	Unit of Measure	Unit Price	Total Price	
	Subtotal Description					
01	Install 550' of 12" DIP, SVCs & Hydrants	1.00	LS	67,571.65	67,571.65	
02	Restore asphalt (base pave w/T-Cut)	1.00	LS	23,097.00	23,097.00	
GRAND TOTAL:					90,668.65	

Proposal Certification

Submitted By: Glen R. Pool
Doty Bros. Construction Co.
(562) 864-6566 ext.233
gpool@dotybros.com

Memo



To: Honorable Board of Directors
From: Greg Galindo, General Manager
Date: July 19, 2019
Re: Consideration to Approve the Project Justification and Description for the District's Nitrate Treatment Project

As the Board is aware, staff, in conjunction with the Nitrate Treatment System Ad Hoc Committee, has been working on planning for the addition of nitrate treatment at the District's Groundwater Treatment Facility. As part of this planning process, District staff requested Stetson Engineers Inc. to prepare a written document that provides the justification for project and a description of the project as well. This document is enclosed for your consideration. At the July 22, 2019 Board of Directors meeting, staff will summarize and request that the Board to consider approving this document so it can be used to support the advancement of the District's Nitrate Treatment System Project.

Staff looks forward to discussing this item with the Board at this Monday's meeting. If you have any questions ahead of time, please feel free to give me a call.



2721

Reply to: Covina

July 15, 2019

Mr. Greg Galindo, General Manager
La Puente Valley County Water District
112 N. 1st Street
La Puente, CA 91744

Subject: La Puente Valley County Water District
Potential Wellfield Nitrate Treatment Facility
Project Justification and Description

Dear Mr. Galindo:

Thank you for our discussion on the current status of the La Puente Valley County Water District's groundwater extraction wells, water quality, and potential need for dedicated treatment technology to reduce Nitrate concentrations. The following is a brief summary of our review and thoughts on potential Nitrate impacts on your potable water supply wells.

Background

La Puente Valley County Water District (LPVCWD) staff historically operated its wellfield to supply groundwater to meet its potable demands. However, during the early 1990's Volatile Organic Compounds (VOCs), particularly Trichloroethylene (TCE) was detected above the Maximum Contaminant Level (MCL) of 5 micrograms per liter (ug/l), which impacted LPVCWD's ability to continue to provide potable water supplies. Subsequently, LPVCWD became a signatory to the Baldwin Park Operable Unit (BPOU) Project Agreement during 2002 and more recently renewed in 2017. The BPOU Project Agreement includes LPVCWD's operation of its wellfield and treatment facility, which was in part funded by BPOU Cooperating Respondents (CRs), primarily for groundwater cleanup purposes. Operation of LPVCWD water supply facilities exceeds LPVCWD's annual demands. LPVCWD is the primary recipient of the treated groundwater, while the balance of the treated water is conveyed to Suburban Water Systems (SWS).

At the time VOCs were initially detected, during the early 1990's, at the LPVCWD Wellfield, Nitrate-Nitrogen (NO₃-N) concentrations in Well No. 3 were about 5 milligrams per liter (mg/l). Over the past 30 years the NO₃-N concentrations in LPVCWD Well No. 3 have gradually increased and currently range from about 8 mg/l to about 9 mg/l. (See attached memorandum dated August 31, 2018.) NO₃-N concentrations in LPVCWD Well No. 5, which currently is the primary well in the



Mr. Greg Galindo
July 15, 2019
Page 2

LPVCWD Wellfield, average about 7.8 mg/l. The LPVCWD Well No. 5 NO₃-N concentration was about 6 mg/l just 10 years ago. As part of the attached memorandum are historical NO₃-N concentrations in the vicinity of the LPVCWD Wellfield showing an increasing NO₃-N trend. In addition, Plate 1 shows the location of San Gabriel Valley Water Company's Plant B6 facility (as indicated by Well B6C), which recently added Nitrate treatment technology under DDW direction.

Typically, the State Water Resources Control Board – Division of Drinking Water (SWRCB-DDW) strives to maintain NO₃-N concentrations at, or below, 8 mg/l, which is 80 percent of the MCL of 10 mg/l. Continued increasing NO₃-N concentrations at the LPVCWD Wellfield may result in DDW taking action to direct LPVCWD to address the NO₃-N contamination, which may include temporarily ceasing production until a treatment facility is constructed. The inability to operate the LPVCWD Wellfield, as the result of, increased NO₃-N concentrations impacts both LPVCWD's ability to serve potable water to its customers and to comply with the terms of the BPOU Project Agreement.

LPVCWD Potable Water Supply

The LPVCWD Wellfield historically consisted of Wells No. 2, 3, and 4, which were used to provide potable water supplies to LPVCWD's customers. Historically, these wells did not have detectable concentrations of VOCs and NO₃-N generally was at or below 50 percent of the MCL. Under the BPOU Agreement, LPVCWD has operated its wells at approximately 210 percent of its water demands (additional water provided to SWS), which may have contributed to the increasing NO₃-N concentrations. Assuming VOCs (nor any other man-made contaminant) never impacted the LPVCWD wellfield, LPVCWD would be responsible for all other DDW water quality compliance, including NO₃-N, and ensure that the water quality concentrations in groundwater provided to LPVCWD customers were less than 80 percent of the MCL. DDW would have required LPVCWD to address NO₃-N concentrations (assuming they were above 80 percent of the MCL) through a combination of increased monitoring, an approved blend plan and/or treatment, which typically consists of ion exchange (IX).

BPOU Project Agreement

The BPOU Project Agreement was signed during 2002 (and renewed in 2017) and included the LPVCWD Wellfield and Treatment Facility. As a result of the BPOU Project Agreement, groundwater from the LPVCWD Wellfield was treated for a variety of contaminants including VOCs, Perchlorate, and N-Nitrosodimethylamine (NDMA). The CRs are responsible for capital and operation/maintenance costs associated with operation of the treated facilities. However, NO₃-N are not included as a "Contaminant of Concern". In that regard, Section 2.3.3 (b) of the BPOU Project



Mr. Greg Galindo
July 15, 2019
Page 3

Agreement states in part that if "...a contaminant is detected in any extraction well that is included in, and being operated as part of, the Project, and such contaminant: (i) is not a Chemical of Concern, (ii) requires treatment pursuant to applicable safe drinking water standards or requirements and (iii) cannot be treated using the Project Facilities, the Parties shall meet and confer in good faith to consider options for the continued operation of the Project. Thereafter the affected Water Purveyor, at its sole discretion, may terminate operation of any part of the Subproject affected by the contaminant and shall provide the Cooperating Respondents notice of such action..."

Nitrate Treatment Facility Project Description

Projected Nitrate Trend

The proposed Nitrate Treatment Technology Evaluation Study initially will review the historical NO₃-N trends at, and in the vicinity of, the LPVCWD Wellfield, including San Gabriel Valley Water Company's Plant B6 and upgradient wells with the 20-year capture zone of the LPVCWD Wellfield. In addition, the projected NO₃-N trend analysis will evaluate the distribution and occurrence of NO₃-N at the LPVCWD Wellfield and upgradient wells, particularly USEPA multi-port monitoring wells where depth specific NO₃-N water quality may be available. The data will be incorporated into the Main San Gabriel Basin Watermaster's 3-D Basin Model (3-D Basin Model) assuming the highest and lowest hydraulic gradients within the LPVCWD Wellfield capture zones. Finally, the 3-D Basin Model will be used for a Nitrate transport simulation. The results of this analysis will be summarized in a Technical Memorandum provided to LPVCWD, and will help form the basis for the selection of treatment technology and design of a Nitrate Treatment Facility. The Final Technical Memorandum can be used for discussions with DDW and the CRs.

Nitrate Treatment Facility Preliminary Design Description

Based upon the results of the projected NO₃-N trend analysis, a design concentration for the potential treatment facility will be identified. In an effort to reduce capital and operations/maintenance costs, it is anticipated a portion of the flow will be treated down to about 2.5 ug/l NO₃-N and blended with the balance of the flow from the LPVCWD Wellfield. As an example, using the LPVCWD existing design flow rate of 2,500 gallons per minute and a raw water NO₃-N concentration of 10 mg/l, the potential treatment facility would need to be designed to treat 800 gpm of groundwater to 2.5 mg/l to achieve a blended concentration of 7.6 mg/l, which is below the DDW Blend Goal of 8 mg/l. The results from the 3-D Basin Model will be used to substantiate the final design.



Mr. Greg Galindo
July 15, 2019
Page 4

Potential Project Funding

As noted earlier, NO₃-N is not a Contaminant of Concern associated with the BPOU cleanup program. LPVCWD will investigate available grants and loans including, but limited to, State and Federal programs. Because LPVCWD is planning a NO₃-N treatment project, it is uncertain whether San Gabriel Basin Water Quality Authority (WQA) funding may be available.

Institutional Considerations

LPVCWD plans to notify the Main San Gabriel Basin Watermaster, pursuant to Section 28 of the Watermaster's Rules and Regulations, of LPVCWD's plans to construct the NO₃-N treatment facility. (The existing treatment facility is permitted by Watermaster and, based on past experience, Watermaster may not require a new application for the addition of NO₃-N treatment.)

LPVCWD will coordinate with DDW to obtain an amended Water Supply Permit and update ancillary documents such as the Operations, Maintenance, and Monitoring Plan. LPVCWD will also comply with relevant California Environmental Quality Act (CEQA) requirements.

LPVCWD will coordinate with the Regional Water Quality Control Board and the County of Los Angeles Flood Control District for potential discharge permits.

Summary

Over the past 30 years NO₃-N concentrations in the LPVCWD Wellfield have gradually increased to the point where NO₃-N treatment will likely be required by DDW as a condition of continuing to use the wells. Although there is an existing treatment facility at the LPVCWD Wellfield, NO₃-N is not a Contaminant of Concern therefore Section 2.3.3 (b) of the BPOU Agreement is applicable. A NO₃-N trend analysis will be conducted and a Technical Memorandum prepared to help identify the design concentration for a potential NO₃-N treatment facility. It is anticipated a portion of the groundwater supply will be treated for NO₃-N reduction while the balance will be blended to produce water quality which is compliant with the DDW Blend Goal of 8 mg/l. LPVCWD will coordinate with DDW and the Main Basin Watermaster to obtain the necessary permits to operate the treatment facility and will coordinate with regulatory agencies regarding potential discharges and BPOU cleanup compliance. LPVCWD will also investigate the availability of loans and grants to help fund the potential NO₃-N treatment facility.

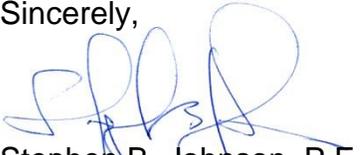


STETSON ENGINEERS INC.

Mr. Greg Galindo
July 15, 2019
Page 5

Please feel free to contact this office at (626) 967-6202 should you or your Board you have any questions.

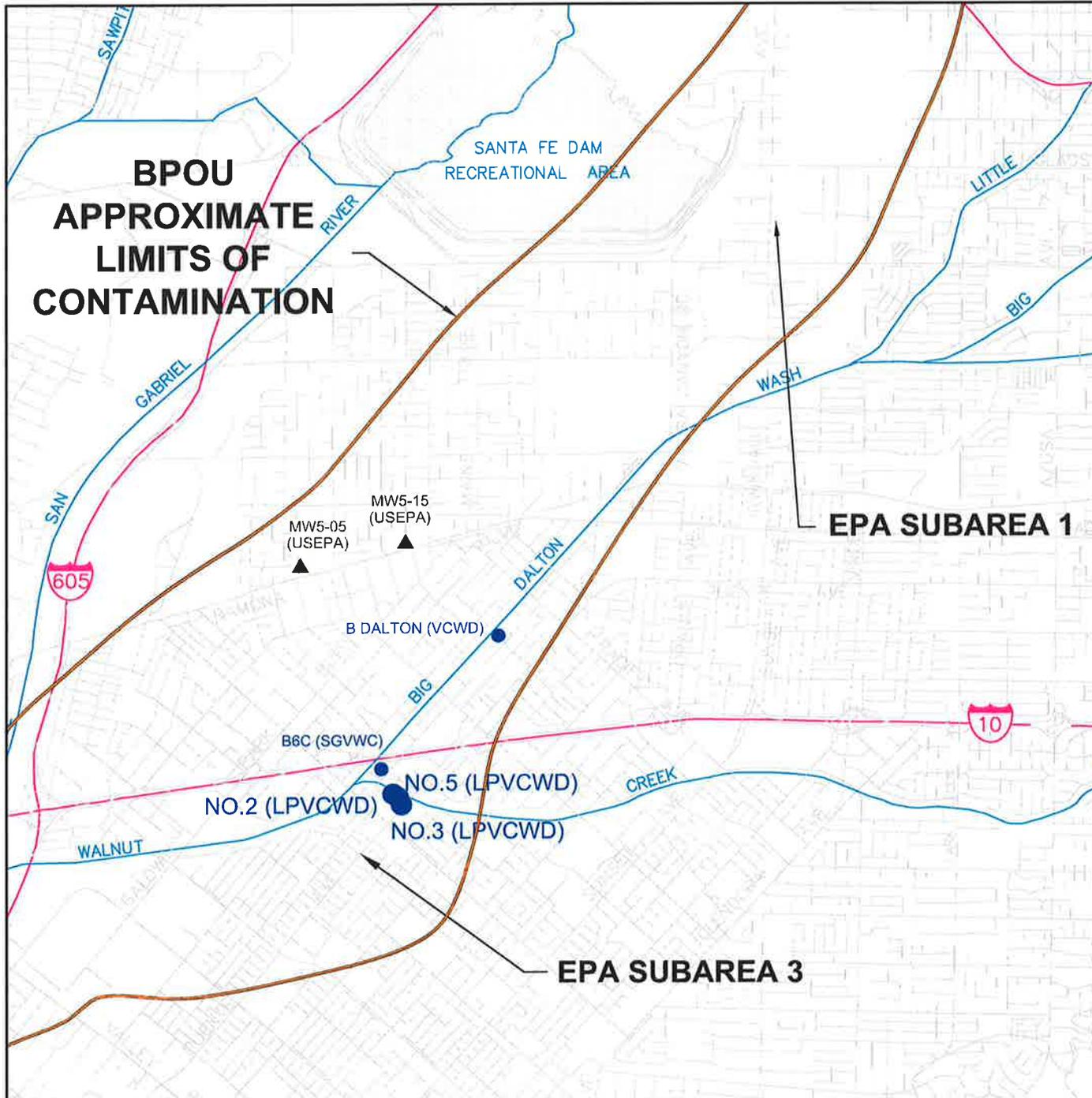
Sincerely,



Stephen B. Johnson, P.E.
Stetson Engineers Inc.

Attachments

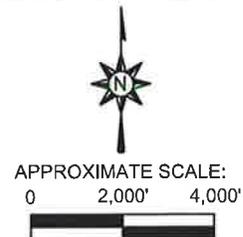
J:\2721\Nitrate Treatment Project Description and Justification ltr_052219.doc



LEGEND :

-  WELL NAME (OWNER)
-  MONITORING WELL
-  BPOU BOUNDARY

- BPOU BALDWIN PARK OPERABLE UNIT
- LPVCWD LA PUENTE VALLEY COUNTY WATER DISTRICT
- SGVWC SAN GABRIEL VALLEY WATER COMPANY
- USEPA U.S. ENVIRONMENTAL PROTECTION AGENCY
- VCWD VALLEY COUNTY WATER DISTRICT



861 VILLAGE OAKS DRIVE, SUITE 100
COVINA, CALIFORNIA 91724
TEL: (626) 967-6202
FAX: (626) 331-7065

2171 E Francisco Blvd., Suite K
San Rafael California 94901

2651 W Guadalupe Rd., Suite A209
Mesa Arizona 85202

LA PUENTE VALLEY COUNTY WATER DISTRICT

**LOCATION MAP
LPVCWD TREATMENT FACILITY**

Memorandum



To: Terry Kim, State Water Resources Control Board
 Sutida Bergquist, State Water Resources Control Board

From: Roy Frausto, Engineering & Compliance Manager

Date: August 31, 2018

Re: **La Puente Valley County Water District - Nitrate Levels**

LPVCWD has provided treated water from its Baldwin Park Operable Unit (BPOU) Treatment Plant to the communities of La Puente and City of Industry under our State Water Resources Control Board's Division of Drinking water permit #1910060PA-002. Under permit provision #40, LPVCWD monitors Nitrate at its Well sources and at the Single Pass Ion Exchange Combined Effluent (SP-10) on a monthly and weekly basis, respectively.

Recently, Nitrate levels at Wells 5, 3 and 2 have been on an increasing trend that have resulted in average treated water near 80% of the 10 mg/l Maximum Contaminant Level (MCL). **Table 1** below list the most recent sample results for our Wells along with our SP-10 sampling port (weekly compliance point for Nitrate sampling).

Table 1 – 2018 LPVCWD Nitrate Concentrations

<i>Date</i>	<i>Well 2 (mg/l)</i>	<i>Well 3 (mg/l)</i>	<i>Well 5 (mg/l)</i>	<i>*SP-10 (mg/l)</i>
Jan-18	6.2	7.7	7.6	7.4
Feb-18	---	---	7.3	7.6
Mar-18	6.3	7.6	7.7	7.6
Apr-18	---	---	8.2	7.4
May-18	7.2	8.6	8	7.7
Jun-18	7.7	9.4	7.7	8.1
Jul-18	7.1	8.6	7.7	7.5
Aug-18	8.0	---	7.9	7.7
AVERAGE	7.1	8.4	7.8	7.6
MINIMUM	6.5	7.6	7.3	7.4
MAXIMUM	8.0	9.4	8.2	8.1

*Monthly average of weekly samples.

Well No. 3 has the highest Nitrate concentrations; however, water from Well 3 is always blended with water from Well 2 when in operation. As a result, historical SP-10 results have always (with the exception of a few outliers) been below 8 mg/l. Currently, SP-10 results have been averaging near 8 mg/l for the past several months.

To dismiss the possibility of a QA/QC issue with our primary lab, LPVCWD procured the services of another lab for weekly Nitrate sample analysis. After review of all the Nitrate sample results collected for the past several months, LPVCWD staff concluded that we are experiencing an accelerated increasing upward trend in Nitrate levels vs. a QA/QC issue.

Provided this continuous average, LPVCWD is formally advising stakeholders that treated water deliveries may continue to be at or slightly above 8 mg/l. For your reference, see **Enclosure 1** with respect to historical Nitrate levels for our Wells and SP-10. LPVCWD will begin steps towards the addition of a Nitrate treatment system to our current treatment plant to mitigate this issue on a timely manner.

As previously discussed, we would like to schedule a meeting to discuss the issue with you and the appropriate staff at the State Water Resources Control Board's Division of Drinking to confer on any required actions that may need to be implemented.

If you have any questions or comments, please feel free to call me at (626) 330-2126 or email me at RFrausto@lapuentewater.com.

Respectfully Submitted,



Roy Frausto
La Puente Valley County Water District

Enclosure(s)

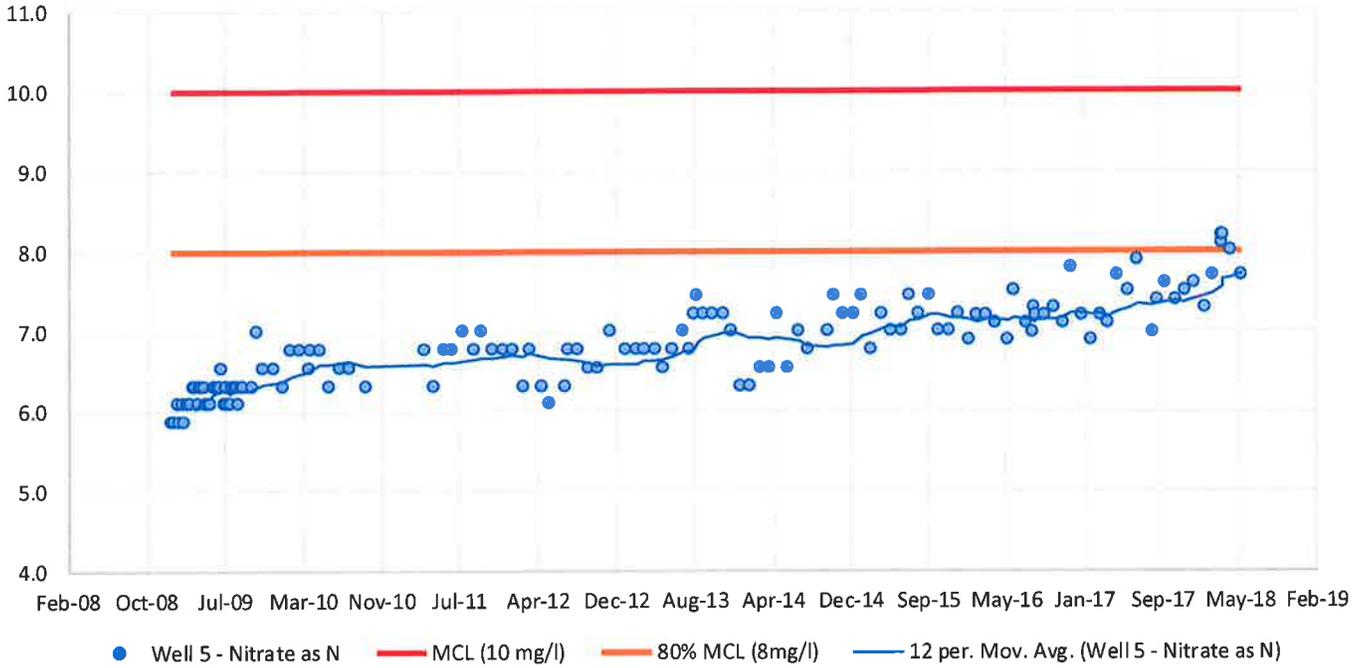
- *Enclosure 1 – Historical Nitrate Levels*



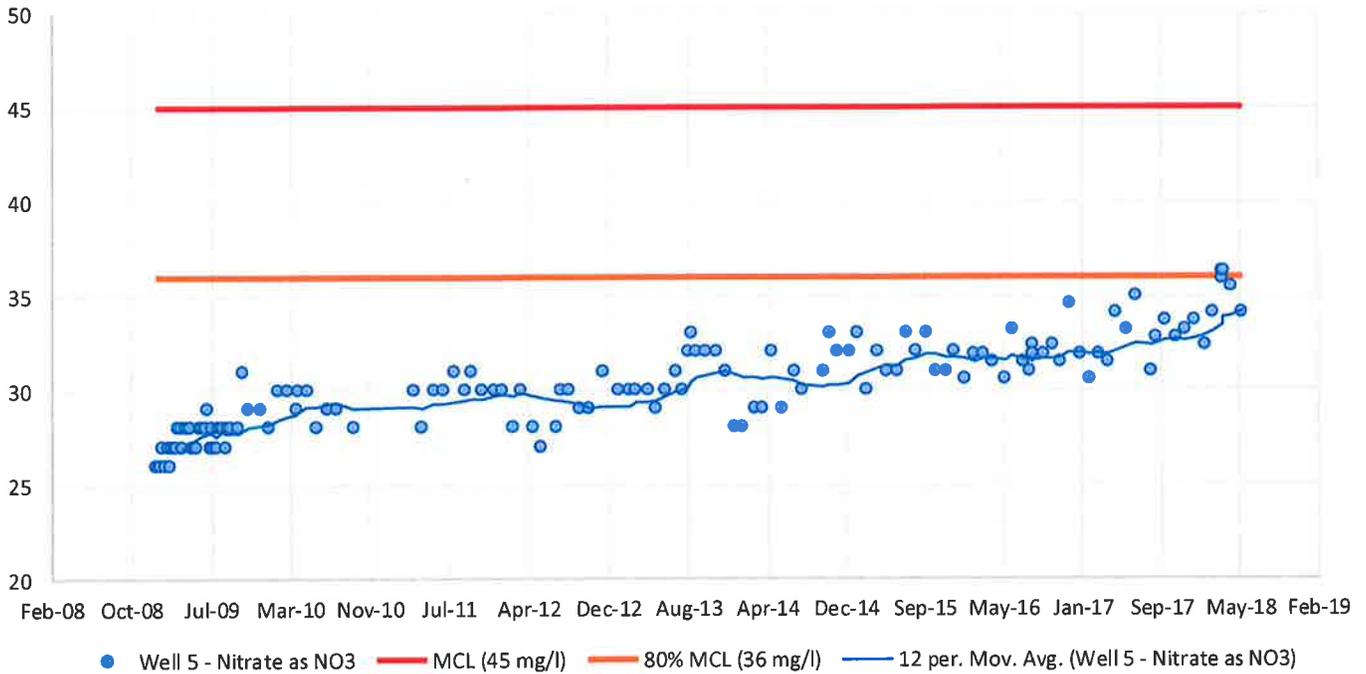
Enclosure 1

Historical Nitrate Levels

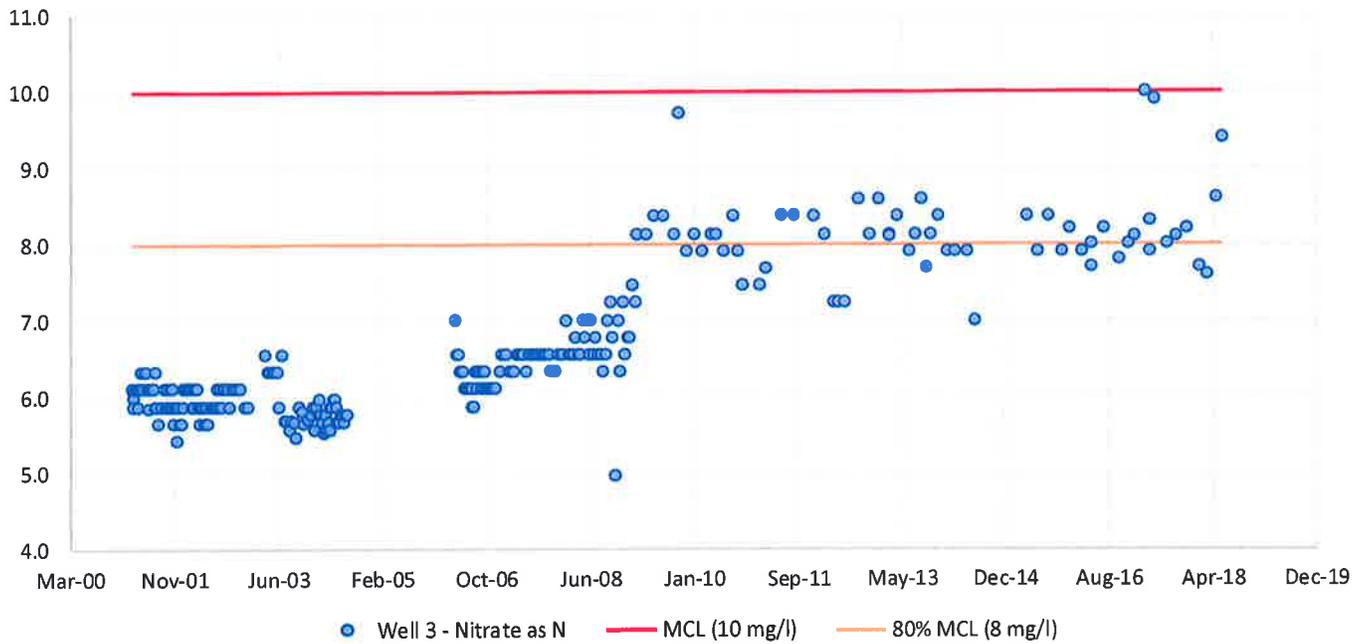
Well 5 - Nitrate as N



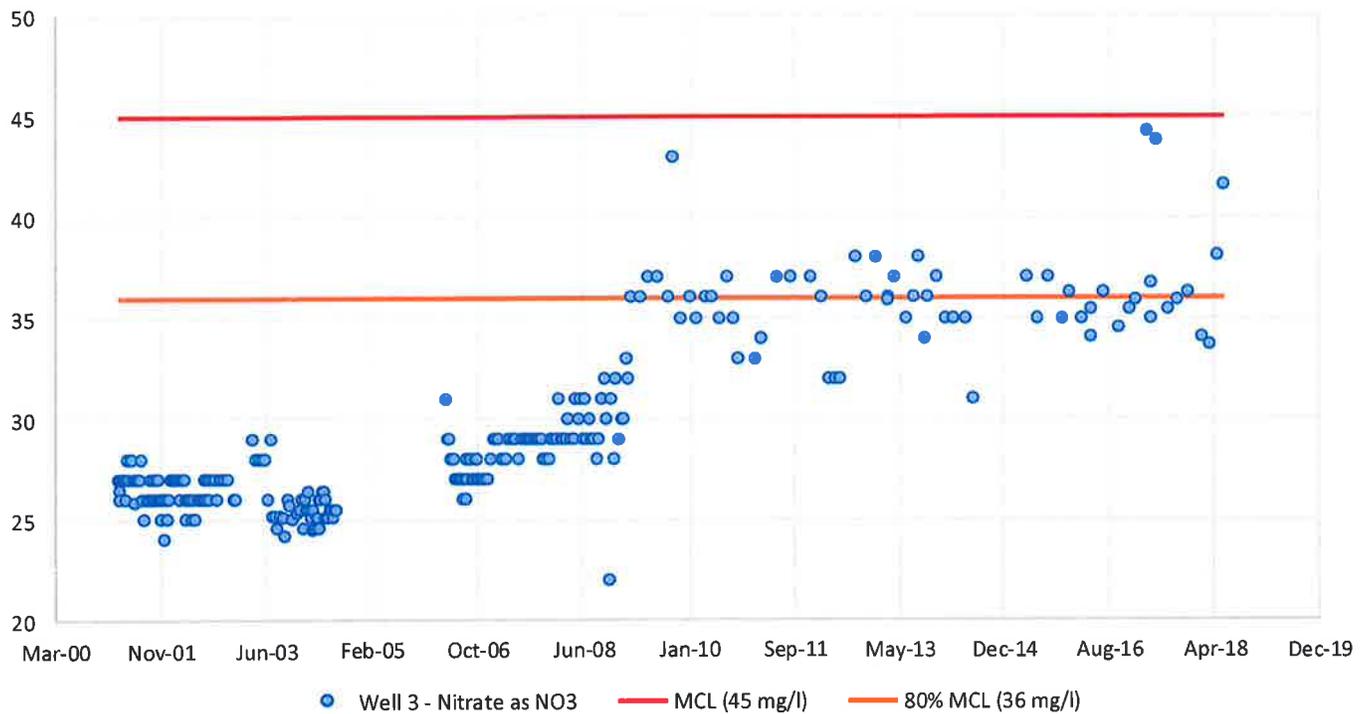
Well 5 - Nitrate as NO3



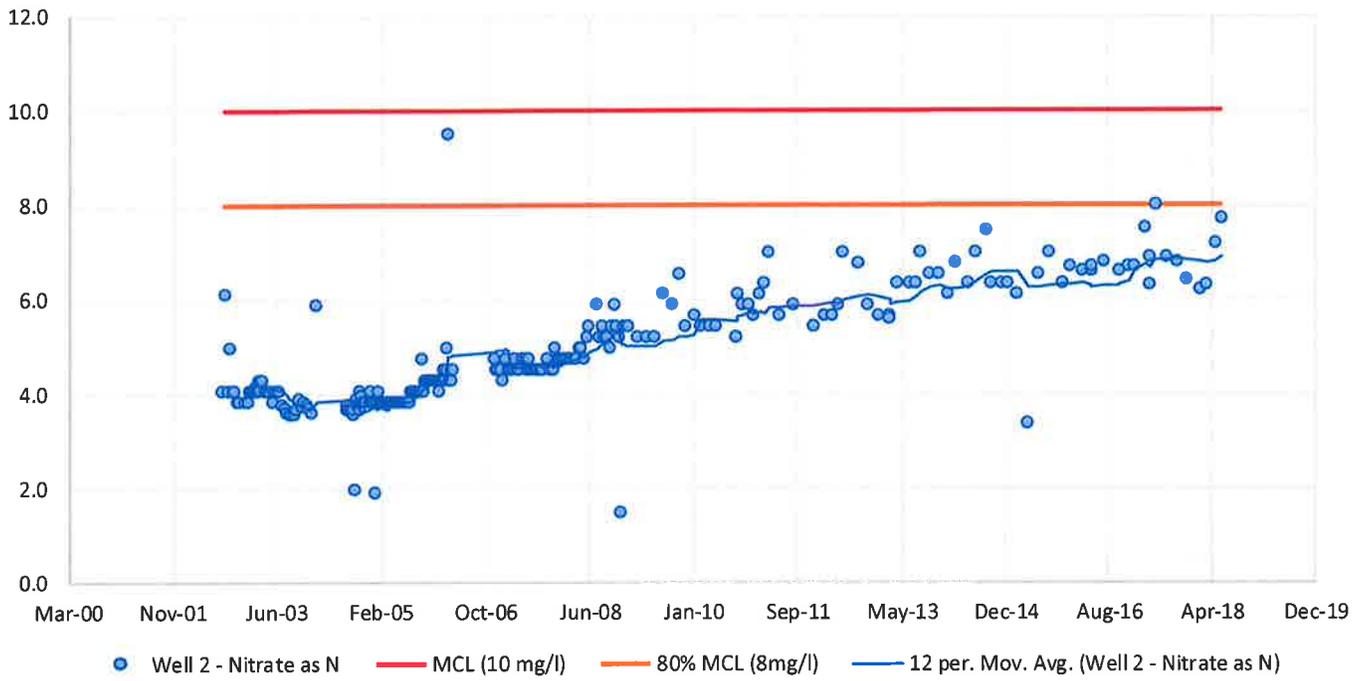
Well 3 - Nitrate as N



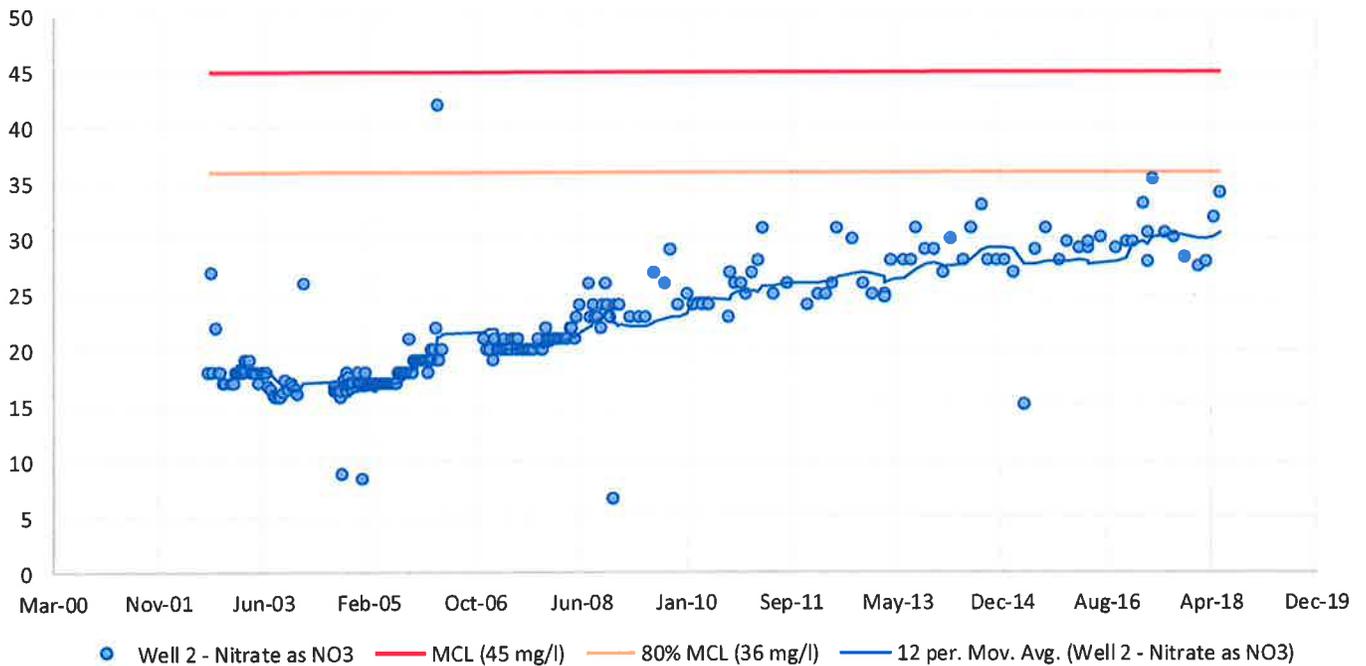
Well 3 - Nitrate as NO3



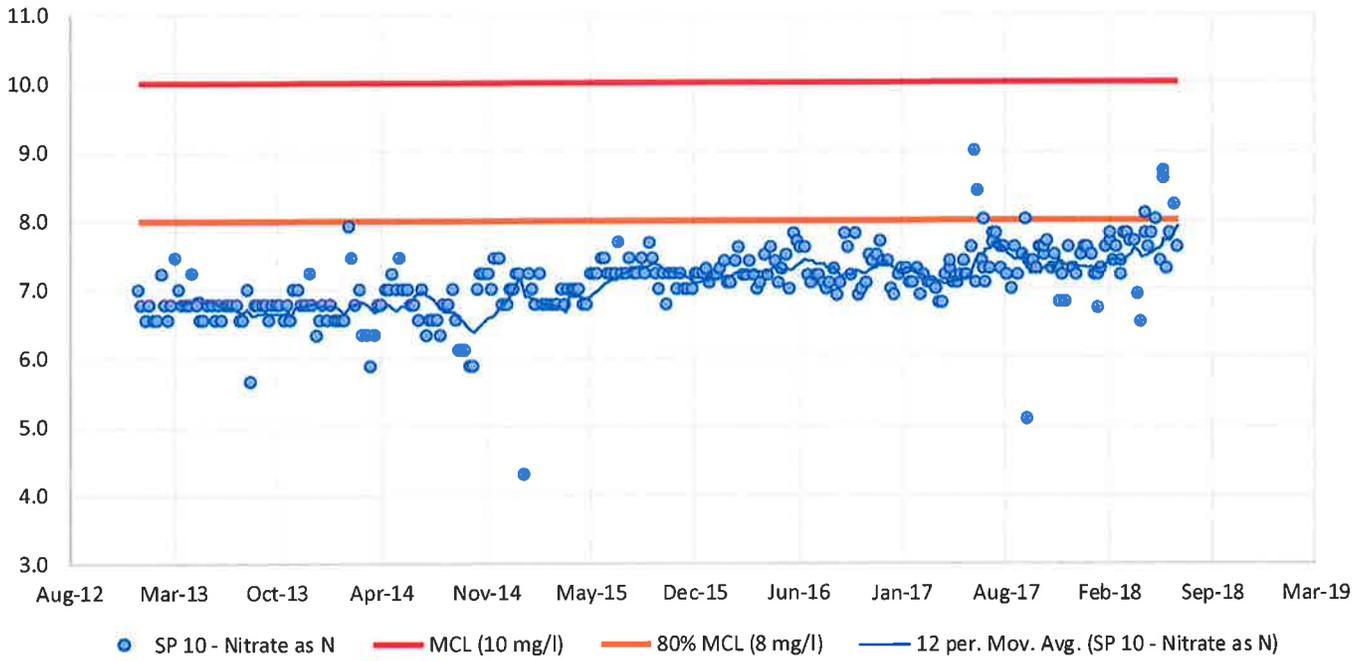
Well 2 - Nitrate as N



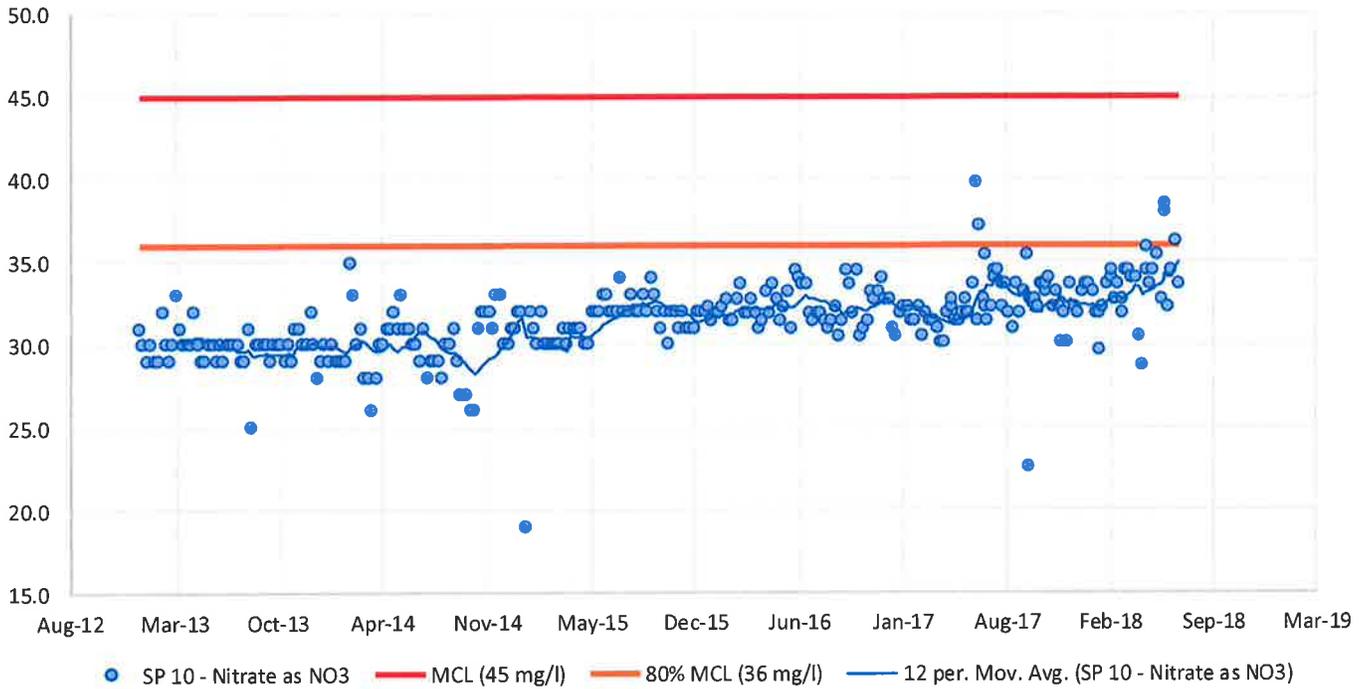
Well 2 - Nitrate as NO3



SP 10 - Nitrate as N



SP 10 - Nitrate as NO3



STAFF REPORT



Meeting Date: July 22, 2019

To: Honorable Board of Directors

Subject: Consideration of Proposal from Stetson Engineer's Inc. to Evaluate Potential Nitrate-Nitrogen Concentrations at the District's Wellfield.

Purpose - *To secure professional engineering services to evaluate the potential Nitrate-Nitrogen concentrations at the District's Wellfield in support of the District's Nitrate Treatment System Project.*

Recommendation - *Authorize the General Manager to proceed with the evaluation of potential Nitrate-Nitrogen concentrations at the District's Wellfield, as Proposed by Stetson Engineer's Inc. (Stetson), for an amount not to exceed \$20,000.*

Fiscal Impact - *The District's 2019 Capital Improvement Budget appropriates \$85,000 to complete a preliminary design report for the addition of a Nitrate treatment system at the District's Groundwater Treatment Facility. The cost of the proposed evaluation by Stetson is within the Budget appropriation.*

Summary

As the Board is aware Stetson Engineer's Inc. (Stetson) is the consulting Engineer for the Main San Gabriel Basin Watermaster and they are the foremost experts on the Basin's water quality and hydrology. Stetson is uniquely qualified to perform groundwater modeling to evaluate current and future constituent concentrations at the District's Wellfield. To support the advancement of the District's Nitrate Treatment System Project, staff requested a proposal from Stetson to evaluate the future potential levels of Nitrate at the District's Wellfield.

Staff worked with Stetson to refine the proposal to meet a specific need of the District. Enclosed for your consideration is the proposal from Stetson to perform the Nitrate concentration evaluation that the District has requested. Plainly stated; the overall objective of this work is to understand what the highest concentration of Nitrate may be in 30 years, at the District's wellfield. This information is critical in completing a preliminary design of the Nitrate treatment system, which will evaluate the effectiveness of various nitrate removal technologies. Certain Nitrate removal technologies may be much more effective and cost efficient at different Nitrate concentrations. Utilizing the best available scientific approach to predict what the Nitrate levels will be in the future, will definitely help the District in selecting the correct treatment system.

During the Nitrate concentration evaluation, Staff will be soliciting a proposal from Geosyntec Consultants to complete the Nitrate treatment system preliminary design report. The results of Stetson's evaluation will be utilized by Geosyntec, to complete the preliminary design report. Staff anticipates it

will bring a preliminary design report proposal from Geosyt nec to the Board for consideration in September 2019.

Recommendation

Staff recommends that the Board authorize the General Manager to proceed with the evaluation of potential Nitrate-Nitrogen concentrations at the District's Wellfield, as Proposed by Stetson Engineer's Inc. (Stetson), for an amount not to exceed \$20,000.

Fiscal Impact

The District's 2019 Capital Improvement Budget appropriates \$85,000 to complete a preliminary design report for the addition of a Nitrate treatment system at the District's Groundwater Treatment Facility. The cost of the proposed evaluation by Stetson is within the Budget appropriation.

Respectfully Submitted,

Greg B Galindo

General Manager

Enclosure(s)

- *Proposal from Stetson for the evaluation of potential Nitrate-Nitrogen concentrations at the District's Wellfield.*



861 Village Oaks Drive, Suite 100 • Covina , California 91724
Phone: (626) 967-6202 • Fax: (626) 331-7065 • Website: www.stetsonengineers.com

Northern California • Southern California • Arizona • Colorado • Oregon

Reply to: Covina

July 17, 2019

Mr. Greg Galindo
General Manager
La Puente Valley County Water District
112 N 1st St, La Puente, CA 91744

Subject: Projected Nitrate-Nitrogen Concentrations in Well No. 5

Dear Mr. Galindo:

As discussed in the "Project Justification and Description (attached)", Stetson Engineers Inc. (Stetson) is pleased to provide La Puente Valley County Water District (LPVCWD) with this Scope of Work and Budget to evaluate potential future Nitrate-Nitrogen (NO₃-N) concentrations at the LPVCWD wellfield, with an emphasis on Well No. 5. The LPVCWD wellfield and treatment facility is a component of the Baldwin Park Operable Unit (BPOU) cleanup program and includes treatment facilities for a variety of contaminants, but not NO₃-N. Historically, NO₃-N concentrations in the LPVCWD wellfield have been trending upward over the last 30 years. For example, the NO₃-N concentration in Well No. 3 was around 5 to 6 milligrams per liter (mg/l) during the 1990's, which was below the Maximum Contaminant Level (MCL) of 10 mg/l. The NO₃-N concentrations in Well No. 3 have gradually increased and are currently averaging about 8.4 mg/l while the NO₃-N in Well No. 5 are averaging about 7.8 mg/l. The Study Area (the vicinity of the LPVCWD Wellfield) is now highly urbanized, and on-going sources of NO₃-N from agricultural activities are almost nonexistent. However, the cause of elevated NO₃-N concentrations observed in the LPVCWD is likely the combination of upgradient NO₃-N migration, possibly variable groundwater levels, and residual NO₃-N in the vadose zone (unsaturated zone) from past agricultural activities. Consequently, without treatment (including potential blending) for NO₃-N, the existing sources of supply to the LPVCWD BPOU treatment facility may need to be removed from service, which would impact the BPOU cleanup program under the United States Environmental Protection Agency Superfund.

In order to assess the current and future NO₃-N concentrations in the Study Area, a more detailed analysis is needed. This includes reviewing historical water quality data, evaluating the possible occurrence and distribution of NO₃-N concentrations, and developing multiple possible NO₃-N loading scenarios for 30-year groundwater flow and



Mr. Greg Galindo
July 17, 2019
Page 2

transport model simulations. In addition, with knowledge and experience with increasing $\text{NO}_3\text{-N}$ concentrations at the nearby San Gabriel Valley Water Company (San Gabriel) Plant B6 Wellfield, this information will also be used in this evaluation.

The following Scope of Work and Budget is provided to LPVCWD to assess the potential $\text{NO}_3\text{-N}$ concentrations that the LPVCWD wellfield may experience in the future so that appropriate $\text{NO}_3\text{-N}$ treatment and/or blending may be designed.

Task 1: Review Historical Water Quality Data in the Vicinity of the LPVCWD Wellfield

Stetson will tabulate and plot available $\text{NO}_3\text{-N}$ water quality data for LPVCWD Well Nos. 2, 3, and 5 and the nearby production and monitoring wells within the 20-year capture zone for the LPVCWD Wellfield, including San Gabriel Plant B6, over the period from 1980 to present. A well location map will also be prepared showing the locations of nearby wells in relationship to the LPVCWD Wellfield. All water quality information will be shown as $\text{NO}_3\text{-N}$. In addition to plotting the water quality results on their own, Stetson will also plot $\text{NO}_3\text{-N}$ concentrations compared to groundwater elevations as measured at the Baldwin Park Key Well to determine whether there may be a relationship between water quality concentrations and groundwater levels. The proposed budget for Task 1 is \$3,000 and the estimated completion time for Task 1 is one (1) week.

Task 2: Evaluate the Distribution and Occurrence of Nitrate-Nitrogen Concentration at the LPVCWD Wellfield, in the Vicinity, and Impacting the San Gabriel Plant B6 Wellfield

Stetson will evaluate the vertical and horizontal distribution of $\text{NO}_3\text{-N}$ concentrations in the Study Area and the possible occurrence and loading of $\text{NO}_3\text{-N}$ to the shallow aquifer from the vadose zone. Results from the $\text{NO}_3\text{-N}$ evaluation will be used to develop various model simulation scenarios for the evaluation of future $\text{NO}_3\text{-N}$ concentrations in the Study Area. The proposed budget for Task 2 is \$6,000 and the estimated completion time for Task 2 is two (2) weeks.

Task 3: Future $\text{NO}_3\text{-N}$ Concentration Simulations

The Main San Gabriel Basin Watermaster's (Watermaster's) Three-Dimensional Modflow Basin Flow Model (3-D Basin Model) coupled with the United States Geological Survey's (USGS's) Transport Multi-Species Model (MT3D-USGS) will be used for groundwater flow and solute transport simulations, respectively. The 3D Basin Model is calibrated from Fiscal Year (FY) 1973-74 to FY 2014-15, and the simulated head results from the 3-D Basin Model will be used for the proposed groundwater flow simulations. The model-simulated velocity fields will be reviewed, and the flow velocity field which is caused by the highest hydraulic gradient in the Study Area will be chosen and used for the transport simulations. To evaluate the potential $\text{NO}_3\text{-N}$ concentrations in the



Mr. Greg Galindo
July 17, 2019
Page 3

LPVCWD Wellfield in the future, a 30-year groundwater solute transport simulation under current NO₃-N distribution with possible NO₃-N loading scenarios determined in Task 2 (two scenarios) will be performed. The overall modeling approach is briefly discussed below. Modeling work is planned to include the SGVWC B6 Wellfield.

Flow Simulation

Simulated head results from the calibrated 3-D Basin Model between FY 1973-74 and FY 2014-15 with the highest hydraulic gradient in the Study Area will be used as the starting head conditions for a 30-year flow simulation under projected groundwater production and Replacement Water deliveries.

Transport Simulations

The MT3D-USGS will be used for advective and dispersive solute transport simulations to calculate the potential future NO₃-N concentrations in the Study Area. The required velocity field generated from the **Flow Simulation** will be used by the MT3D-USGS for the simulation of NO₃-N plume migration. Based on the findings from **Task 2**, two (2) transport simulation scenarios will be designed and applied to the transport model.

Scenario 1

The possible occurrence and loading of NO₃-N are not considered in the future. A 30-year transport simulation will be performed under the current distribution of NO₃-N concentrations.

Scenario 2

Scenario 2 is similar to Scenario 1. A 30-year transport simulation will be performed under the current distribution of NO₃-N concentrations. In addition, the possible loading of NO₃-N from the vadose zone will be quantified and applied to the model.

Simulation results under these two (2) simulation scenarios will be evaluated to assess the potential future NO₃-N concentrations in the LPVCWD Wellfield, with an emphasis on Well No. 5.

The flow and transport simulations will include the following assumptions:

- Transport calibration of the historical NO₃-N concentrations in the LPVCWD Wellfield will not be performed due to uncertainty and complexity involved in the NO₃-N cycle.
- Groundwater basin production is assumed to increase over the next 10 years and 30 years as a result of increased populations.



Mr. Greg Galindo
July 17, 2019
Page 4

- Replacement Water deliveries are assumed to average 40,000 acre-feet per year, but will increase proportionally as a result of increased population.
- Hydrologic conditions for future flow and transport simulations remain the same.
- Transport simulations of NO₃-N through the vadose zone are not performed. The NO₃-N loadings entering the shallow aquifer through the vadose zone will occur immediately (no time lag).
- To be conservative, the loss of NO₃-N due to chemical reaction or adsorption will be ignored in the transport simulation.

This task will include data pre-processing for flow and transport model preparation, post-processing for presentation of model results, and analysis of model results. The proposed budget for Task 3 is \$8,000 and the estimated completion time for Task 3 is four (4) weeks.

Task 4: Technical Memorandum

Stetson will prepare a brief Technical Memorandum (TM) summarizing Tasks 1, 2, 3 and discussing the findings of potential NO₃-N concentrations at the LPVWCD wellfield. Figures and tables to support the modeling results and findings will also be prepared. The proposed budget for Task 4 is \$3,000 and the estimated completion time for Task 4 is six (6) weeks.

The total not-to-exceed budget for this study is \$20,000. Stetson will provide LPVCWD with a draft TM in about three (3) months following authorization to proceed. All work will be invoiced on a time and materials basis. Stetson is prepared to commence work following your authorization to proceed.

Please feel free to contact me should you have any questions at (626) 967-6202.

Sincerely,

Stephen B. Johnson, P.E.
Stetson Engineers Inc.

Attachments



Standard Billing Rate Schedule Professional Fees

Principal	\$237.00	Per Hour
Special Project Director	\$237.00	Per Hour
Project Manager, Senior	\$206.00	Per Hour
Supervisor I	\$206.00	Per Hour
Supervising Soil Scientist	\$191.00	Per Hour
Supervisor II	\$191.00	Per Hour
Supervisor III	\$185.00	Per Hour
Senior I	\$165.00	Per Hour
Senior II	\$149.00	Per Hour
Senior III	\$134.00	Per Hour
Construction Manager	\$134.00	Per Hour
Construction Manager / Oversight	\$118.00	Per Hour
Senior Construction Inspector	\$118.00	Per Hour
Senior Field Geologist	\$134.00	Per Hour
Senior Associate	\$128.00	Per Hour
Associate I	\$122.00	Per Hour
Associate II	\$116.00	Per Hour
Associate III	\$111.00	Per Hour
Associate Soil Scientist	\$111.00	Per Hour
Senior Assistant	\$103.00	Per Hour
Assistant I	\$98.00	Per Hour
Assistant II	\$93.00	Per Hour
Assistant Soil Scientist	\$93.00	Per Hour
Assistant III	\$88.00	Per Hour
GIS Manager	\$122.00	Per Hour
GIS Specialist I	\$101.00	Per Hour
GIS Specialist II	\$91.00	Per Hour
Technical Illustrator	\$88.00	Per Hour
AutoCAD Technician	\$88.00	Per Hour
Soil Technician	\$77.00	Per Hour
Aide I	\$72.00	Per Hour
Aide II	\$62.00	Per Hour
Aide III	\$57.00	Per Hour
Project Coordinator I	\$134.00	Per Hour
Project Coordinator II	\$98.00	Per Hour
Project Coordinator III	\$88.00	Per Hour
Contract Management	\$103.00	Per Hour
Administrative I	\$72.00	Per Hour
Administrative II	\$67.00	Per Hour
Administrative III	\$62.00	Per Hour

Effective January 1, 2019

Direct Expense Rates

Expense Description	Billing Rate
Fax	\$0.30 / Page
Mileage	\$* / Mile
Reproduction: Black & White (In-House)	\$0.15 / Page
Reproduction: Color - 8.5" x 11" (In-House)	\$0.89 / Page
Reproduction: Color - 11" x 17" (In-House)	\$1.89 / Page
Plotter Reproduction (In-House)	\$1.50 / Sq. Ft.
Specialty Computer Expense (In-House)	\$15.00 / Hour
4x4 Truck with Drill Rig	\$150.00 / Day
Survey Equipment	\$120.00 / Day

Notes:

- 1) * Mileage is billed at the current IRS approved mileage rate and may be subject to change.
- 2) Subcontractor services will be charged at cost plus 10% administration fee.
- 3) All other project reimbursable expenses (i.e., telephone, commercial transportation, meals, lodging, postage, outside reproduction, etc.) will be billed at cost.
- 4) Testimony fees are 150% of standard rates and apply to depositions, court time and time spent on stand-by at attorney's request. Travel time and preparation time is charged at standard rates. Stetson Engineers Inc. authorizes only staff at associate classification or higher to testify as expert witnesses.

Memo

To: Honorable Board of Directors
From: Roy Frausto, Engineering & Compliance Manager
Meeting Date: July 22, 2019
Re: Engineering & Compliance Report – June 2019



CAPITAL PROJECTS

1. LPVCWD Recycled Water Project
 - Staff has been working with Tetra Tech with respect to revising the design of the packaged pump station. In addition, staff will be providing a verbal report during the July 22, 2019, Board meeting with respect to the current status of the project.
2. LPVCWD PVOU IZ Project and SZ-South Project
 - Staff provided a submittal response to USEPA with respect to their comments of the draft sections the 97-005 on June 7, 2019.
 - Staff continues to review and provide comments on design/material submission packages pertaining to the IZ and SZ plant.
 - Recent construction activity of the IZ plant includes construction of the west and south containment walls, installation of foundation grade beams, installation of drain boxes, and earth work for the clearwell/backwash supply tank.
3. LPVCWD 5th St. Waterline Project
 - Doty Bros. began work on July 1, 2019. Currently, 95% of the pipeline has been installed. Pressure test, chlorination, tie-ins and asphalt restoration will be scheduled in the next two weeks.
4. LPVCWD Nitrate Treatment Project
 - Staff met with the nitrate treatment Ad Hoc Committee during the month of July to discuss the plan forward with respect to Nitrate treatment. Staff will provide a verbal update during the July 22, 2019 Board meeting.

DEVELOPMENTS

1. LPVCWD: 333 Hacienda Blvd. (Old Kmart) – Staff received a will serve letter request to support a proposed industrial warehouse building requiring (2) two 2-inch meters and one 8-inch fire service. Staff provided information regarding previous water services, existing waterlines and abandoned fire service locations.
2. LPVCWD: 16019 Central Avenue – Staff received a request for the installation of one ¾-inch and four 1-inch services new services. Staff has provided an estimate; no deposit has yet been received.
3. LPVCWD: Star Theatre Property (22 Condo Development) – The demolition of the existing building began the week of June 17, 2019. Currently, the building is completely demolished. From previous correspondence with the developer, the development plan is to construct 22 condos.

4. LPVCWD: 15921 Sierra Vista Court – No activity. It is anticipated that the request to construct 5 water services in support of the 5-unit development will be received in the next coming months.
5. LPVCWD: 15485 E Valley Blvd (Old Pizza Hut) – Staff received a request for the installation of a new one 2-inch service to accommodate new construction of a Chipotle Restaurant. Staff provided a cost estimate for the install of the new 2-inch service and abandonment of an existing 1-inch service on July 8, 2019.
6. CIWS: 365 ½ S 4th Ave. – Staff received a request for the installation of a new one 1-inch service to accommodate new construction of an ADU. Staff provided a cost estimate for the install on June 11, 2019.
7. CIWS: 162 S 3rd Ave: - Request for information was received from an engineering firm for substructure maps in support of a field survey. Development of property is unknown at this time.
8. CIWS: 14055 Lomas Ave. – Staff received a request for the installation of a new one 1-inch service to accommodate new construction. Staff installed the new service on June 20, 2019.
9. CIWS: 13629 Don Julian Rd. - Staff received a request for the installation of a new one 1.5-inch service and a 4” fire service to accommodate new construction. Staff provided a Will Serve letter on April 19, 2019.

SPECIAL/OTHER PROJECTS

1. SAMS Water Quality Compliance Software – Staff partnered with SAMS Water Quality to host a District water quality database and to optimize monthly compliance reporting. Staff will be participating in the initial launch of the software on July 23, 2019.
2. LPVCWD: 17351 Main St. – Field staff completed the meter conversion and construction work on June 19, 2019. The second phase of work on the existing 6-inch meter has been scheduled for July 24, 2019.
3. Air Stripper Inspections – Staff will be performing the annual air stripper inspections on July 24, 2019.
4. LPVCWD: Nitrate Levels – Provided as **Enclosure 1** is a table of the current Nitrate levels at the District’s well field.
5. 2018 Consumer Confidence Report – Staff finalized the 2018 CCR and mailed Post Cards for both LPVCWD and CIWS during the month of June. The final 2018 CCR can be found at <https://www.lapuentewater.com/ccr.pdf>.
6. LPVCWD: Well 2 & 5 Electrical Service Analysis – Civiltec provided a draft copy of the technical memorandum documenting existing conditions, desired changes to the operation scheme, and recommendations on how to effectively achieve the changes. Staff will coordinate with EPA and the CR’s to coordinate the desired changes.

Enclosures

- *Enclosure 1: June 2019 – July 2019 Nitrate Levels*

Upcoming Events



To: Honorable Board of Directors

Date: 07/22/2019

Re: Upcoming Meetings, Conferences and Community Events for 2019

Day/Date	Event	<u>Barajas</u>	<u>Escalera</u>	<u>Hastings</u>	<u>Hernandez</u>	<u>Rojas</u>
Thursday, July 25, 2019	SCWUA – Breakfast Meeting Implementing SB998; Pomona Fairplex Sheraton 7:30 a.m.	X	X			X
Wednesday, August 14, 2019	SGVWA – Quarterly Meeting; Pomona Valley Mining Co 8:00 a.m.					
Thursday, September 12, 2019	SCWUA – Vendor’s Fair	X	X	X	X	X
Wednesday – Saturday September 25 - 28, 2019	California Special Districts Association CSDA 2019 Annual Conference at the Anaheim Marriott, in Anaheim, CA					
Wednesday – Thursday October 2 – 3, 2019	Watersmart Innovations at the South Point Hotel and Conference Center in Las Vegas, NV.	X	X	X	X	
Thursday, October 17, 2019	SCWUA – Lunch Meeting					
Monday – Thursday October 21 – 24, 2019	AWWA CA/NV Annual Fall Conference at the Town and Country Hotel, in San Diego, CA.					
Thursday, November 14, 2019	SCWUA – Doctor of Water Meeting					
Tuesday - Friday, December 3 - 6, 2019	ACWA 2019 Fall Conference Conference at the Manchester Grand Hyatt in San Diego, CA.					
TBD	City of La Puente Holiday Parade. (non-compensable)					
Thursday, December 12, 2019	SCWUA – Christmas Luncheon					

Board Meeting typically held on the 2nd and the 4th Monday of each Month.

BOARD OF DIRECTORS

David Michalko, President
 Greg Galindo, Vice-President
 Lynda Noriega, Secretary
 Tina Cherry, Treasurer
 Dennis Ahlen
 Dan Arrighi
 Tom Coleman
 Paul Cranmer
 David DeJesus
 Paul DiMaggio
 Benjamin Lewis, Jr.
 Jared Macias
 Jose Martinez
 Jim Prior
 Ken Tcheng
 Anthony Zampielo, Executive Secretary

MEMBERS*Cities:*

Alhambra	La Verne
Arcadia	Monrovia
Azusa	Monterey Park
Baldwin Park	Pasadena
Covina	Rosemead
El Monte	Sierra Madre
Glendora	Whittier
Irwindale	
Industry Urban-Development Agency	

Public Water Districts:

Foothill MWD
 La Puente Valley County Water District
 Rowland WD
 San Gabriel CWD
 San Gabriel Valley MWD
 Three Valleys MWD
 Upper San Gabriel Valley MWD
 Valley CWD
 Walnut Valley WD

Public Utilities:

Azusa Valley Water Co.
 California American Water Co.
 Golden State Water Co.
 San Gabriel Valley Water Co.
 Suburban Water Systems

Mutual Water Companies:

Amarillo Mutual Water Co.
 California Domestic Water Co.
 Covina Irrigating Co.
 Hemlock Mutual Water Co.
 Rurban Homes Mutual Water Co.
 Sterling Mutual Water Co.
 Sunny Slope Water Co.
 Valencia Heights Water Co.
 Valley View Mutual Water Co.

Private & Industrial Producers:

Hanson Aggregates West, Inc.
 Los Angeles County
 MillerCoors
 Sonoco Products Co.
 United Rock Products Corp.
 Vulcan Materials Co.
 Workman Mill Investment Co.

Consultants/Others:

Aqua Capital Management LP
 The B.E.S.T. Meter Co., Inc.
 CalMutuals
 Civiltec Engineering, Inc.
 Integrated Resources Management, Inc.
 James Jones Co.
 John Robinson Consulting Inc.
 Los Angeles County of Public Works
 Main San Gabriel Basin Watermaster
 Ortega Strategies Group
 Partee Insurance Associates
 Jeffrey L. Pellissier
 R.C. Foster Corp.
 Roscoe Moss Co.
 Rubio Cañon Land and Water Association
 SA Associates
 San Gabriel Basin Water Quality Authority
 San Gabriel River Water Committee
 Stantec
 Stetson Engineers Inc.
 T.E. Roberts Inc.
 Tetra Tech Inc.

Honorary Life Members:

Henri F. Pellissier



SAN GABRIEL VALLEY WATER ASSOCIATION

Join us for our

Quarterly Meeting (Breakfast)

San Gabriel Valley Quarterly Meeting
 Wednesday, August 14, 2019
 8:00 a.m.

Pomona Valley Mining Co.
 1777 Gillette Road Pomona, CA 91768



Featuring
Catherine Smith
CFO, Communication Partner
CityWorks

Please join us on Wednesday, August 14 at 8:00 a.m. for the San Gabriel Valley Water Association's Quarterly Breakfast.

Ms. Smith will be providing an overview of the Basin Outreach Campaign including full roll-out and implementation schedule.

If you plan to join us on August 14, please register at:

<https://sgvwaquarterly081419.eventbrite.com>

No later than Thur. August 8. The cost of the breakfast is \$30.00 per person.

725 North Azusa Avenue • Azusa, California 91702

Phone (626) 815-1305 • Fax (626) 815-1303

<http://www.sgvwa.org>