



AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS LA PUENTE VALLEY COUNTY WATER DISTRICT 112 N. FIRST STREET, LA PUENTE, CALIFORNIA MONDAY, JULY 23, 2018 AT 5:30 PM

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL OF BOARD OF DIRECTORS

President Rojas ____ Vice President Escalera ____ Director Aguirre ____

Director Hastings ____ Director Hernandez ____

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 9, 2018.

7. FINANCIAL REPORTS

- A. Summary of Cash and Investments for June 30, 2018.

Recommendation: Receive and File.

- B. Statement of the District's Revenues and Expenses as of June 30, 2018.

Recommendation: Receive and File.

- C. Statement of the City of Industry Waterworks System's Revenues and Expenses as of June 30, 2018.

Recommendation: Receive and File.

8. ACTION/DISCUSSION ITEMS

- A. Consideration of Approval of President William Rojas's Attendance at Board Meetings of the Consolidated Oversight Board for the First Supervisorial District of Los Angeles County.

Recommendation: Board Discretion.

- B. Consideration of Investments of the District's Reserve Funds.

Recommendation: Approve the Transfer of \$153,000 of the District Reserve Funds to the District's Local Agency Investment Fund (LAIF) Account.

- C. Consideration of a Customer Water Forum on Proposed Water Rate Adjustments.

Recommendation: Approve the Date and Time for District Customer Water Forum on Water Rates and Authorize Staff to Organize the Forum.

- D. Consideration of Increase to the District's 2018 Capital Budget by \$120,000 for Additional Costs Related to the Banbridge Pump Station Retrofit Project.

Recommendation: Approve the Amendment to Increase the District's 2018 Capital Budget by \$120,000 for Additional Expenses Related to the Banbridge Pump Station Project.

- E. Consideration of Proposal from Doty Bros. for the Installation of a Packaged Pump Station and Piping for the Banbridge Pump Station Retrofit Project.

Recommendation: Authorize the General Manager to Enter into Agreement for the Installation of a Packaged Booster Pump System and Piping for the Banbridge Pump Station Retrofit Project as Set Forth in the Proposal from Doty Bros. Construction Company for an amount of \$69,796.00

- F. Consideration of Proposal from Hunter Electric for the Installation of Electrical Equipment for the Banbridge Pump Station Retrofit Project.

Recommendation: Authorize the General Manager to Enter into Agreement for the Installation of Electrical Equipment for the Banbridge Pump Station Retrofit Project as Set Forth in the Proposal from Hunter Electric for an amount of \$13,987.65.

- G. Consideration of Proposal from Ready Artwork for the Preparation of a Public Education Motion Graphic Video on Groundwater Treatment.

Recommendation: Authorize the General Manager to Enter into Agreement for the Preparation of a Public Education Motion Graphic Video on Groundwater Treatment Work as Proposed by Ready Artwork.

- H. Discussion Regarding the Preparation of a Proposition 218 Compliant Notice of Proposed Water Rate Adjustments.

Recommendation: Board Discretion.

9. ENGINEERING & COMPLIANCE MANAGER’S REPORT

Recommendation: Receive and File Report.

10. GENERAL MANAGER’S REPORT

11. OTHER ITEMS

- A. Upcoming Events.
- B. Correspondence to the Board of Directors.

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 20, 2018.

President William R. Rojas, 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 B. 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**

A regular meeting of the Board of Directors of the La Puente Valley County Water District was held on Monday, July 9, 2018, at 5:30 p.m. at the District office, 112 N. First St., La Puente, California.

Meeting Called to Order:

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

Pledge of Allegiance:

President Rojas led the meeting in the Pledge of Allegiance.

Directors Present:

William Rojas, President; John Escalera, Vice President; Charles Aguirre, Director; John Escalera, Director and Henry Hernandez, Director.

Staff Present:

Greg Galindo, General Manager; Gina Herrera, Office Manager and Roland Trinh, District Counsel.

Others Present:

Ms. Susan Reyes, Legislative Aid for State Senator Ed Hernandez.

Public Comment:

Mr. Galindo introduced Ms. Susan Reyes and the Board welcomed her to the Board meeting.

Adoption of Agenda:

President Rojas asked for the approval of the agenda.

Motion by Vice President Escalera, seconded by President Rojas, that the agenda be adopted as presented.

Motion approved by the following vote:

Ayes: Rojas, Escalera, Aguirre, Hastings and Hernandez.

Nays: None.

Consent Calendar:

President Rojas asked for the approval of the Consent Calendar.

- A. Approval of the Minutes of the Regular Meeting of the Board of Directors held on June 25, 2018.
- B. Approval of District Expenses for the Month of June 2018.
- C. Approval of City of Industry Waterworks System Expenses for the Month of June 2018.
- D. Receive and File the District's Water Sales Report for June 2018.
- E. Receive and File the City of Industry Waterworks System's Water Sales Report for June 2018.
- F. Receive and File the Water Production Report for June 2018.
- G. Receive and File the Report on Director Expenses for the Second Quarter of 2018.

Motion by Director Aguirre, seconded by President Rojas, to approve the Consent Calendar as presented.

Motion approved by the following vote:

Ayes: Rojas, Escalera, Aguirre, Hastings and Hernandez.

Nays: None.

Action/Discussion Items:

- A.** Consideration of Comprehensive Water Rate Study Prepared by Raftelis Financial Consultants, Inc.
- Mr. Galindo summarized the timeline and process to complete the Comprehensive Water Rate and Fee Study.
 - Mr. Galindo stated that the recommended action was to receive and file the Water Rate Study Report, which does not bind the Board to enact the recommended rate adjustments; however, any adjustments to the water rates must be supported by a cost of service analysis.
 - Mr. Galindo provided a presentation (enclosed) to the Board that summarized the sections of the Water Rate Study Report and its findings. He highlighted the difference between the preliminary findings of the study that were presented to the Board in May and the final report findings.
 - During the presentation, there was a discussion regarding the District's reserve policy and the need to update the policy.
 - During the presentation, there was a discussion regarding how the District's rates compare to other water purveyors in the area and on the affordability of the District's water rates.
 - Director Aguirre requested that when we provide outreach material that we highlight how the District's rates compare to other purveyors.

After further discussion, motion by Director Aguirre, seconded by President Rojas, to receive and file the Water Rate Study.

Motion approved by the following vote:

Ayes: Rojas, Escalera, Aguirre, Hastings and Hernandez.

Nays: None.

- B.** Consideration of Capacity Fee Report Prepared by Raftelis Financial Consultants, Inc.
- Mr. Galindo provided a presentation (enclosed) to the Board that highlighted the findings of the Capacity Fee Report. He requested that the Board postpone the action to receive and file the report until he can validate a couple of figures in which the findings are based on.
 - During the presentation there was discussion regarding who the fee applies to and how it is currently charged.

After further discussion, no action was taken.

- C.** Discussion on Changes to the District's Miscellaneous Fees.
- Mr. Galindo provided a short presentation (enclosed) to the Board that summarized the proposed changes to the District's Miscellaneous Fees and the methodology used to substantiate each fee.
 - During the presentation, there was a discussion on the disconnection processing fee and the reconnection after hour's fee.
 - Mr. Galindo stated that a final recommendation for a change to the miscellaneous fees will be made along with the adoption of the water rate adjustments or shortly thereafter. He added that with all the proposed changes in rates and fees that an update to the District's rules and regulations for water service should be considered in October of this year.

After further discussion on some of the fees and the timing of instituting the change in fees, no Director objected to staff finalizing the recommendation for a change in miscellaneous fees to bring back to the Board for consideration, no action was taken.

D. Consideration of the District's 2018 Summer Newsletter.

- Mr. Galindo summarized the articles in the Newsletter and pointed out a couple corrections that should be made before staff finalizes the Newsletter and sends out to the District' Customers.
- Presented Rojas inquired about the District's Houseline Retrofit Program and Director Aguirre requested that information on the District's programs be added.
- Mr. Galindo responded that the Houseline Retrofit Program is still active and that the information requested can be added to the Newsletter.

Motion by Director Aguirre, seconded by Director Hernandez, to approve the District's 2018 Summer Newsletter with the recommended changes and direct staff to distribute to the District's Customers.

E. Consideration of Single Pass Ion Exchange Resin Replacement Services.

- Mr. Galindo summarized staff report included in the Board Agenda Packet on this item.

After a brief discussion, motion by President Rojas, seconded by Director Hastings, to authorize the General Manager to enter into an agreement with Evoqua Water Technologies for Resin Replacement Services.

General Manager's Report:

- Mr. Galindo reported that he did confirm that the extension to the Prop 84 Grant for the District's Recycled Water Project was granted to December 31, 2019.
- He reported on staff's efforts to be near max water storage capacity in preparation for the 4th of July and the heat wave the occurred over the last week.
- He reported that the field personnel will be getting new uniforms through a uniform service in the coming months.
- He reported that the motion graphic video is near completion.
- He also reported that staff has been notified by the vendor the District uses to supply the Ultra High-Efficiency Toilets for its program, that the cost for the toilets is increasing by \$15.00.

After some discussion on the items Mr. Galindo reported, no action was taken.

Information Items:

A. Upcoming Events.

- Mrs. Herrera provided an update on the upcoming events in 2018. She verified with the Directors who will be planning on attending the next few events.

B. Correspondence to the Board of Directors.

- Included in the Board Meeting Agenda Packet.

Attorney Comments:

- Mr. Trinh had no comments.

Board Member Comments:

A. Report on events attended.

- None.

B. Other comments.

- Director Aguirre asked to close this meeting in memory of Anita Perez, who recently passed away. She was a long time resident of La Puente and was very involved in the community.

Future Agenda Items:

No Future Agenda Items.

Adjournment:

With no further business or comment, the meeting was adjourned in memory of Anita Perez at 7:03 p.m.

William R. Rojas, President

Greg B. Galindo, Secretary



**Summary of Cash and Investments
June 2018**

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	1.90%	\$ 2,515,710.23	\$ -	\$ -	\$ 2,515,710.23
Raymond James Financial Services		\$ 555,743.70	\$ 1,356.62	\$ -	\$ 557,100.32
Checking Account					
Well Fargo Checking Account (per General Ledger)		\$ 760,424.12	\$ 430,488.15	\$ 408,206.52	\$ 782,705.75
District's Total Cash and Investments:					\$ <u>3,855,516.30</u>

Industry Public Utilities

Checking Account	Beginning Balance	Receipts	Disbursements	Ending Balance
Well Fargo Checking Account (per General Ledger)	\$ 775,125.15	\$ 220,298.25	\$ 159,891.58	\$ 835,531.82
IPU's Total Cash and Investments:				\$ <u>835,531.82</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.

Greg B. Galindo

, General Manager

Date: 7/18/2018

La Puente Valley County Water District (Treatment Plant Included)
Statement of Revenues and Expenses
For the Period Ending June 30, 2018
(Unaudited)

<u>DESCRIPTION</u>	COMBINED YTD 2018	COMBINED BUDGET 2018	50% OF BUDGET	COMBINED 2017 YE
Total Operational Revenues	\$ 928,902	\$ 2,031,000	46%	\$ 1,981,901
Total Non-Operational Revenues	1,267,539	2,745,400	46%	2,110,238
TOTAL REVENUES	2,196,440	4,776,400	46%	4,092,139
Total Salaries & Benefits	957,315	1,959,600	49%	1,287,342
Total Supply & Treatment	633,379	1,714,200	37%	1,486,941
Total Other Operating Expenses	148,503	460,100	32%	274,747
Total General & Administrative	180,141	500,500	36%	347,296
TOTAL EXPENSES	1,919,338	4,634,400	41%	3,396,326
TOTAL OPERATIONAL INCOME	277,103	142,000	195%	695,813
Total Capital Improvements	(66,859)	(1,115,000)	6%	(82,810)
Total Capital Outlay	-	(50,000)	0%	(39,731)
TOTAL CAPITAL	(66,859)	(1,165,000)	6%	(122,542)
INCOME (AFTER CAPITAL EXPENSES)	210,244	(1,023,000)	-21%	573,272
Grant Proceeds	-	300,000	0%	-
Loan Proceeds	-	500,000	0%	-
Loan Repayment	-	-	0%	-
PROJECTED CHANGE IN CASH	210,244	(223,000)	-94%	573,272
Non-Cash Items (Dep. & OPEB)	(213,141)	605,000	-35%	(474,668)
NET INCOME (LOSS)	\$ (2,897)	\$ 382,000	-1%	\$ 98,603

La Puente Valley County Water District
Statement of Revenues and Expenses
For the Period Ending June 30, 2018
(Unaudited)

Description	ANNUAL				
	June 2018	YTD 2018	BUDGET 2018	50% OF BUDGET	YEAR END 2017
Operational Revenues					
Water Sales	\$ 143,085	\$ 560,216	\$ 1,295,000	43%	\$ 1,251,382
Service Charges	54,170	299,918	608,500	49%	604,424
Surplus Sales	3,621	24,153	38,000	64%	35,769
Customer Charges	2,744	15,644	33,300	47%	33,425
Fire Service	8,135	28,050	55,500	51%	56,096
Miscellaneous Income	230	920	700	131%	805
Total Operational Revenues	211,985	928,902	2,031,000	46%	1,981,901
Non-Operational Revenues					
Management Fees	46,428	167,856	261,700	64%	194,810
PVOU Service Fees (Labor)	-	-	42,900	0%	-
BPOU Service Fees (Labor)	24,767	148,152	278,800	53%	-
IPU Service Fees (Labor)	63,179	344,684	715,800	48%	-
Taxes & Assessments	8,524	108,772	215,000	51%	230,516
Other O & M Fees	-	-	13,000	0%	65,461
Rental Revenue	3,025	17,887	36,100	50%	34,988
Interest Revenue	-	-	17,000	0%	27,436
Miscellaneous Income	(224)	10,213	18,000	57%	76,053
Contributed Capital	-	-	-	N/A	210,130
Developer Fees	-	-	5,000	0%	81,095
Total Non-Operational Revenues	145,698	797,564	1,603,300	50%	920,490
TOTAL REVENUES	357,683	1,726,466	3,634,300	48%	2,902,391
Salaries & Benefits					
Total District Wide Labor	82,237	561,527	1,142,700	49%	497,621
Directors Fees & Benefits	11,613	58,642	117,300	50%	117,385
Benefits	20,253	150,844	303,100	50%	124,987
OPEB Payments	33,337	75,024	150,000	50%	157,030
Payroll Taxes	6,765	46,161	90,600	51%	43,150
Retirement Program Expense	9,349	65,118	155,900	42%	64,566
Total Salaries & Benefits	163,554	957,315	1,959,600	49%	1,004,737
Analysis Purposes Only:					
<i>Offsetting Revenue</i>	(87,946)	(492,836)	(1,057,500)	47%	-
<i>District Labor Net Total</i>	75,608	464,479	902,100	51%	-
Supply & Treatment					
Purchased & Leased Water	169	141,536	379,500	37%	421,870
Power	8,456	39,271	157,000	25%	86,390
Treatment Plant Power	6,523	31,132	-	N/A	63,247
Treatment Plant Maintenance	-	-	-	N/A	2,583
Assessments	-	-	221,900	0%	132,114
Treatment	323	1,140	6,700	17%	4,079
Well & Pump Maintenance	-	14,776	32,000	46%	11,841
Total Supply & Treatment	15,471	227,855	797,100	29%	722,124
Other Operating Expenses					
General Plant	3,255	11,163	42,300	26%	29,918
Transmission & Distribution	1,313	16,499	90,500	18%	50,636
Vehicles & Equipment	2,205	16,768	30,300	55%	14,669
Field Support & Other Expenses	1,719	29,408	68,500	43%	30,329
Regulatory Compliance	5,214	23,143	51,500	45%	28,754
Total Other Operating Expenses	13,707	96,981	283,100	34%	154,307

La Puente Valley County Water District
Statement of Revenues and Expenses
For the Period Ending June 30, 2018
(Unaudited)

Description	June 2018	YTD 2018	ANNUAL BUDGET 2018	50% OF BUDGET	YEAR END 2017
General & Administrative					
District Office Expenses	1,753	19,827	61,800	32%	37,453
Customer Accounts	675	8,426	20,400	41%	20,907
Insurance	5,955	29,458	69,900	42%	60,490
Professional Services	12,020	79,924	160,000	50%	132,598
Training & Certification	4,451	14,237	37,700	38%	29,068
Public Outreach & Conservation	7,604	7,445	32,500	23%	15,717
Other Administrative Expenses	838	7,894	70,200	11%	29,176
Total General & Administrative	33,296	167,211	452,500	37%	325,409
TOTAL EXPENSES	226,027	1,449,363	3,492,300	42%	2,206,578
TOTAL OPERATIONAL INCOME	131,657	277,103	142,000	195%	695,813
Capital Improvements					
Fire Hydrant Repair/Replacements	(1,740)	(5,515)	-	N/A	(178)
Zone 3 Improvements	-	(36,439)	(100,000)	36%	(7,022)
Service Line Replacements	(15,749)	(15,749)	(20,000)	79%	(33,456)
Valve Replacements	(4,001)	(7,096)	(10,000)	71%	(13)
Main & 1st Street Building Retrofit	-	-	(35,000)	0%	-
Phase 1 - Recycled Water System	-	(1,879)	(900,000)	0%	-
SCADA Improvements	-	-	(15,000)	0%	-
Meter Read Collection System	-	(181)	(35,000)	1%	(42,141)
Total Capital Improvements	(21,490)	(66,859)	(1,115,000)	6%	(82,810)
Capital Outlay					
Communications Systems Upgrade	-	-	-	N/A	-
Backhoe	-	-	-	N/A	-
Truck(s)	-	-	(40,000)	0%	(39,731)
Other Equipment	-	-	(10,000)	0%	-
Total Capital Outlay	-	-	(50,000)	0%	(39,731)
TOTAL CAPITAL	(21,490)	(66,859)	(1,165,000)	6%	(122,542)
INCOME (AFTER CAPITAL EXPENSES)	110,167	210,244	(1,023,000)	-21%	573,272
Loan & Debt Repayment					
Recycled Water System (Grant Revenues)	-	-	300,000	0%	-
Recycled Water System (Loan Proceeds)	-	-	500,000	0%	-
CASH DIFFERENCE	110,167	210,244	(223,000)	-94%	573,272
Add Back Capitalized Assets	21,490	66,859	1,165,000	6%	122,542
Less Depreciation Expense	(31,667)	(190,000)	(380,000)	50%	(360,602)
Less OPEB Expense - Not Funded	-	-	-	N/A	(71,263)
NET INCOME (LOSS)	\$ 99,990	\$ 87,103	\$ 562,000	15%	\$ 263,949

Treatment Plant
Statement of Revenues and Expenses
For the Period Ending June 30, 2018
(Unaudited)

Description	June 2018	YTD 2018	ANNUAL BUDGET 2018	50% OF BUDGET	YEAR END 2017
Non-Operational Revenues					
Reimbursements from CR's	43,878	469,975	\$ 1,420,900	33%	\$ 1,189,748
Miscellaneous Income	-	-	-	N/A	-
Total Non-Operational Revenues	43,878	469,975	1,420,900	33%	1,189,748
Salaries & Benefits					
<i>BPOU TP Labor (1)</i>	24,767	148,152	278,800	53%	282,605
Contract Labor	-	-	-	N/A	-
Total Salaries & Benefits	24,767	148,152	278,800	53%	282,605
Supply & Treatment					
NDMA, 1,4-Dioxane Treatment	2,876	79,145	170,000	47%	195,826.73
VOC Treatment	897	1,756	17,800	10%	25,373.87
Perchlorate Treatment	6,851	220,962	415,000	53%	315,421.42
Other Chemicals	1,810	6,268	16,600	38%	17,829
Treatment Plant Power	19,583	84,711	202,700	42%	174,702.82
Treatment Plant Maintenance	226	10,891	75,000	15%	19,347.14
Well & Pump Maintenance	-	1,790	20,000	9%	16,314.93
Total Supply & Treatment	32,243	405,524	917,100	44%	764,816
Other Operating Expenses					
General Plant	1,696	8,893	45,000	20%	12,311.60
Transmission & Distribution	-	148	-	N/A	1,320.76
Vehicles & Equipment	924	5,390	10,000	54%	10,412.75
Field Support & Other Expenses	-	55	15,000	0%	-
Regulatory Compliance	8,790	37,035	107,000	35%	96,395.21
Total Other Operating Expenses	11,410	51,522	177,000	29%	120,440
General & Administrative					
District Office Expenses	-	-	10,000	0%	-
Insurance	-	4,410	18,000	25%	9,756.84
Professional Services	225	8,519	20,000	43%	12,130.26
Total General & Administrative	225	12,930	48,000	27%	21,887
TOTAL EXPENSES	68,645	618,127	1,420,900	44%	1,189,748
TOTAL OPERATIONAL INCOME	(24,767)	(148,152)	-	-	-
Capital Outlay					
Scada Computer	-	-	-	N/A	-
Total Capital Outlay	-	-	-	N/A	-
Depreciation Expense	(15,000)	(90,000)	(180,000)	50%	(165,346)
Total Non-Cash Items (Dep. & OPEB)	(15,000)	(90,000)	(180,000)	50%	(165,346)
NET INCOME (LOSS)	\$ (39,767)	\$ (238,152)	\$ (180,000)	132%	\$ (165,346)

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS
Statement of Revenue and Expenses Summary
For the Period Ending June 30, 2018
(Unaudited)

DESCRIPTION	June 2018	FISCAL YTD 2017-2018	BUDGET FY 2017-2018	100% OF BUDGET	FY END 2016-2017
Total Operational Revenues	\$ 117,289	\$ 1,916,598	\$ 1,959,100	97.83%	\$ 1,919,277
Total Non-Operational Revenues	-	20,946	27,500	76.17%	57,344
TOTAL REVENUES	117,289	1,937,544	1,986,600	97.53%	1,976,621
Total Salaries & Benefits	62,551	644,392	629,700	102.33%	614,212
Total Supply & Treatment	2,146	472,426	804,060	58.76%	716,709
Total Other Operating Expenses	11,248	134,673	157,500	85.51%	166,293
Total General & Administrative	52,181	244,814	317,890	77.01%	245,348
Total Other & System Improvements	3,704	45,748	93,000	49.19%	132,828
TOTAL EXPENSES	131,829	1,542,054	2,002,150	77.02%	1,875,389
OPERATING INCOME	(14,540)	395,490	(15,550)	-2543.35%	101,232
NET INCOME (LOSS)	\$ (14,540)	\$ 395,490	\$ (15,550)	-2543.35%	\$ 101,232

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS

Statement of Revenue and Expenses

For the Period Ending June 30, 2018

(Unaudited)

DESCRIPTION	June 2018	FISCAL YTD 2017-2018	BUDGET FY 2017-2018	100% OF BUDGET	FY END 2016-2017
Operational Revenues					
Water Sales	\$ 68,897	\$ 1,203,560	\$ 1,250,000	96.28%	\$ 1,201,582
Service Charges	43,952	598,052	600,000	99.68%	604,883
Customer Charges	1,575	20,000	21,000	95.24%	20,115
Fire Service	2,865	94,987	88,100	107.82%	92,696
Miscellaneous Income	-	-	-	N/A	-
Total Operational Revenues	117,289	1,916,598	1,959,100	97.83%	1,919,277
Non-Operational Revenues					
Contamination Reimbursement	-	20,907	27,500	76.02%	38,462
Developer Fees	-	-	-	N/A	14,568
Miscellaneous Income	-	39	-	N/A	4,314
Total Non-Operational Revenues	-	20,946	27,500	76.17%	57,344
TOTAL REVENUES	117,289	1,937,544	1,986,600	97.53%	1,976,621
Salaries & Benefits					
Administrative Salaries	17,205	190,967	179,100	106.63%	165,274
Field Salaries	21,880	219,465	224,000	97.98%	225,518
Employee Benefits	13,904	143,834	139,000	103.48%	139,630
Pension Plan	5,304	54,946	51,600	106.48%	49,805
Payroll Taxes	2,770	29,215	29,000	100.74%	27,928
Workman's Compensation	1,489	5,964	7,000	85.20%	6,058
Total Salaries & Benefits	62,551	644,392	629,700	102.33%	614,212
Supply & Treatment					
Purchased Water - Leased	-	326,781	367,890	88.83%	496,961
Purchased Water - Other	1,412	16,375	14,400	113.72%	14,069
Power	-	112,215	125,000	89.77%	107,347
Assessments	-	11,030	132,770	8.31%	91,367
Treatment	-	2,616	7,000	37.37%	4,589
Well & Pump Maintenance	734	3,409	157,000	2.17%	2,376
Total Supply & Treatment	2,146	472,426	804,060	58.76%	716,709
Other Operating Expenses					
General Plant	205	4,897	10,500	46.64%	5,313
Transmission & Distribution	4,676	54,395	60,000	90.66%	67,558
Vehicles & Equipment	-	17,197	30,000	57.32%	31,515
Field Support & Other Expenses	1,286	30,852	27,000	114.27%	26,761
Regulatory Compliance	5,081	27,332	30,000	91.11%	35,146
Total Other Operating Expenses	11,248	134,673	157,500	85.51%	166,293

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS

Statement of Revenue and Expenses

For the Period Ending June 30, 2018

(Unaudited)

DESCRIPTION	June 2018	FISCAL YTD 2017-2018	BUDGET FY 2017-2018	100% OF BUDGET	FY END 2016-2017
General & Administrative					
Management Fee	46,428	183,891	183,890	100.00%	180,285
Office Expenses	1,686	17,478	20,500	85.26%	22,806
Insurance	-	5,667	25,500	22.22%	12,323
Professional Services	1,323	15,576	45,000	34.61%	4,739
Customer Accounts	603	15,551	16,000	97.19%	15,748
Public Outreach & Conservation	1,964	3,923	25,000	15.69%	4,688
Other Administrative Expenses	177	2,727	2,000	136.37%	4,758
Total General & Administrative	52,181	244,814	317,890	77.01%	245,348
Other Expenses & System Improvements (Water Operations Fund)					
Transfer to Capital or Expense	-	-	-	N/A	-
Developer Capital Contributions	-	-	-	N/A	(135,303)
Developer Project	-	-	-	N/A	72,134
Developer Project	-	-	-	N/A	893
Developer Project	-	-	-	N/A	62,277
Developer Project -	-	-	-	N/A	-
Developer Project -	-	-	-	N/A	-
Developer Project -	-	-	-	N/A	-
Net Developer Project Activity	-	-	-	-	-
Master Plan Update / Hydraulic Model	-	-	-	N/A	11,359
Other System Improvements (Materials)	-	-	-	N/A	223
FH Laterals	-	790	9,000	8.78%	83
Service Line Replacements	3,297	31,693	30,000	105.64%	71,893
Valve Replacements	407	5,874	25,000	23.50%	660
Plant Electrical System Improvements	-	-	20,000	0.00%	-
Meter Installations - Industry Hills	-	7,391	-	0.00%	24,818
Meter Read Collection System	-	-	-	0.00%	23,792
SCADA System Assessment & Upgrades	-	-	9,000	0.00%	-
Total Other & System Improvements	3,704	45,748	93,000	49.19%	132,828
TOTAL EXPENSES	131,829	1,542,054	2,002,150	77.02%	1,875,389
OPERATING INCOME	(14,540)	395,490	(15,550)	N/A	101,232

Memo



To: Honorable Board of Directors

From: Greg Galindo, General Manager

Meeting Date: July 23, 2018

Re: Approval of President William Rojas's Attendance to Board Meetings of the Consolidated Redevelopment Oversight Board for the First Supervisorial District of Los Angeles County

Summary

In August of 2017, the Board cast its vote to appoint Director William Rojas to serve as the special district representative on the Consolidated Redevelopment Oversight Board for the First Supervisorial District of Los Angeles County (Oversight Board). Mr. Rojas was successfully elected to serve on the Oversight Board and the first meeting of this board is scheduled for July 23, 2018. Pursuant to Section XIII (B) of the District's Board Members Guidelines for Conduct, Board Members shall receive compensation for conferences and meetings that are approved in advance by the Board as a Compensable Event. As stated in Section XIII of this policy, each Board member is encouraged to participate in outside activities and organizations which, in the judgment of the Board, further the interests of the District. As the District is a taxing entity in the First Supervisorial District of Los Angeles County, it has a financial interest in the actions of the Oversight Board, Mr. Rojas's participation on the Oversight Board does further the interests of the District.

At this time it is unclear how frequent the Oversight Board will meet, but it is anticipated that the Board will meet no more frequently than once a month.

Recommendation

Approve President William Rojas's attendance to Board meetings of the Consolidated Redevelopment Oversight Board for the First Supervisorial District of Los Angeles County.

If you have any questions on the information provided, please feel free to contact me.

Respectfully Submitted,

Greg B. Galindo

General Manager

Memo



To: Honorable Board of Directors
 From: Greg Galindo, General Manager
 Date: July 20, 2018
 Re: Authorize Investments of \$153,000 of the District's Reserve Funds

Summary

As declared in the District's Investment Policy, the Board has the authority to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the District's daily cash flow demands and conforming to all statutes governing the investment of District funds. In accordance with its policy, the Board invested \$500,000 in various investments with Raymond James & Associates Inc. in January of 2016. Below is a summary that provides specifics of the current certificates of deposit (CD) that the District has purchased.

Current CD	Coupon / Current	Acquisition Cost	CD Original Duration	Maturity Date	Estimated Annual Income	Remaining Months
Discover BK	1.25%	\$ 150,000	18	6/14/2018	\$ 1,875.00	0.00
Ally BK	1.25%	\$ 50,000	30	8/13/2018	\$ 625.00	0.82
Well Fargo BK	1.55%	\$ 150,000	18	12/21/2018	\$ 987.33	5.10
Goldman Sachs BK	1.46%	\$ 50,000	36	2/11/2019	\$ 730.00	6.81
Ally BK	1.61%	\$ 55,000	18	3/13/2019	\$ 574.97	7.79
Wells Fargo Bk	2.55%	\$ 100,000	23.4	3/23/2020	\$ 2,550.00	20.15
Average	1.61%	\$ 555,000	24		\$ 8,579.30	6.78
Weighted	1.16%		22			6.47

The latest investment report of these funds is also enclosed for your reference. As shown in the summary above there is one CD in the amount of \$150,000 that matured on June 14, 2018, allowing the District to consider another investment consistent with the District's Investment Policy and investment strategy.

District staff has evaluated the District's investment options currently available. The following factors have been considered in contemplating the next investment of District funds:

- Current market offerings that comply with the District's Investment Policy and their safety, liquidity and anticipated return.
- The District's checking account earnings credit, which provides an offset to banking fees.
- The Local Agency Investment Fund's (LAIF) current rate of return.
- The District's cash needs over a period of the investment being considered.

Considering these factors, at this time staff recommends that the balance of approximately \$153,000, that is in the Raymond James account and not currently invested into a CD, be withdrawn and deposited into the District's LAIF account.

LAIF's current apportionment rate is 1.9%. This will equate to approximately \$2,890 in interest income. Funds in the LAIF account can be accessed within one business day and without any penalty or loss of investment earnings.

Fiscal Impact

The District's 2018 Budget anticipates interest income from the District's investments to be \$17,000 in 2018. Including this recommended investment, staff anticipates interest income from its investments to be approximately \$50,000 for 2018. This is primarily due to two factors; 1) better than anticipated LAIF investment returns, 2) larger balance of funds invested due to the delay in the District's Recycled Water Project. The delay of this project has allowed the District to retain a higher balance in its LAIF account resulting in higher earnings.

Recommendation

Staff recommends the Board approve a total of \$153,000 from its Raymond James account and not currently invested into a CD, be withdrawn and deposited into the District's LAIF account.

Respectfully Submitted,

Greg B. Galindo

General Manager

Enclosure

1. Report on Investments through Raymond James & Associates Inc. dated June 29, 2018.

SHAWN DEWANE

Raymond James Financial Services, Inc.
2429 W. COAST HIGHWAY | SUITE 207 | NEWPORT BEACH, CA 92663
(949) 631-7200
dewaneis.com
Shawn.Dewane@RaymondJames.com

0012260 02 AB 0.405 02 TR 00058 RJE54D02 010100

LA PUENTE VALLEY COUNTY
WATER DISTRICT
ATTN GREG GALINDO
112 N 1ST ST
LA PUENTE CA 91744-4710120



Raymond James Client Services
800-647-SERV (7378)
Monday - Friday 8 a.m. to 9 p.m. ET

Online Account Access
raymondjames.com/investoraccess

La Puente Valley County Water Dist Account Summary - #59255706

		This Statement	Year to Date
Value This Statement			
\$557,100.32			
Last Statement	Prior Year-End		
\$555,743.70	\$508,325.76		
Dollar-Weighted Performance*			
YTD	Annualized Since 01/27/2016		
0.65%	1.05%		
		Beginning Balance	\$555,743.70
		Deposits	\$0.00
		Income	\$1,378.87
		Withdrawals	\$0.00
		Expenses	\$0.00
		Change in Value	\$(22.25)
		Ending Balance	\$557,100.32

Performance Inception: 01/27/2016
Excludes some limited partnerships, unpriced securities and annuity history prior to the annuity being linked to the account.

Important Messages

- Your primary objective is Capital Preservation, with a low risk tolerance and a time horizon less than 5 years.
- Realized gain/loss summary (Please see Cost Basis on the Understanding Your Statement page.)

	Year-To-Date
• Short-term gains	\$0.00
• Short-term losses	\$0.00
• Long-term gains	\$29.93
• Long-term losses	\$0.00
Net Gain/Loss Total	\$29.93



Your Portfolio

For more information,
visit raymondjames.com/investoraccess

	Quantity	Price	Value	Gain or (Loss)°	Estimated Annual Income
Cash & Cash Alternatives					
Raymond James Bank Deposit Program † 0.5% - Selected Sweep Option			\$153,280.32		\$766.40
Goldman Sachs Bank USA			\$153,280.32		
Your bank priority state: CA					
Participating banks recently added: American Express National Bank 04/02/2018					
† Please see the Raymond James Bank Deposit Program on the Understanding Your Statement page.					
Cash & Cash Alternatives Total			\$153,280.32		\$766.40
Fixed Income					
ALLY BANK MIDVALE, UT FDIC # 57803 CERTIFICATE OF DEPOSIT SEMI-ANNUAL 1.6000% DUE 03/21/2019 (02006L5M1) Accrued Interest: \$243.51 Ratings Information: Not Rated	\$55,000.00	\$99.520	\$54,736.00	\$(264.00)	\$880.00
ALLY BANK MIDVALE, UT FDIC # 57803 CERTIFICATE OF DEPOSIT SEMI-ANNUAL 1.2500% DUE 08/13/2018 (02006LYF4) Accrued Interest: \$238.01 Ratings Information: Not Rated	\$50,000.00	\$99.947	\$49,973.50	\$(26.50)	\$625.00
GOLDMAN SACHS BANK USA NEW YORK, NY FDIC # 33124 CERTIFICATE OF DEPOSIT SEMI-ANNUAL 1.4500% DUE 02/11/2019 (38148PAK3) Accrued Interest: \$278.08 Ratings Information: Not Rated	\$50,000.00	\$99.543	\$49,771.50	\$(228.50)	\$725.00
WELLS FARGO BANK NA SIOUX FALLS, SD FDIC # 3511 CERTIFICATE OF DEPOSIT MONTHLY 1.5500% DUE 12/21/2018 (949763HT6) Accrued Interest: \$57.33 Ratings Information: Not Rated	\$150,000.00	\$99.736	\$149,604.00	\$(396.00)	\$2,325.00

Your Portfolio (continued)

	Quantity	Price	Value	Gain or (Loss)°	Estimated Annual Income
Fixed Income (continued)					
WELLS FARGO BANK NA SIOUX FALLS, SD FDIC # 3511 CERTIFICATE OF DEPOSIT MONTHLY 2.5500% DUE 03/30/2020 (949763PQ3) Accrued Interest: \$13.97 Ratings Information: Not Rated	\$100,000.00	\$99.735	\$99,735.00	\$(265.00)	\$2,550.00
Fixed Income Total			\$403,820.00	\$(1,180.00)	\$7,105.00

Accrued Interest Total: \$830.90

Please see Fixed Income Investments on the Understanding Your Statement page.

Portfolio Total			\$557,100.32	\$(1,180.00)	\$7,871.40
Accrued Interest Total			\$830.90		
Portfolio Total with Accrued Interest			\$557,931.22		

° Please see Cost Basis on the Understanding Your Statement page.

Your Activity

Date	Activity Type	Description	Quantity/ Price	Amount
Income				
06/14/2018	Interest - Taxable	DISCOVER BANK FDIC # 5649 CERTIFICATE OF DEPOSIT SEMI-ANNUAL 1.2500% DUE 06/14/2018 (254672V70) <i>Paid on 150,000</i>		\$934.93
06/21/2018	Interest - Taxable	WELLS FARGO BANK NA SIOUX FALLS, SD FDIC # 3511 CERTIFICATE OF DEPOSIT MONTHLY 1.5500% DUE 12/21/2018 (949763HT6) <i>Paid on 150,000</i>		\$197.46
06/28/2018	Interest - Taxable	WELLS FARGO BANK NA SIOUX FALLS, SD FDIC # 3511 CERTIFICATE OF DEPOSIT MONTHLY 2.5500% DUE 03/30/2020 (949763PQ3) <i>Paid on 100,000</i>		\$216.58
06/29/2018	Interest at RJ Bank Deposit Program	Raymond James Bank Deposit Program		\$29.90
Income Total				\$1,378.87



Your Activity (continued)

Date	Activity Type	Description	Quantity/ Price	Amount
Purchases, Sales and Redemptions				
06/14/2018	Redemption	DISCOVER BANK FDIC # 5649 CERTIFICATE OF DEPOSIT SEMI-ANNUAL 1.2500% DUE 06/14/2018 (254672V70) 06/14/18 BOND MATURES @ 100% 1.25% 06/14/18	(150,000.000) \$1.000	\$150,000.00
Cash Sweep Activity Recap				
06/14/2018	Transfer To	Raymond James Bank Deposit Program		\$150,934.93
06/21/2018	Transfer To	Raymond James Bank Deposit Program		\$197.46
06/28/2018	Transfer To	Raymond James Bank Deposit Program		\$216.58

Memo



To: Honorable Board of Directors

From: Greg Galindo, General Manager

Meeting Date: July 23, 2018

Re: Approval of a Customer Water Forum on Proposed Water Rate Adjustments

Summary

At the last Board of Directors meeting, the Board received and filed a Water Rate Study Report which recommended a five-year plan for adjustments to the District's water rates beginning in October of 2018. District staff is proposing to host a Customer Water Forum on the proposed water rate adjustments in an effort to communicate to our Customers the need for the adjustments and the impact the adjustments will have on their water bills. Staff has begun to prepare for this event and have identified the following possible dates to hold the event:

- Wednesday, August 8th
- Thursday, August 9th

District staff will have an invitation prepared and mailed out as a postcard to all District Customers. Staff recommends the event be held at 6 pm in the evening. The Water Forum would be held in the District's Boardroom, which can comfortably host 25 guests. We will also plan on having Spanish speaking staff at the event to translate and answer questions. Staff is planning to provide a presentation that will cover the following topics:

- District Information
- Water Supply & Treatment
- Cost of Water
- Proposed Water Rate Adjustments
- Impact to Average Customer
- Q & A Session

Recommendation

Staff recommends the Board approve the hosting of the Customer Water Forum, the date and time for the event and direct staff to prepare and distribute an invitation to District customers.

Respectfully Submitted,

Greg B. Galindo

General Manager

STAFF REPORT



Meeting Date: July 23, 2018

To: Honorable Board of Directors

From: Roy Frausto, Engineering & Compliance Manager

Subject: Banbridge Pump Station Retrofit Project – Budget Amendment, Pump and Piping Installation and Electrical Installation Work

Purpose - *(1) Amend the District's 2018 Capital Budget, (2) Secure services from Doty Bros. Construction Company (Doty Bros.) for labor and equipment to install the packaged pump station, piping and other related appurtenances and (3) secure services from Hunter Electric Service, Inc. (Hunter) for labor and equipment to install breaker panels and connect electrical wiring to the new packaged pump station.*

Recommendation - *(1) Amend the District's 2018 Capital Budget by increasing funding by \$120,000.00 for the Banbridge Pump Station Retrofit Project, (2) authorize the General Manager to enter into agreement for work as set forth in the Proposal from Doty Bros. Construction Company for an amount of \$69,796.00 and (3) authorize the General Manager to enter into agreement for work as set forth in the Proposal from Hunter Electric Service, Inc. for an amount of \$13,987.65.*

Fiscal Impact - *The 2018 District Capital Improvement Budget appropriates \$100,000 for the Banbridge Pump Station Retrofit Project. The 2018 year to date total for this project is \$85,698.75. The total cost of \$83,783.65 to install the packaged pump station and electrical work proposed by Doty Bros. and Hunter, respectively, exceeds the Budget appropriation for this project by \$69,482.40. A budget amendment for this expense category is required to accommodate the revised project budget.*

Summary

The Banbridge Pump Station was originally constructed in 1963 to serve a new tract of homes and primarily consisted of a hydro-pneumatic tank and two vertical turbine pumps housed in a concrete structure located at and adjacent to 122 Banbridge Avenue. Historically, the Pump Station pumped water from the District's Zone 2 service area to its Zone 3 service area to provide continuous water service to Zone 3 customers. However, in 2012, the District completed the Zone 3 Pipeline and Subzone Booster Station Project which connected the District's Zone 3 to the City of Industry Waterworks System's (CIWS) reservoirs located on Industry Hills. The project provided improved flow and water service reliability to Zone 3. In accordance with the District's Water Supply and Exchange Agreement with the City of Industry, water delivered from CIWS's Industry Hills Reservoirs to the District's Zone 3 must either be repaid with the same quantity of water or the District must pay the City for all costs to produce and deliver this water to the District.

Currently, District staff uses the Pump Station to pump water from the District’s Zone 2 to the CIWS’ Industry Hills Reservoirs to repay the water that was delivered from the CIWS. Since the Pump Station no longer needs to operate continuously, the District no longer requires the use of the hydro-pneumatic tank. The other equipment, such as the existing housed piping, pumps, motors and electrical components are in need of replacement.

As previously reported, District staff is completing the entirety of the project in phases with now the second phase being the installation of the packaged pump station and the installation of electrical breaker panels and wiring. To that end, staff procured 3 proposals to install the packaged pump station and piping and 1 proposal for the electrical work. Proposals received and respective amounts are summarized in the table below:

<i>Firm Name</i>	<i>Proposal Amount</i>
Package Pump and Piping Installation Proposals	
Doty Bros. Construction Company	\$69,796.00
W.A. Rasic Construction	\$114,100.00
RC Foster Corporation	\$157,400.00
Electrical Breaker Installation and Electrical Work Proposal	
Hunter Electric, Inc.	\$13,987.65

The scope of services for the *pump and piping* installation include the following:

1. Furnish all labor and equipment to construct 6-inch steel process piping
2. Furnish all labor and equipment to install pressure reducing/sustaining valve
3. Furnish all labor and equipment to install the packaged pump station
4. Furnish all labor, material and equipment to install a concrete pump pedestal (12-inch thick minimum) and 4 strapped concrete support pedestals (anchored in) for pipe support
5. Furnish all labor and equipment to construct 6-inch and 8-inch DIP influent and discharge piping

The scope of services for *electrical work* include the following:

1. Supply and install new 100-amp breaker in a Nema 3R enclosure.
2. Supply and install new 5KVA lighting transformer.
3. Supply and install new 12 circuit lighting panel in a Nema 3R enclosure.
4. Supply all conduit and wire to and from new booster skid. Skid provided by others.
5. Supply and install conduit, wire and LED lighting inside vault.
6. Supply and install conduit, wire and receptacles inside vault.
7. All labor for testing.

The proposal provided by Doty Bros. is included herein as **Enclosure 1** and the proposal provided by Hunter is included herein as **Enclosure 2**.

Fiscal Impact

The 2018 District Capital Improvement Budget appropriates \$100,000 for the Banbridge Pump Station Retrofit Project. The 2018 year to date total for this expense category is \$85,698.75. The cost for the pump and piping work as proposed by Doty Bros. is \$69,796.00. The cost for the electrical work as proposed by Hunter is \$13,987.65. The total cost for both services is \$83,783.65 and exceeds the Budget appropriation for this expense category by \$69,482.40.

The table below provides a revised project budget listing all work items. As shown, the revised budget will require additional funds to be appropriated for this project:

Item #	Description	QTY	Unit	Unit Cost	Total Cost
1	Removal and disposal of palm trees	7	EA	\$350.00	\$2,450.00
2	Aesthetic improvements (to property owners)	1	LS	\$15,000.00	\$15,000.00
3	Removal and disposal of 5'x17' tank	1	LS	\$5,002.00	\$5,002.00
4	Removal/ salvage pump equipment, piping, etc.	1	LS	\$4,672.00	\$4,672.00
5	Concrete wall restoration	1	LS	\$3,019.00	\$3,019.00
6	Fill pump cans with grout	2	EA	\$1,395.50	\$2,791.00
7	Restore and compact existing slope	1	LS	\$4,227.00	\$4,227.00
8	Permits	1	LS	\$800.00	\$800.00
9	Compaction Test	1	LS	\$625.00	\$625.00
10	Valve Insertions (by LPVCWD staff)	2	EA	\$7,000.00	\$14,000.00
11	Electrical Work	1	LS	\$18,000.00	\$18,000.00
12	Packaged Pump Skid w/ VFD	1	EA	\$33,912.75	\$33,912.75
13	Public right-of-way repairs	1	LS	\$5,000.00	\$5,000.00
14	Fabrication of new door entry	1	LS	\$5,000.00	\$5,000.00
14	New piping (public right-of-way)	1	LS	\$35,000.00	\$35,000.00
15	New piping (enclosed)	1	LS	\$55,000.00	\$55,000.00
Subtotal					\$204,498.75
Contingency and District Labor			7.5%		\$15,337.41
Total					\$219,836.16

Note: Highlighted cells indicate the work item has been completed

Recommendation

(1) Amend the District's 2018 Capital Budget by increasing funding from \$100,000 to \$220,000.00 for the Banbridge Pump Station Retrofit Project, (2) authorize the General Manager to execute an Agreement for work as set forth in the Proposal from Doty Bros. Construction Company for an amount of \$69,796.00 and (3) authorize the General Manager to execute an agreement for work as set forth in the Proposal from Hunter Electric Service, Inc. for an amount of \$13,987.65.

Respectfully Submitted,

Roy Frausto

Engineering & Compliance Manager

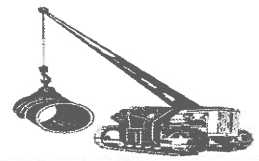
Enclosure(s)

- *Enclosure 1 – Doty Bros. Proposal*
- *Enclosure 2 – Hunter Electric Proposal*



Enclosure 1

Doty Bros. Proposal



PROPOSAL

July 19, 2018

**La Puente Valley County Water District
112 N. First Street
La Puente, CA 91744**

**Reference: Installation of piping and packaged pump station at Banbridge Pump Station
Proposal No. 10180709b REV1**

Attn: Roy Frausto,

Thank you for providing Doty Bros. Construction Co. ("DBCC") with the opportunity to submit its price to perform its work on the above referenced project.

DBCC proposes to provide labor and equipment to install the piping and packaged pump station at the Banbridge Pump Station. All piping material, pump meter, fittings, valves, meters, and packaged pump station to be provided by the water district.

DBCC has prepared its proposal and is submitting its price based on your email to Mike Clark on 7/03/2018 and revisions on 7/13/2018. No other documents shall define DBCC's work, or have been considered in the preparation of its price.

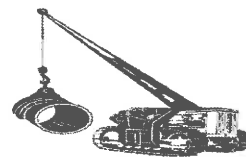
DBCC proposes to provide its work for the following price:

Total Bid Price..... \$ 69,796.00

For this proposal to be effective, we must receive your written acceptance within thirty (30) days from the date first written above. If your acceptance is not received within that period, this proposal shall be deemed revoked.

Doty Bros. Construction Co., ("DBCC") hereby reserves its right to accept, reject, or negotiate applicable terms and conditions of any contract to be entered into, in good faith, with the customer upon award of the work, and by submission of this proposal DBCC shall not be bound to accept or perform the proposed work until terms are fully agreed to by both parties in writing.

This proposal is an offer to provide services under these exact terms only and is limited to acceptance of these exact terms without modification. Any additional or different terms in your acceptance will be construed as proposals and will not become part of our contract with you unless we agree in writing to your additional terms. Until receipt of written acceptance, we retain the right to change or withdraw this proposal based on scope, site or contract conditions or terms not previously known.



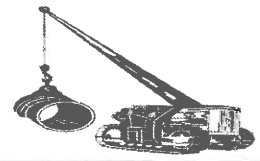
WE EXCLUDE THE FOLLOWING:

1. Costs for special permits or insurance, bonds, engineering, soil testing, field staking/survey, inspection, agency connection fees and/or assessments, or any City fees or charges.
2. Hydrostatic testing.

CLARIFICATIONS TO PROPOSAL:

- Our proposal is based upon completing all work during normal working hours (Monday through Friday 7:00 AM to 5:00 PM -- no overtime).
- DBCC will not accept responsibility for damage to any unmarked or unknown substructures when reasonable care has been taken.
- All demolition, removal or replacement of existing pipelines, substructures or utilities shall be by others
- If we encounter any soils or material that are considered hazardous or contaminated by the Federal Government, the State of California or any other agency having jurisdiction or authority, any and all costs for the handling, storage, transportation, disposal, etc., is to be treated as an extra to the contract. These additional costs and the responsibilities for these materials will be paid for and assumed by others.
- Offsets as may be required due to existing utilities and/or substructures shall be handled as extra work and performed on a Time & Material/Cost Plus basis.
- When rock is encountered that cannot be excavated efficiently with the backhoe used on the job, alternate methods or means will be employed to excavate said rock. Such alternate methods are defined as the use of (1) larger backhoes, (2) hand held pneumatic hammers, (3) mobile mounted impact hammer, (4) rock drills and blasting and/or any other methods as may be deemed required. All costs incurred due to these alternative methods will be handled on a Time and Material basis to the contract.
- De-watering of excavations due to groundwater and/or perched water conditions will be handled as extra work and shall include the use of pumps, gravel/rock, well-points or whatever methods may be deemed as necessary.
- Our proposal excludes tree removal, landscaping, irrigation, electrical and painting.
- Our proposal is based upon one move-in to complete all work. Each additional move-in will be at \$3,500 each.
- Our proposal is based upon unapproved plans and is subject to revision based upon issuance of signed/approved plans.
- If a Performance Bond is required, one will be provided at a premium rate of 1.5%.
- This proposal is based upon release of all retention money within thirty (30) days after completion of Doty's scope of work and not overall project completion.
- Any work that we have completed and has been accepted by the City of the appropriate agency and invoiced in a calendar month, unless otherwise specified above, is due and payable the following month in full with no retention held. Any invoices not paid when due shall draw interest at the rate of 1 1/2% per month (18% per annum.) until paid. If this rate exceeds the maximum rate allowed by law, the maximum legal rate shall apply.
- In the event that this agreement is placed with an attorney to enforce its provisions, the prevailing party shall be entitled to reasonable attorney fees and costs.
- This price is subject to the starting of construction within 60 days from this date.
- Adequate access to work site to be provided by the Owner/Agency.

Doty Bros. Construction Co.
11232 E. Firestone Blvd.
Norwalk, CA 90650
telephone (562) 864-6566 facsimile (562) 929-9368



This proposal defines the scope and price, and time if any, for the performance of the work by DBCC. In the event that you wish to award this work to DBCC, please prepare and submit any contractual documents (including a copy of the Owner/Prime Contract, if applicable) to the Contracts Administration office of DBCC. Our Contracts department will work with you to put a contract in place in a timely manner.

DBCC can proceed to schedule its work, order materials and mobilize to perform as soon as a fully executed contract is in place, and the California Preliminary Notice information has been provided.

If you should have any questions or require further information, please do not hesitate to call our office.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Glen R. Pool', written over a light blue horizontal line.

Glen R. Pool

Doty Bros. Construction Co.

Proposal

DOTY BROS. CONSTRUCTION CO.

Job Code: 10180709b REV1

Description: La Puente Valley County Water District: Install piping and packaged pump station

Job Code 10180709b REV1
Job Description La Puente Valley County Water District: Install piping and packaged pump station
Job Location Banbridge Pump Station
Job City La Puente
Bid Date 19-Jul-2018
Bid Time 3:30:00 PM

Proposal						
Pay Item No.	Description	Quantity	Unit of Measure	Unit Price	Total Price	
	Subtotal Description					
01	Construct 6" steel process piping	1.00	LS	26,497.00	26,497.00	
02	Install pressure red/sustaining valve	1.00	LS	5,794.00	5,794.00	
03	Install packaged pump station	1.00	LS	11,587.00	11,587.00	
04	Install concrete pump pedestal	1.00	LS	10,850.00	10,850.00	
05	Construct 6" & 8" DUI influent/discharge piping	1.00	LS	15,068.00	15,068.00	
					GRAND TOTAL:	69,796.00

Proposal Certification

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

Bid Item	Description	Quantity	Unit	Subtotal
1	Furnish all labor and equipment to construct 6-inch steel process piping including: pipe supports, excavating trench materials, bedding fittings, valves, couplings, pipe restraints, application of exterior pipe coating, backfill, compaction, connection to existing system, restoring temporary surface and all other appurtenances necessary to install the pipe complete in place for the Lump Sum Price of:	1	LS	\$ 26,497.00
2	Furnish all labor and equipment to install pressure red/sustaining valve, including: materials, fittings, couplings, connections to and all other appurtenances necessary to install the pressure red/sustaining valve complete in place for the Unit Price of:	1	LS	\$ 5,794.00
3	Furnish all labor and equipment to install the packaged pump station including: packaged pump station, gaskets, control panel, concrete pedestal, reinforcing, backfill, compaction, protection of existing building, and all other appurtenances necessary to install the packaged pump station in place for the Lump Sum of:	1	LS	\$ 11,587.00
4	Furnish all labor, material and equipment to install concrete pump pedestal (6 inch thick minimum) and 4 strapped concrete support pedestals (anchored in) for pipe support, including reinforcement bars, anchors, and necessary grout and bolts. Also, installation of 2 pipe supports that will be provided by LPVCWD.	1	LS	\$ 10,850.00
5	Furnish all labor and equipment to construct 6-inch and 8-inch DUI influent and discharge piping, including: kickers, excavating trench materials, bedding fittings, valves, couplings, pipe restraints, backfill, compaction, connection to existing system, restoring temporary surface and all other appurtenances necessary to install the pipe complete in place for the Lump Sum Price of:	1	LS	\$ 15,068.00
TOTAL				\$ 69,796.00

Created by: Roy Frausto



Enclosure 2

Hunter Electric Proposal

Hunter Electric Service
Since 1989

7071 Warner Ave, Suite F361
Huntington Beach, CA, 92647
Sam@hunterelectricservice.com
Ryan@hunterelectricservice.com

July 19, 2018

To: Cesar
Reference: Banbridge Booster Station.

Cesar,

We would like to thank you for allowing us to submit this proposal to you. Listed below is our scope and pricing.

1. Supply and install new 100amp breaker in a Nema 3R enclosure.
2. Supply and install new 5KVA lighting transformer.
3. Supply and install new 12 circuit lighting panel in a Nema 3R enclosure.
4. Supply all conduit and wire to and from new booster skid. Skid provided by others.
5. Supply and install conduit, wire and LED lighting inside vault.
6. Supply and install conduit, wire and receptacles inside vault.
7. All labor for testing.
8. Total price. \$13,987.65

We thank you again and look forward to working with you on this project.

Regards,

Sam Hunter

STAFF REPORT



Meeting Date: July 23, 2018

To: Honorable Board of Directors

From: Greg B. Galindo, General Manager

Subject: Preparation of a Public Education Video on Groundwater Treatment

Purpose - *Prepare a Motion Graphic Video to Educate the Public on the District's Current Groundwater Treatment Facility and the Future PVOU IZ Treatment Facility.*

Recommendation - *Authorize the General Manager to Enter into an Agreement for the Preparation of a Public Education Motion Graphic Video on Groundwater Treatment as Proposed by Ready Artwork.*

Fiscal Impact - *The 2018 Operating Budget appropriates \$32,500 for Public Outreach and Conservation Programs. The 2018 year to date total for this expense category is \$7,500. The cost of the proposed Public Education Video is \$7,000, which is within the Budget appropriation. The cost for the public education video will be reimbursed by Northrop Grumman Systems Corporation.*

Summary

Construction of the Puente Valley Operable Unit Intermediate Zone (PVOU IZ) Treatment Facility is anticipated to begin in September of this year. San Gabriel Valley Water Quality Authority (WQA) has planned a groundbreaking ceremony for the project on September 20, 2018, in which the District will be recognized as the operator of the treatment facility and supplier of the treated water. This event will more than likely be covered by local print media and will be attended by state and federal elected representatives. Staff believes that public outreach is needed to address any concerns from our Customers and the community at large with respect to receiving treated drinking water from this facility. Staff will be developing content for the District's website that will provide information on the District's involvement with the PVOU IZ and the groundwater treatment process. In addition, the recent summer newsletter also provided information on the PVOU IZ project. Although these are effective ways of communicating information to our Customer's, staff believes that a more condensed and visually appealing form of media would be a better way to communicate and educate the public on the groundwater treatment process.

Staff requested and received a proposal from Ready Artwork to prepare a motion graphic public education video. This proposal is enclosed for your consideration. Currently, staff is working with Ready Artwork on a public education video regarding the cost of water that should be ready for the Board to view by the first week of August. Since this effort is for the PVOU IZ Project and will

benefit the project owner, Northrop Grumman Systems Corporation (Northrop), District staff requested that Northrop reimburse the District for this effort. Northrop has agreed to provide reimbursement for the public education video with the condition that they are allowed to review and provide edits on the video before it is released. Staff expects the video to be ready before the middle of September.

Fiscal Impact

The 2018 Operating Budget appropriates \$32,500 for Public Outreach and Conservation Programs. The 2018 year to date total for this expense category is \$7,500. The cost of the proposed Public Education Video is \$7,000, which is within the Budget appropriation. The cost for the public education video will be reimbursed by Northrop Grumman Systems Corporation.

Recommendation

Staff recommends the Board authorize the General Manager to enter into an agreement for the preparation of a public education motion graphic video on groundwater treatment as proposed by Ready Artwork.

Respectfully Submitted,

Greg B. Galindo

General Manager

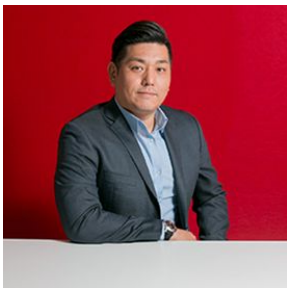
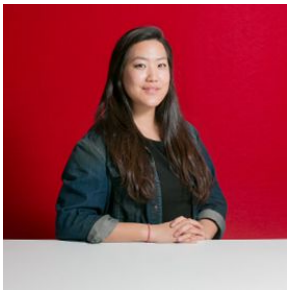
Enclosures

- *Proposal from Ready Artwork*

readyartwörk

Motion Graphic Video Proposal

"We help tell your story"



Cover Letter

Dear Greg,

Thank you for considering Ready Artwork for your video development needs. I'm glad we had the opportunity to connect so that my team and I could get a clear understanding of your video expectations.

Sincerely,

Candice Lee
candice@readyartwork.com
(626) 400-4511 x 303

About Ready Artwork



The Ready Artwork Team

*Our team is based out of Monrovia, California.
Our mission is to empower businesses of all
sizes with the most current marketing
technology and techniques.*



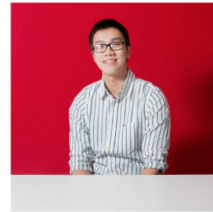
VICTOR
Operations



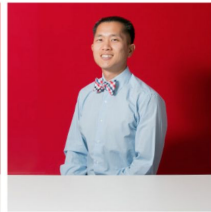
EMILY
Marketing & Art Director



DAVID
Consulting Partner



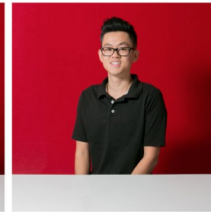
MICHAEL
Sr. Developer



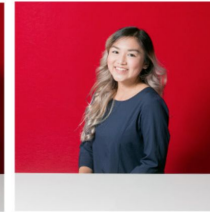
PETER
Online Strategist



JOANNE
Account Manager



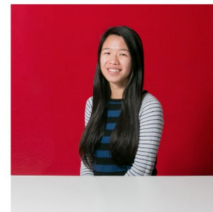
JASON
Sr. Developer



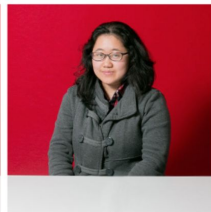
LINH
Account Manager



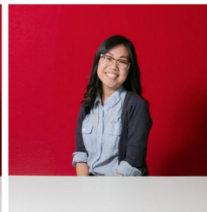
CANDICE
Account Manager



EMMA
Project Management



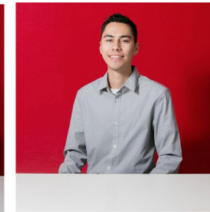
JAMIE
Developer



EMILY
Marketing Associate



RIO
Sr. Designer



ELIAS
Jr. Developer



JOCELYN
Administration

Our Motion Graphic Video Approach

Script

Laying the right groundwork is essential to developing a great video. The script creation is crucial to how your message is delivered to your viewers. Keeping in mind the tone and delivery, our team will help you create a script that will get your message across clearly and effectively.

Storyboarding

A storyboard is a graphic representation of how your video will shot-by-shot play out. This visual aid will make it easier to share and explain the vision for the video. The storyboard will also plan for how the visuals of the video correlate to the script.

Our Video Approach

Illustration

Once the direction for the video is set, our team will put together some key still illustrations to set the design and feel for the rest of the video. They will digitalize and add color to sketches of the storyboard to start bringing your video together.

Animation

It's time to bring your video to life! Our team will take the script, storyboard, and illustrations to create a video that will help your business! During this process, our team will also record any voice overs, clean up the audio, add music and make sure that your video looks exactly like we planned in pre-production. It's at this stage that you'll see the first cut and tailor the video to your liking.

Output

With the final cut complete and your approval signed-off, we create high quality files of your video that can be used for a variety of formats, be it for the web, trade shows or broadcast television.

Video Objective

- Explain where the water comes from
- History of the groundwater contamination and what the District does to ensure the water we serve meets all water quality standards and is safe to drink.
- Explain the new treatment system being constructed that our District will operate and deliver water to our system and neighboring Suburban Water Systems.

Supporting Info:

1. Slides from the District's treatment plant tour presentation.
2. PVOU article in District's 2015 Newsletter.
3. Section of the District's annual water quality report regarding treatment.

Video: 2-min Video Breakdown

ITEM	FEES
Pre-Production Planning	
Script Writing (~300 words) + 2 rounds of revisions	
Storyboarding + 2 rounds of revisions	
Production	
Illustration + 2 rounds of revisions	
Animation + 2 rounds of revisions	Fees: \$7,000

readyartwörk

Candice Lee

candice@readyartwork.com
626-400-4511 ext. 303

Memo

To: Honorable Board of Directors
From: Roy Frausto, Engineering & Compliance Manager
Date: July 23, 2018
Re: Engineering & Compliance Report – June 2018



CAPITAL PROJECTS

1. LPVCWD Recycled Water Project –
 - Staff received correspondence letters from the Sanitation District with respect to a CEQA draft IS/MND to reduce river discharges in support of increased recycled water reuse along with a separate letter pertaining to the availability of recycled water.
2. LPVCWD PVOU IZ Project and SZ-South Project –
 - Staff and the PVOU EPA Superfund Project Manager presented an update on the PVOU at the City of Industry City Council Meeting on June 28, 2018.
 - Staff reviewed and provided comments on the PVOU IZ Startup Plan and the Watermaster Extraction Capacity Memo.
 - Staff participated in the SZ-South 60% Design workshop on June 7, 2018.
3. LPVCWD Banbridge Pump Station Retrofit Project –
 - The packaged pump system was delivered on July 10, 2018.
 - The second phase of work, including installation of the packaged pump station, process piping, electrical work, and connections to existing mains is anticipated to start early to mid-August.
4. CIWS Starhill Lane & 3rd Ave. Waterline Improvement Project – Staff provided and RFP document to city staff to procure plans and specifications for the design of the project. The project is anticipated to be designed by Summer of 2018 and constructed by late 2018.

DEVELOPMENTS

1. LPVCWD 747 Del Valle Development – Three domestic meters and one irrigation meter have been installed. In addition, a request to allow 15 Jumpers to be installed was received to support the ongoing construction of the 45 housing units.
2. 17351 Main St. – Remodel work of the existing apartment complexes has been ongoing; however, it is understood that a new community center is being constructed. Request for water service may be requested to provide fire and domestic water service to the new building.
3. Star Theatre Property (22 Condo Development) – Recently, a notice of preparation of a draft focused environmental impact report was received requesting responses to the scope and content with respect to sections that apply to our District.

4. 15921 Sierra Vista Court – Currently, City staff advised that a proposed grading plan was approved and a comment period is coming to an end with respect to a proposed retaining wall. After the comment period, construction is expected to begin.

SPECIAL/OTHER PROJECTS

1. Air Stripper Inspections – Staff conducted the annual Air Stripper Inspections on June 15, 2018. A report of the findings will be drafted and then submitted to each respective party.
2. SPIX Resin Pilot Testing – Staff concluded the pilot operation of the Dow PSR 2 Plus resin and received approval from DDW to use the resin on June 7, 2018. The next resin change out scheduled in August will be loaded with the Dow PSR 2 Plus resin.
3. Caustic Reduction Plan – Staff concluded the caustic reduction test plan through a step-down approach and the findings were reported in a technical memorandum (enclosed as **Enclosure 1**) drafted by Trussell Technologies.
4. School (K-12) Lead Sampling – Staff completed the sampling requirements under AB 746 for the HLPUSD public schools. Staff will reach out to all CIWS public schools to schedule lead sampling to ensure compliance with AB 746 by July 1, 2019.
5. ISEP Removal – Staff will reach out to the WQA to discuss the requirements that need to be met prior to the removal and disposal of the ISEP system. In addition, staff will reach out to contractors to procure quotes for the removal of the system.
6. BPOU OM & M Plan Update – Provided the proposed changes to treatment plant operations, the current OM & M plan will need to be updated to reflect all proposed changes in operation.
7. CIWS Permit Amendment – Staff provided the engineering and technical report to expedite the issuance of a permit amendment to DDW staff on April 30, 2018. Staff anticipates to receive the permit amendment during Fall of 2018.
8. LPVCWD Permit Amendment -. Staff started drafting the engineering and technical report sections of the permit amendment to expedite the issuance of the permit. Staff anticipates to provide the engineering report to the DDW by the end of August 2018.

Enclosures

- *Enclosure 1: Caustic Reduction Tech Memo*



Enclosure 1

Caustic Reduction Tech Memo



TECHNICAL MEMORANDUM

Date: July 16, 2018

Authors: Yuecheng Liu, Trussell Technologies
David Hokanson, PhD, P.E., Trussell Technologies
Bryan Trussell, P.E., Trussell Technologies

Subject: La Puente Treatment Facility Caustic Dose Reduction Plan Results

BACKGROUND

Historically, the La Puente Treatment Facility, owned and operated by the La Puente Valley County Water District (LPVCWD), utilized the Calgon ISEP[®] ion exchange system for the removal of perchlorate at their groundwater treatment facility. This treatment process is a strong base anion (SBA) exchange process with regeneration that reduced the alkalinity of the treated water in addition to perchlorate. Caustic soda addition was initiated for corrosion control due to the reduced alkalinity when ISEP was implemented.

The La Puente Treatment Facility subsequently switched from the ISEP ion exchange system to single pass ion exchange (SPIX) with perchlorate selective resin. Perchlorate selective resins have a minimal impact on the alkalinity of treated water. Trussell Technologies was asked to review and provide recommendations on the continued use of caustic soda.

Trussell Technologies reviewed water quality data from 2010 through 2015 (after the installation of the SPIX) and calculated the corrosion indicators, calcium carbonate precipitation potential (CCPP) and Langelier Saturation Index (LSI). The corrosion indicators LSI and CCPP were calculated using Standard Methods in a corrosion indices model developed by Trussell Technologies^{1,2}. In conjunction with this model, Tetra Tech's RTW model was used to evaluate the recommended doses³. Based on industry practice with corrosion control for water treatment, the minimum recommended LSI is slightly positive (LSI ~ 0.10) and the minimum recommended CCPP is 4.0 mg/L. As shown in Figure 1, the LSI for the treatment facility effluent exceeded the minimum recommended LSI of 0.10 at all times. As shown in Figure 2, all

¹Kenny JD, DR Hokanson and RR Trussell (2015) Technical Note-Calculation of the Langelier Index at High pH, *Journal AWWA*, 107(3), p. 82

²Trussell Tech CaCO₃ Indices Modeling Spreadsheet is publicly available, open source software that can be downloaded free of charge on Trussell Tech's web site at: <http://www.trusselltech.com/downloads?category=6>

³Rothberg, MR, HC Liang, S Tabatabaie, and JR Tamburini (2011) Tetra Tech (RTW) Model for Water Chemistry, Process, and Corrosion Control, AWWA, Tetra Tech.



CCPP values for the treatment facility effluent, except for one outlier, exceeded 6 mg/L, which equates to 50% more than the minimum recommended CCPP of 4.0 mg/L. Because the LSI and CCPP levels shown on Figure 1 and Figure 2 are substantially above the minimum recommended values, a Test Plan was developed to evaluate reduction of the caustic dose to approach the minimum recommended values.

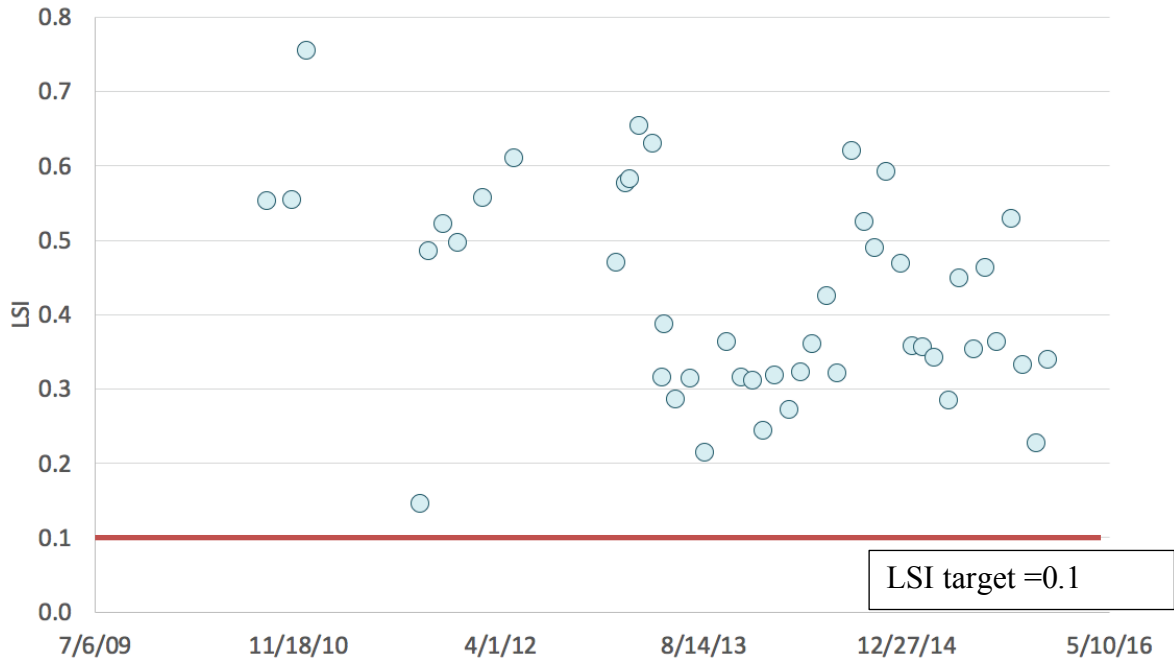


Figure 1- Measured LSI for SP-6 During 2010 to 2015

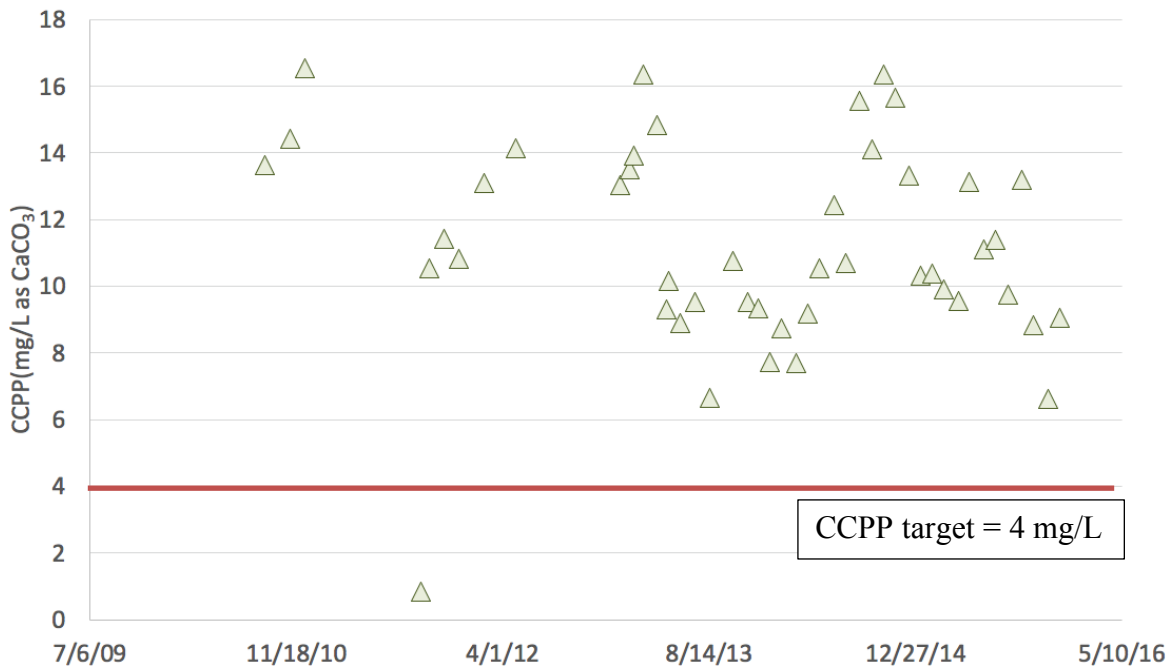


Figure 2- Measured CCPP for SP-6 During 2010 to 2015



As a result of the historical data review, it was determined that the caustic dose could likely be reduced while continuing to provide the necessary protection against corrosion. As shown in Table 1, the water quality parameters affecting the corrosion indicators were observed to be largely stable after the switch to SPIX (Aug 2010).

Table 1 – Water Quality Data for SP-10 After the switch to SPIX (Nov 2010 – Dec 2015)

	Calcium, Total (mg/L)	Alkalinity as CaCO ₃ (mg/L)	TDS (mg/L)	Temp (C°)
Minimum	58	140	280	17.3
Maximum	65	160	460	25.7
Average	61	153	326	20.3
StDev	2.14	5.91	28.0	1.81

Because of the stable nature of the groundwater quality with regards to calcium, alkalinity, and TDS, the corrosion indicators and related required caustic dose are largely dependent on the pH prior to chemical addition. Table 2 shows the recommended caustic dose to target an LSI between 0.1 and 0.2 based on the current treatment process configuration and the pH of the water prior to sodium hypochlorite and caustic soda addition. This dose-response was developed to ensure that all historical data (with the exception of that one outlier) would achieve the targeted LSI based on this table (See Appendix A for pH-dose response curve plotted with historical data). Additionally, this calculation accounted for the addition of sodium hypochlorite.

Table 2 – Recommended Caustic Doses (mg/L) as a Function of pH and LSI

pH	NaOH (mg/L) (LSI=0.20)	NaOH (mg/L) (LSI=0.15)	NaOH (mg/L) (LSI=0.10)
7.20	5.0	5.0	5.0
7.22	5.0	5.0	5.0
7.24	5.0	5.0	5.0
7.26	5.0	5.0	5.0
7.28	5.0	5.0	4.8
7.30	5.0	5.0	4.4
7.32	5.0	4.9	4.0
7.34	4.8	4.4	3.5
7.36	4.4	4.0	3.1
7.38	4.0	3.5	2.6
7.40	3.6	3.1	2.2
7.42	3.2	2.7	1.8
7.44	2.8	2.2	1.3
7.46	2.4	1.8	0.9
7.48	2.0	1.3	0.4
7.50	1.6	0.9	0.0
7.52	1.2	0.5	0.0
7.54	0.8	0.0	0.0
7.56	0.4	0.0	0.0
7.58	0.0	0.0	0.0
7.60	0.0	0.0	0.0

The pH values of the water prior to sodium hypochlorite and caustic soda addition are actually closer to 7.8. This is based on measurements downstream of UV AOP and upstream of caustic and hypochlorite addition (SP-11). Using a pH of 7.8 and Table 2, it appears that no caustic soda is required to meet an LSI target greater than 0.2.

TEST PROTOCOL

Building upon the findings from the historical data review and evaluation, a Test Plan was developed to provide a step-wise approach to decrease the caustic (NaOH) dose while ensuring the corrosion control objectives were being maintained. The test plan is summarized in Table 3. SP-11 is located just downstream of the UV/H₂O₂ process and SP-6 is the final plant effluent.

**Table 3- Test Plan Approach**

Phase	Dosage Rate	Sample Duration	Sample No.	WQ Sampling at SP-10 and SP-6	Action if Customer Communication
1	20 ml/min	Feb-Mar 2018	4	Temperature pH Calcium Total Alkalinity TDS Caustic Dose	back to dosage rate 16 ml/min
2	11 ml/min	Mar-Apr 2018	2		back to dosage rate 20 ml/min
3	0 ml/min	May 2018	3		back to dosage rate 11 ml/min

RESULTS

During the testing, there were no customer complaints or indications of adverse impacts on water stability in the distribution system. The measured CCPP, LSI, and pH for different phases are listed in Table 4.

Table 4- Measured CCPP, LSI, and pH for SP-6 During Different Phases

Phase	Sampling Date	CCPP	LSI	pH
1	2/28/18	7.86	0.29	7.79
	3/7/18	--	--	7.82
	3/14/18	10.7	0.39	7.84
	3/21/18	--	--	7.84
2	3/29/18	9.89	0.33	7.76
	4/18/18	10.4	0.35	7.77
3	5/2/18	5.72	0.2	7.69
	5/16/18	8.47	0.27	7.67
	5/30/18	8.51	0.28	7.71

The CCPP and LSI sample data collected during the three phases for the effluent are shown graphically in Figures 3 and 4. Additional data is shown in Appendix B.

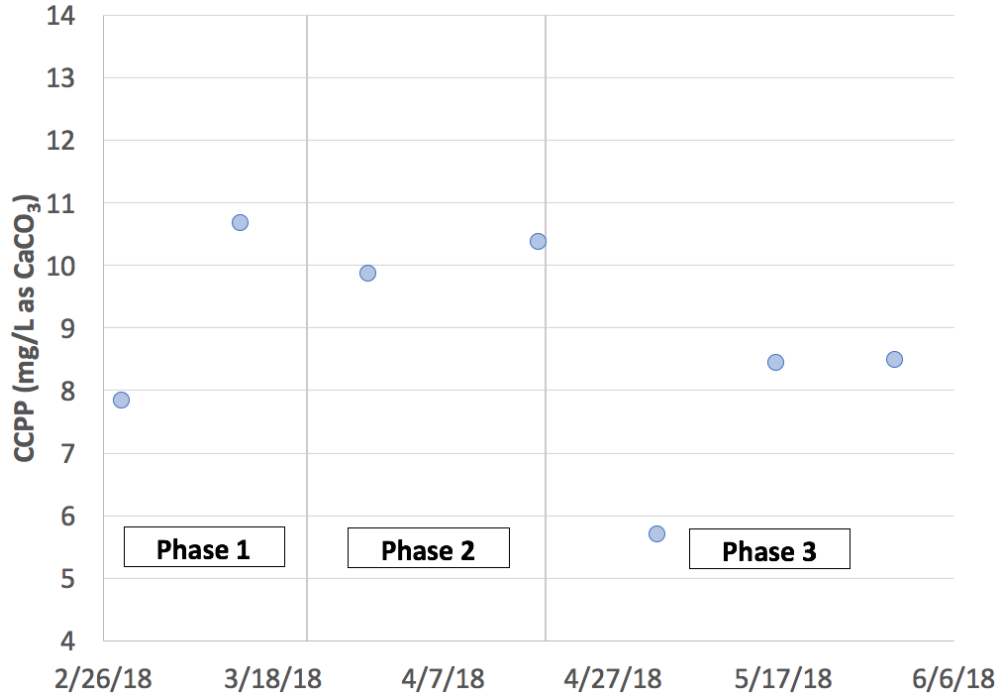


Figure 3- Measured CCPP (mg/L as CaCO₃) for SP-6 During Different Phases

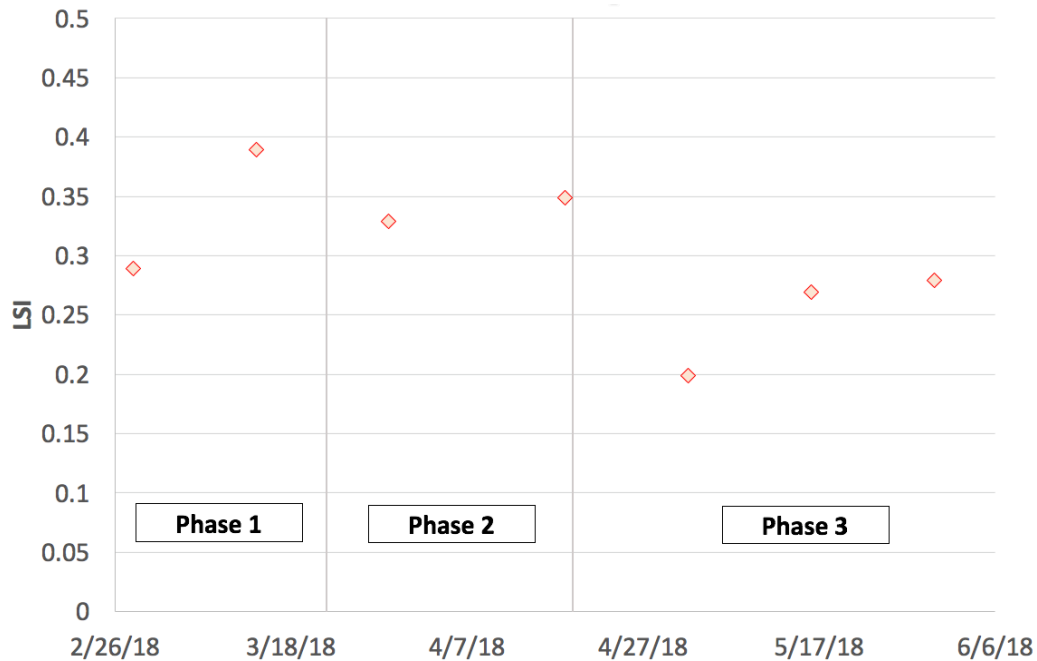


Figure 4- Measured LSI for SP-6 During Different Phases

Throughout the test period, the CCPP and LSI did not go below the objective of 4 mg/L as CaCO₃ and 0.1, respectively. The minimum CCPP and LSI were measured during phase 3, with



no caustic addition, and were 5.72 mg/L as CaCO₃ and 0.2, respectively. This was the result of a lower calcium measurement during that sampling event. Overall, occasional excursions below the recommended minimum corrosion control indices would not be problematic for the distribution system as corrosion is a slowly occurring process that takes an extended timeframe to adversely impact the system.

CONCLUSION

The test results confirm the historical data analysis following conversion to SPIX that the caustic addition is not required at the La Puente Treatment Facility to maintain the recommended minimum corrosion control indices of 4 mg/L as CaCO₃ for CCPP and 0.1 for LSI. Removing the caustic addition does drop the pH down to 7.8 on average. This is below the operations and maintenance (O&M) manual final effluent pH objective of 8.0. It is recommended to request a modification to the O&M manual to allow for a decreased caustic dose while continuing to monitor the corrosion control parameters for any changes over time (calcium, alkalinity, TDS, pH, temperature, LSI, CCPP).

APPENDIX A – Development of Recommended Caustic Doses as a Function of pH and LSI

To develop Table 2, the recommended caustic doses were calculated for different LSI values. A linear fit was performed based on the recommended caustic dose vs pH. Table 2 shows the linear fits in a tabular form. With an LSI target of 0.1 as an example, the recommended caustic dose was calculated based on all available historical data as shown by the green data points in Figure A1. Based on the data points in Figure A1, a linear fit was performed as shown by the line in Figure A1. The linear fit was performed in a manner that all data points with the exception of one outlier fall under the linear fit line, such that the fit slightly overestimates the caustic dose and provides a safety factor. The linear fits for other LSI values were developed with the same approach.

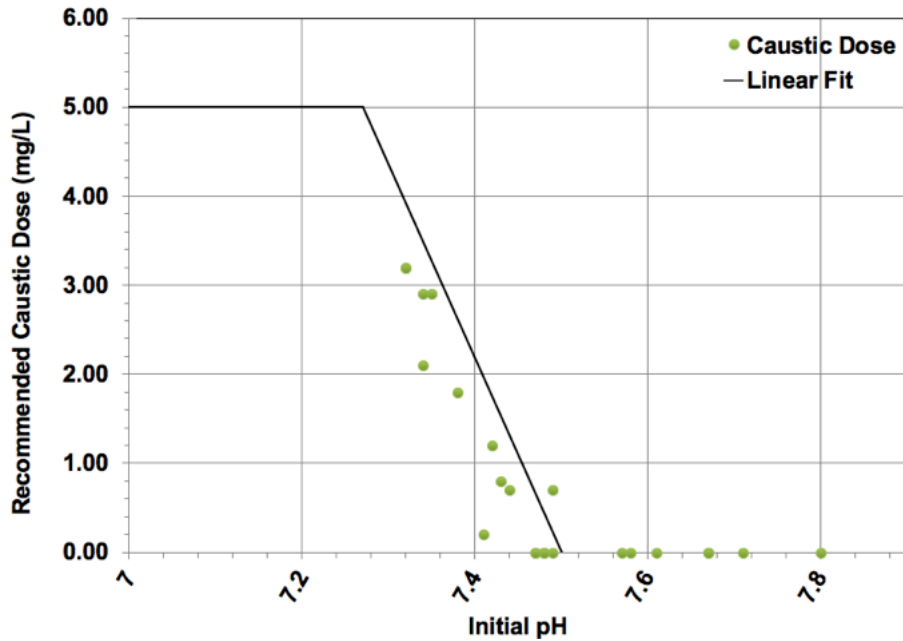


Figure A1- Recommended Caustic Dose (LSI=0.1) Based on All Historical Data (Nov 2010 – Mar 2014)

**APPENDIX B - Water sample data at SP-6 during different phases**

The water sample data at SP-6 during different phases are recorded in Table B1.

Table B1- Water Sample Data at SP-6

Phase	Sampling Date	Ca (mg/L)	Alkalinity (mg/L as CaCO ₃)	Temp (C°)	TDS (mg/L)	CCPP	LSI	pH
1	2/28/18	61.9	150	18.3	370	7.86	0.29	7.79
	3/7/18	--	--	20.3	--	--	--	7.82
	3/14/18	61.2	160	19.2	340	10.7	0.39	7.84
	3/21/18	--	--	19.5	--	--	--	7.84
2	3/29/18	60.7	160	20.9	320	9.89	0.33	7.76
	4/18/18	63.3	160	20.5	340	10.4	0.35	7.77
3	5/2/18	58	150	19.9	330	5.72	0.2	7.69
	5/16/18	62.5	160	20.4	330	8.47	0.27	7.67
	5/30/18	59.5	160	21.5	340	8.51	0.28	7.71



Upcoming Events

To: Honorable Board of Directors

From: Rosa Ruehlman, Office Administrator RR

Date: 07/23/2018

Re: Upcoming Board Approved Meetings and Conferences for 2018.

Day/Date	Event	<u>Aquirre</u>	<u>Escalera</u>	<u>Hastings</u>	<u>Hernandez</u>	<u>Rojas</u>
Thursday, July 26, 2018	SCWUA Breakfast at 8:00 am at the Pomona Fairplex Sheraton, Pomona, CA					
Wednesday, August 8, 2018	SGWWA Breakfast Meeting at the Pomona Mining Company at 8:00 am in Pomona, CA					
Tuesday, September 18, 2018	SG Valley Water Forum 2018 at 7:30 – 1:30 pm. Sharaton Fairplex Conference Center in Pomona, CA					
Monday-Thursday, September 24-27, 2018	CSDA 2018 Annual Conference at Indian Wells, CA.					
Wednesday-Friday, October 3-5, 2018	WaterSmart Innovations Conference at South Point Hotel in Las Vegas, NV.					
Monday– Thursday, October 22-25, 2018	AWWA CA/NV 2018 Fall Conference at the Westin Mission Hills, Palm Springs, CA					
Tuesday – Thursday, Nov. 27-30, 2018	ACWA 2018 Fall Conference in San Diego					

SGVWA – San Gabriel Valley Water Association Quarterly Breakfast, are held on the Second Wednesday of February, May, August and November at the Pomona Mining Co. in Pomona, CA. (Dates and location are subject to change).

SCWUA – Southern California Water Utilities Association Luncheons are typically held on the fourth Thursday of each month with the exception of November and December due to the Thanksgiving and Christmas holiday and are held at the Pomona Fairplex in Pomona, CA. (Dates are subject to change)

Board Member Training and Reporting Requirements:

NEXT DUE DATE

Schedule of Future Training and Reporting for 2016	<u>Aguirre</u>	<u>Escalera</u>	<u>Hastings</u>	<u>Hernandez</u>	<u>Rojas</u>
Ethics 1234 2 year Requirement	11/22/18	12/01/18	12/01/18	10/11/18	9/26/19
Sexual Harassment 2 Year Requirement	05/09/19	11/28/19	05/09/19	10/10/18	05/09/19
Form 700 Annual Requirement	04/01/19	04/01/19	04/01/19	04/01/19	04/01/19
Form 470 Short Form Semi Annual Requirement	07/31/19	07/31/19	07/31/19	07/31/19	07/31/19

If you have any questions on the information provided or would like additional information, please contact me at your earliest convenience.