



AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS LA PUENTE VALLEY COUNTY WATER DISTRICT 112 N. FIRST STREET, LA PUENTE, CALIFORNIA MONDAY, SEPTEMBER 25, 2017 AT 5:30 PM

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL OF BOARD OF DIRECTORS

President Hastings____ Vice President Rojas____ Director Aguirre____

Director Escalera____ 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 August 28, 2017.

B. Approval of Minutes of the Regular Meeting of the Board of Directors held on September 11, 2017.

7. FINANCIAL REPORTS

A. Summary of Cash and Investments for August 31, 2017.

Recommendation: Receive and File Report.

B. Statement of the District's Revenues and Expenses as of August 31, 2017.

Recommendation: Receive and File Report.

- C. Statement of the City of Industry Waterworks System's Revenues and Expenses as of August 31, 2017.

Recommendation: Receive and File Report.

8. DISCUSSION REGARDING PROPOSALS FOR A COMPREHENSIVE WATER RATE AND FEE STUDY

9. PROJECT ENGINEER'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, September 22, 2017

President David Hastings, 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 Ms. Rosa Ruehlman, 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, August 28, 2017, at 5:30 at the District office, 112 N. First St., La Puente, California.

Meeting Called to Order:

President Hastings called the meeting to order at 5:30 pm.

Pledge of Allegiance

President Hastings led the meeting in the Pledge of Allegiance.

Directors Present:

David Hastings, President; William R. Rojas, Vice President; Charles Aguirre, Director; John P. Escalera and Henry Hernandez, Director.

Staff Present:

Greg Galindo, General Manager; Rosa Ruehlman, Board Secretary; Gina Herrera, Customer Service/Accounting Supervisor and Roland Trinh District Counsel.

Others Present:

No members of the public present.

Adoption of Agenda:

President Hastings asked for the approval of the agenda.

Motion by Director Escalera seconded by President Hastings, that the agenda be adopted as presented.

Motion approved by the following vote:

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

Nays: None.

Consent Calendar:

President Hastings asked for the approval of the Consent Calendar:

- Approval of the Minutes of the Regular Meeting of the Board of Directors held on August 14, 2017.
- Approval of Attendance to the Southern California Water Utilities Association Vendor's Fair on Thursday, September 14, 2017 at 11:30 AM in Irwindale, CA

Motion by Director Aguirre, seconded by Vice President Rojas, to approve the consent calendar as presented.

Motion approved by the following vote:

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

Nays: None.

Financial Reports:**A. Summary of Cash and Investments as of July 31, 2017.**

- Mr. Galindo presented the cash and investment summary. The District's total cash and investments total over \$3.2M. The Industry Public Utilities Water Operations checking account balance is \$494,823.

Motion by Vice President Rojas, seconded by Director Hernandez, to receive and file the Summary of Cash and Investments as of July 31, 2017, as presented.

Motion approved by the following vote:

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

Nays: None.

B. Statement of the District's Revenues and Expenses as of July 31, 2017.

- Mrs. Herrera summarized the Statement of Revenues and Expenses for the District and Treatment Plant operations. She reported that for this time of year we should be at 58% of budget and we remain on target.

Motion by President Hastings, seconded by Vice President Rojas, to receive and file the Statement of the District's Revenues and Expenses as of July 31, 2017, as presented.

Motion approved by the following vote:

Ayes: Hastings, Aguirre, Escalera and Hernandez.

Nays: None.

C. Statement of the City of Industry Waterworks System's Revenues and Expenses as of July 31, 2017.

- Mrs. Herrera summarized the Statement of Revenues and Expenses for the City of Industry Waterworks System. She stated that this report is for the first month of the new fiscal year 2017-18.
- Mrs. Herrera reported that there are a couple entries remaining to be made to close out the previous fiscal year, and the audit process is expected to begin in late September or early October.

Motion by President Hastings, seconded by Vice President Rojas, to receive and file the Statement of the City of Industry Waterworks System's Revenues and Expenses as of July 31, 2017, as presented.

Motion approved by the following vote:

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

Nays: None.

Action/Discussion Items:**A. California Legislative Update.**

- Mr. Galindo provided an update on a few California Legislative Bills. There was much discussion on the potential impact of Senate Bill 623 and ACWA's position on this legislation. Also discussed were bills regarding long term water conservation and a bond authorization. Mr. Galindo provided the SGVWA's position on the various legislations as well.
- Mr. Galindo reported he will be attending a Public Water Agency Group (PWAG) and there will be more Legislative Updates the he will provided at the next Board meeting.

Discussion only, no action required.

B. Consideration of Purchase of a 2017 Ford F-250 Supercab Truck with Service Body.

- Mr. Galindo reported that Staff is looking into purchasing a new pickup truck that has a service body that would fit the Districts specifications. He stated this vehicle would be used primarily for production and treatment duties.

- Mr. Galindo reported that he had prepared a notice of inviting bids and emailed it to four dealerships. He received one bid from Ed Butts Ford for \$39,731.26 for a 2017 Ford F-250 Supercab Truck with service body.
- Mr. Galindo recommends that the Board approve the purchase of a new 2017 F-250 Supercab Truck with Service Body for a not to exceed price of \$39,731.26, from Ed Butts

Ford and allow staff to equip the new truck with a light bar and radio equipment for an additional estimated cost of \$3,500 for an overall estimated cost of \$43,300.

After further discussion, motion by Vice President Rojas, seconded by Director Escalera, to approve the purchase of a 2017 F-250 Supercab Truck with Service Body for a not to exceed price of \$39,731.26, from Ed Butts Ford and allow staff to equip the new truck with a light bar and radio equipment for an estimated cost of \$3,500 for an approximate total of \$43,300.

Motion approved by the following vote:

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

Nays: None.

C. Discussion on Request for Proposal for a Comprehensive Water Rate and Fees Study.

- Mr. Galindo reported that the last water rate study was completed by Staff in April 2011 and approved by the Board in August 2011. Those water rate increases were 25% over a five year period through September 2015. Currently based on the District's 2017 budget we are doing well. But, due to the rising cost of water for replenishment, groundwater production assessments and the cost for capital improvement projects, an adjustment will be needed to water rates. Staff drafted a Request for Proposal (RFP) for a comprehensive Water Rate Study and has distributed it to four consulting firms who are experienced in water rate studies. The RFP was distributed on August 23, 2017 and the proposals are due by September 14, 2017.
- Mr. Galindo will bring back to the Board the results of those proposals in a future meeting.

Discussion only, no action required.

Project Engineer's Report:

Mr. Galindo presented Mr. Frausto's report: (See memo)

- Mr. Galindo provided a memorandum of the activities Mr. Frausto and Staff worked on during the month of July 2017 and highlighted some of those items in his report.

Motion by Vice President Rojas seconded by Director Escalera, to receive and file the Project Engineer's report as presented.

Motion approved by the following vote:

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

Nays: None.

General Manager's Report:

- Mr. Galindo reported that LAFCO has appointed Vice President Rojas as the RDA Oversight Board Member No. 1 Voting member.
- Mr. Galindo reported that the San Gabriel Valley Water Association is working on a Public Outreach Project for the Water Resources Development. They are working on putting together a video on how the water assessment works and make it available to the member agencies and the public.

Information Items:

- A. Upcoming Events.**
- Mrs. Ruehlman provided an update on the upcoming events for 2017, and who will be attending.

- Mrs. Ruehlman updated the Board on the La Puente Jr. All American Football, that the coordinator for the event will contact the District when they need water for the away games.
- B.** Correspondence to the Board of Directors.
No correspondence provided.

Attorney Comments:

Mr. Trinh had no comments.

Board Member Comments:

- A.** Report on events attended.
 - Director Escalera attended the ACWA Region 8 in Los Angeles.
- B.** Other comments.
 - Vice President Rojas asked to close this meeting in the memory of Phyllis Tucker, a long time resident of La Puente. She was also the City Treasurer for the City of Industry for 52 years.

Future Agenda Items:

- No future items.

Adjournment:

There is no further business or comment, the meeting was adjourned at 6:51 p.m. in memory of Phyllis Tucker.

David Hastings, President

Rosa B. Ruehlman, Secretary



**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, September 11, 2017, at 5:30 at the District office, 112 N. First St., La Puente, California.

Meeting called to order:

President Hastings called the meeting to order at 5:30 pm.

Pledge of Allegiance

President Hastings led the meeting in the Pledge of Allegiance.

Directors present:

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

Staff present:

Greg Galindo, General Manager; Rosa Ruehlman, Board Secretary; Roy Frausto, Compliance Office and Project Engineer and Roland Trinh, District Counsel.

Others Present:

Mr. Ed Chavez, Director of Upper San Gabriel Valley Municipal Water District.

Public Comment:

Mr. Chavez shared that Upper District is in the process of recruiting for a new General Manager, Assistant to the General Manager and a Government Affairs Assistant.

Adoption of Agenda:

President Hastings asked for the approval of the agenda.

- Mr. Galindo asked to amend the agenda by removing Item 6, A – Minutes of the Regular Board Meeting for August 28, 2017.

Motion by Director Escalera, seconded by Director Aguirre, that the agenda be adopted as amended.

Motion approved by the following vote:

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

Nays: None.

Consent Calendar:

President Hastings asked for the approval of the Consent Calendar.

B. Approval of District Expenses for the Month of August 2017.

C. Approval of City of Industry Waterworks System Expenses for the Month of August 2017.

- D. Receive and File the District's Water Sales Report for August 2017.
- E. Receive and File the City of Industry Waterworks System's Water Sales Report for August 2017.
- F. Approval of Attendance for SB 1234, Ethics Training at Lagerlof, Senecal, Gosney & Kruse, LLP on Tuesday, September 26, 2017, at 10:00 am in Pasadena, CA.

Motion by Director Escalera, seconded by Director Hernandez, to approve the consent calendar as amended.

Motion approved by the following vote:

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

Nays: None.

Action/Discussion Items:

- A. Consideration of Bid Proposal from Doty Bros. Equipment Company to Construct 12-inch waterline in Del Valle Avenue to Support 45-Unit Housing Development at 747 Del Valle Avenue.
 - Mr. Frausto reported that notices inviting bids for construction of a new waterline at 747 Del Valle Avenue project were sent to five contractors. On August 16, 2017, at 3:00 pm, a public bid opening was held at the District office and three bids were received. The bids received are as follows: Doty Bros. Equipment Company for \$362,488.50; Brkich Construction for \$460,075.00; and WA Rasic Construction Company for \$882,942.50.
 - Mr. Frausto reported on the fiscal impact to the District for a portion of the work that comprised of service line replacements for existing customers that are not required for the development. He added that the District's Capital Improvement Budget appropriates \$25,000.00 for service line replacements. He stated that cost for the 9 service line replacements for the Del Valle Project is \$17,475.00, which will be the District's cost and all the other remaining costs will be funded by the Developer.
 - Mr. Frausto recommends the Board authorize the General Manager to secure services from the lowest bidder Doty Bros. Equipment Company for construction of 12-inch Waterline in Del Valle Avenue after receiving the required funds for said construction from Developer of 747 Del Valle Avenue.

After further discussion, motion by Director Escalera, seconded by President Hastings, to authorize the General Manager to secure services from Doty Bros. Equipment Company for construction of 12-inch Waterline in Del Valle Avenue, after receiving the required funds for said construction from Developer of 747 Del Valle Avenue for a not to exceed \$362,488.50.

Motion approved by the following vote:

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

Nays: None.

- B. Consideration of Investment of \$55,000 of District Reserve Funds Consistent with Offer Sheet Prepared by Dewane Investment Strategies Dated September 6, 2017.
 - Mr. Galindo reported that a CD came due in August and the proceeds remain in the Raymond James account. Per Staff's request, an offer sheet was provided, dated September 6, 2017, for the purchase of a CD for \$55,000.00. The CD was for 18 months with the maturity date of March 13, 2019, at an interest rate of 1.60% with an estimated income of \$1,300.
 - Mr. Galindo stated that based on the investment policy any investment decisions need to be brought to the board for their approval.
 - Mr. Galindo recommended that the Board approve the reinvestment of \$55,000 with Raymond James that is consistent with the offer sheet, which the interest rate may be higher or lower than the 1.60% but it will be the same quality and duration.

After further discussion, motion by President Hastings, seconded by Director Aguirre to Authorize General Manager to reinvest \$55,000 with Raymond James as per offer sheet prepared by Dewane Investments.

Motion approved by the following vote:

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

Nays: None.

C. California Legislation Update.

- Mr. Galindo reported that SB 623 is now a two-year bill, which is good news.
- Mr. Galindo also reported on other pending bills: AB 1668 and SB 606 Conservation Bills, which is going through several changes. It is getting close to approval but ACWA is not in favor of these bills; SB 5 is a \$4 Billion Bond for Parks, Water and Climate Change Projects, which is anticipated to pass; AB 1180 is a bill that allows the Los Angeles County to move forward a ballot measure to levy a tax or impose a fee to pay for the cost to carry out programs for storm water capture.
- Staff will provide an update at a future meeting on what bills passed and how they may impact the District.

Discussion only, no action required.

General Manager's Report:

Mr. Galindo presented his report:

- Water Consumption Data - He shared some water consumption data for the month of August that as compared to 2003 is 19% less for the District and for Industry is 15% less. So customers are continuing to conserve water.
- Ford F-250 Pickup Truck - He reported the purchase of a new pickup truck Ford F-250 and Staff is in the process of installing a light bar and radio.
- PVOU Update - He shared that the latest revised agreements have been submitted to Northrop Grumman and staff is waiting for comments back. He added that Mr. Trinh did a great job providing red lines and working with Suburban Water.
- Recycled Water Project – this project has been put on hold due to that the Sanitation District is working on the 1211 Permit to allow the change of the use of recycled water from discharging into the San Gabriel River to delivering to a recycled water system. They did receive some comments from the California Department of Fish and Wildlife that there are issues they need to be work through. So it appears the permit will not be issued by the end of the year. He met with the Upper District's Interim General Manager to discuss the issue. He added that we are up against a deadline of June 2018 to meet the Prop 84 Grant Agreement provisions, which yields \$428,000.00 towards the recycled water project. He stated that if we do not construct by June 2018, we will lose the grant funding. We are one of three projects with Upper District receiving the Prop 84 grant proceeds, so the impact is substantial. We are going to work with the Sanitation District to get a firm position on the recycled water availability. He stated in the meantime he wants to continue to move the project along, complete the design, go out to bid and be ready to award. He will reconvene the Ad hoc Committee for further discussion on this project. Discussion only, no action required.

Information Items:

A. Upcoming Events.

- Mrs. Ruehlman presented an update on the upcoming events and who will be attending.
- Director Escalera would like to attend the SCWUA in October.
- Mrs. Ruehlman will put down all Directors for upcoming SCWUA through the end of the year.

- B. Correspondence to the Board of Directors
- No correspondence.

Attorney comments:

Mr. Trinh had no comments.

Board member comments:

- A. Report on events attended.
- Vice President Rojas stated that he attended Congresswoman, Grace Napolitano's Water Forum on August 31st in Baldwin Park
- B. Other comments.
- Director Aguirre asked to close this meeting in memory of Celia "Sally" Rodriguez, a long time resident of La Puente and was very involved in the community.

Future agenda items:

No future items.

Adjournment:

There is no further business or comment, the meeting was adjourned 6:01 p.m. in memory of Celia "Sally" Rodriguez.

David Hastings, President

Rosa B. Ruehlman, Secretary



Summary of Cash and Investments
August 2017

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	0.92%	\$ 1,996,538.43	\$ -	\$ -	\$ 1,996,538.43
Raymond James Financial Services		\$ 505,788.27	\$ 1,283.99	\$ -	\$ 507,072.26
Checking Account					
Well Fargo Checking Account (per General Ledger)		\$ 711,836.72	\$ 452,752.58	\$ 497,482.29	\$ 667,107.01
District's Total Cash and Investments:					\$ <u>3,170,717.70</u>

Industry Public Utilities

Checking Account	Beginning Balance	Receipts	Disbursements	Ending Balance
Well Fargo Checking Account (per General Ledger)	\$ 494,823.01	\$ 265,001.12	\$ 214,401.97	\$ 545,422.16
IPU's Total Cash and Investments:				\$ <u>545,422.16</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: 9/22/2017

Greg B. Galindo

La Puente Valley County Water District (Treatment Plant Included)
Statement of Revenues and Expenses
For the Period Ending August 31, 2017
(Unaudited)

<u>DESCRIPTION</u>	LPVCWD YTD 2017	TP YTD 2017	COMBINED YTD 2017	COMBINED BUDGET 2017	67% OF BUDGET	COMBINED 2016
Total Operational Revenues	\$ 1,265,328	\$ -	\$ 1,265,328	\$ 1,925,600	66%	\$ 1,897,789
Total Non-Operational Revenues	293,711	783,894	1,077,605	3,367,500	32%	1,823,685
TOTAL REVENUES	1,559,039	783,894	2,342,932	5,293,100	44%	3,721,474
Total Salaries & Benefits	631,299	193,465	824,765	1,269,800	65%	1,175,969
Total Supply & Treatment	632,906	511,062	1,143,968	1,639,400	70%	1,486,410
Total Other Operating Expenses	101,035	61,890	162,924	403,300	40%	294,555
Total General & Administrative	220,962	17,477	238,439	507,200	47%	367,578
TOTAL EXPENSES	1,586,202	783,894	2,370,096	3,819,700	62%	3,324,512
TOTAL OPERATIONAL INCOME	(27,163)	-	(27,163)	1,473,400	-2%	396,962
Total Capital Improvements	(11,283)	-	(11,283)	(2,085,000)	1%	(69,922)
Total Capital Outlay	(70,330)	-	(70,330)	(82,000)	86%	(145,725)
TOTAL CAPITAL OPERATIONS	(81,613)	-	(81,613)	(2,167,000)	4%	(215,646)
Total Developer	81,095	-	81,095	15,000	541%	8,292
OPERATING INCOME	(27,681)	-	(27,681)	(678,600)		189,607
Non-Cash Items (Dep. & OPEB)	(194,521)	(488,667)	(683,187)	1,007,000	-68%	52,385
NET INCOME (LOSS)	\$ (222,202)	\$ (488,667)	\$ (710,868)	\$ 328,400	-216%	\$ 241,992

La Puente Valley County Water District
Statement of Revenues and Expenses
For the Period Ending August 31, 2017
(Unaudited)

Description	AUGUST 2017	YTD 2017	ANNUAL BUDGET 2017	67% OF BUDGET	YEAR END 2016
Operational Revenues					
Water Sales	\$ 168,492	\$ 778,310	\$ 1,209,500	64.35%	\$ 1,179,947
Service Charges	56,329	403,488	598,000	67.47%	601,298
Surplus Sales	2,795	22,788	36,000	63.30%	30,558
Customer Charges	3,696	23,077	29,200	79.03%	31,429
Fire Service	7,964	37,090	52,700	70.38%	53,902
Miscellaneous Income	-	575	200	287.50%	655
Total Operational Revenues	239,275	1,265,328	1,925,600	65.71%	1,897,789
Non-Operational Revenues					
Management Fees	-	91,035	257,000	35.42%	253,500
Taxes & Assessments	10,073	111,966	195,000	57.42%	215,708
Other O & M Fees	6,085	45,768	62,000	73.82%	68,259
Rental Revenue	2,937	23,240	33,300	69.79%	33,969
Interest Revenue	-	-	10,000	0.00%	13,992
Miscellaneous Income	285	21,702	36,500	59.46%	75,860
Recycled Water System (Grant Revenue)	-	-	415,000	0.00%	-
Recycled Water System (Loan Proceeds)	-	-	1,000,000	0.00%	-
Total Non-Operational Revenues	19,381	293,711	2,008,800	14.62%	661,288
TOTAL REVENUES	258,655	1,559,039	3,934,400	39.63%	2,559,077
Salaries & Benefits					
Total District Wide Labor	40,762	306,056	472,600	64.76%	448,209
Directors Fees & Benefits	9,019	76,769	106,900	71.81%	102,802
Benefits	9,831	85,133	140,900	60.42%	100,078
OPEB Payments	2,278	86,247	165,200	52.21%	163,062
Payroll Taxes	3,516	28,673	45,300	63.30%	38,934
Retirement Program Expense	4,061	48,421	73,900	65.52%	57,493
Total Salaries & Benefits	69,468	631,299	1,004,800	62.83%	910,577
Supply & Treatment					
Purchased & Leased Water	169	421,516	386,600	109.03%	475,464
Power	15,384	96,629	154,700	62.46%	135,678
Assessments	5,652	102,458	174,200	58.82%	86,920
Treatment	392	3,091	10,000	30.91%	6,363
Well & Pump Maintenance	-	9,212	56,700	16.25%	21,490
Total Supply & Treatment	21,596	632,906	782,200	80.91%	725,916
Other Operating Expenses					
General Plant	749	14,967	35,600	42.04%	23,830
Transmission & Distribution	13,658	38,180	76,500	49.91%	46,997
Vehicles & Equipment	1,333	8,606	28,100	30.63%	12,758
Field Support & Other Expenses	1,856	18,843	45,500	41.41%	74,084
Regulatory Compliance	720	20,439	34,100	59.94%	25,177
Recycled Water Short Term Loan Payment	-	-	-	N/A	-
Recycled Water Loan Payment	-	-	-	N/A	-
Total Other Operating Expenses	18,316	101,035	219,800	45.97%	182,846

La Puente Valley County Water District
Statement of Revenues and Expenses
For the Period Ending August 31, 2017
(Unaudited)

Description	AUGUST 2017	YTD 2017	ANNUAL BUDGET 2017	67% OF BUDGET	YEAR END 2016
General & Administrative					
District Office Expenses	2,104	33,661	65,600	51.31%	35,904
Customer Accounts	1,805	12,691	20,000	63.45%	19,804
Insurance	1,311	44,930	89,000	50.48%	61,400
Professional Services	12,128	88,155	183,000	48.17%	163,869
Training & Certification	3,077	19,407	30,000	64.69%	21,850
Public Outreach & Conservation	4,251	12,867	37,000	34.78%	13,266
Other Administrative Expenses	2,736	9,251	29,600	31.25%	26,684
Total General & Administrative	27,413	220,962	454,200	48.65%	342,776
TOTAL EXPENSES	136,793	1,586,202	2,461,000	64.45%	2,162,115
TOTAL OPERATIONAL INCOME	121,862	(27,163)	1,473,400	-1.84%	396,962
Capital Improvements					
Zone 3 Improvements	-	(1,300)	(85,000)	1.53%	-
Service Line Replacements	-	(9,970)	(25,000)	39.88%	(47,395)
Valve Replacements	-	(13)	(15,000)	0.09%	(3,107)
Fire Hydrant Repair/Replacements	-	-	(5,000)	0.00%	(3,673)
Main & 1st Street Building Retrofit	-	-	(55,000)	0.00%	-
Phase 1 - Recycled Water System	-	-	(1,700,000)	0.00%	(15,747)
Phase 2 - Recycled Water System	-	-	(200,000)	0.00%	-
Total Capital Improvements	-	(11,283)	(2,085,000)	0.54%	(69,922)
Capital Outlay					
Communications Systems Upgrade	-	-	-	N/A	(12,944)
Meter Read Collection System Equipment	(111)	(30,598)	(45,000)	68.00%	-
New Pick-Up & Backhoe	(39,731)	(39,731)	(37,000)	107.38%	(132,780)
Total Capital Outlay	(39,843)	(70,330)	(82,000)	85.77%	(145,725)
TOTAL CAPITAL OPERATIONS	(39,843)	(81,613)	(2,167,000)	3.77%	(215,646)
Developer					
Developer Fees	-	81,095	5,000	1621.90%	8,292
Developer Contributions	-	-	10,000	0.00%	-
Total Developer	-	81,095	15,000	540.63%	8,292
OPERATING INCOME	82,019	(27,681)	(678,600)		189,607
Add Back Capitalized Assets	39,843	81,613	2,167,000	3.77%	215,646
Less Depreciation Expense	(34,517)	(276,133)	(414,200)	66.67%	(361,474)
Less OPEB Expense - Not Funded	-	-	(12,800)	0.00%	20,223
NET INCOME (LOSS)	\$ 87,345	\$ (222,202)	\$ 1,061,400	-20.93%	\$ 64,003

Treatment Plant
Statement of Revenues and Expenses
For the Period Ending August 31, 2017
(Unaudited)

Description	AUGUST 2017	YTD 2017	ANNUAL BUDGET 2017	67% OF BUDGET	YEAR END 2016
Non-Operational Revenues					
Reimbursements from CR's	\$ 66,606	\$ 783,894	\$ 1,358,700	58%	\$ 1,162,397
Miscellaneous Income	-	-	-	N/A	-
Total Non-Operational Revenues	66,606	783,894	1,358,700	58%	1,162,397
Salaries & Benefits					
Total District Wide Labor	29,420	193,465	265,000	73%	265,392
Contract Labor	-	-	-	N/A	-
Total Salaries & Benefits	29,420	193,465	265,000	73%	265,392
Supply & Treatment					
NDMA, 1,4-Dioxane Treatment	1,275	143,643	195,600	73%	143,768
VOC Treatment	1,253	5,242	17,600	30%	35,449
Perchlorate Treatment	1,944	207,983	332,600	63%	342,688
Other Chemicals	2,928	11,151	16,600	67%	13,231
Treatment Plant Power	17,280	114,917	204,800	56%	160,313
Treatment Plant Maintenance	1,904	12,572	70,000	18%	29,404
Well & Pump Maintenance	-	15,555	20,000	78%	35,641
Total Supply & Treatment	26,584	511,062	857,200	60%	760,495
Other Operating Expenses					
General Plant	905	9,026	45,000	20%	12,414
Vehicles & Equipment	1,138	6,948	6,500	107%	9,356
Field Support & Other Expenses	-	-	15,000	0%	-
Regulatory Compliance	8,387	45,916	117,000	39%	89,940
Total Other Operating Expenses	10,429	61,890	183,500	34%	111,710
General & Administrative					
District Office Expenses	-	-	20,000	0%	-
Insurance	-	5,741	18,000	32%	9,506
Professional Services	173	11,735	15,000	78%	15,296
Total General & Administrative	173	17,477	53,000	33%	24,801
TOTAL EXPENSES	66,606	783,894	1,358,700	58%	1,162,397
TOTAL OPERATIONAL INCOME	-	-	-	N/A	-
Capital Outlay					
Scada Computer	-	-	-	N/A	-
Total Capital Outlay	-	-	-	N/A	-
Depreciation Expense	(61,083)	(488,667)	(733,000)	67%	177,989
Total Non-Cash Items (Dep. & OPEB)	(61,083)	(488,667)	(733,000)	67%	177,989
NET INCOME (LOSS)	\$ (61,083)	\$ (488,667)	\$ (733,000)	67%	\$ 177,989

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS
Statement of Revenue and Expenses Summary
For the Period Ending August 31, 2017
(Unaudited)

DESCRIPTION	AUGUST 2017	FISCAL YTD 2017-2018	BUDGET FY 2017-2018	17% OF BUDGET	FY END 2015-2016
Total Operational Revenues	\$ 110,595	\$ 342,648	\$ 1,959,100	17.49%	\$ 1,919,277
Total Non-Operational Revenues	-	-	27,500	0.00%	57,344
TOTAL REVENUES	110,595	342,648	1,986,600	17.25%	1,976,621
Total Salaries & Benefits	55,384	105,917	629,700	16.82%	614,212
Total Supply & Treatment	19,618	34,026	804,060	4.23%	716,709
Total Other Operating Expenses	14,643	27,377	157,500	17.38%	166,293
Total General & Administrative	2,357	5,143	317,890	1.62%	245,348
Total Other & System Improvements	6,139	6,152	93,000	6.62%	132,828
TOTAL EXPENSES	98,141	178,615	2,002,150	8.92%	1,875,389
OPERATING INCOME	12,454	164,033	(15,550)	-1054.87%	101,232
NET INCOME (LOSS)	\$ 12,454	\$ 164,033	\$ (15,550)	-1054.87%	\$ 101,232

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS

**Statement of Revenue and Expenses
For the Period Ending August 31, 2017
(Unaudited)**

DESCRIPTION	AUGUST 2017	FISCAL YTD 2017-2018	BUDGET FY 2017-2018	17% OF BUDGET	FY END 2016-2017
Operational Revenues					
Water Sales	\$ 70,513	\$ 230,805	\$ 1,250,000	18.46%	\$ 1,201,582
Service Charges	36,560	93,589	600,000	15.60%	604,883
Customer Charges	1,260	2,915	21,000	13.88%	20,115
Fire Service	2,262	15,339	88,100	17.41%	92,696
Miscellaneous Income	-	-	-	N/A	-
Total Operational Revenues	110,595	342,648	1,959,100	17.49%	1,919,277
Non-Operational Revenues					
Contamination Reimbursement	-	-	27,500	0.00%	38,462
Developer Fees	-	-	-	N/A	14,568
Miscellaneous Income	-	-	-	N/A	4,314
Total Non-Operational Revenues	-	-	27,500	0.00%	57,344
TOTAL REVENUES	110,595	342,648	1,986,600	17.25%	1,976,621
Salaries & Benefits					
Administrative Salaries	15,025	28,394	179,100	15.85%	165,274
Field Salaries	20,339	39,362	224,000	17.57%	225,518
Employee Benefits	12,844	24,467	139,000	17.60%	139,630
Pension Plan	4,651	8,853	51,600	17.16%	49,805
Payroll Taxes	2,524	4,842	29,000	16.70%	27,928
Workman's Compensation	-	-	7,000	0.00%	6,058
Total Salaries & Benefits	55,384	105,917	629,700	16.82%	614,212
Supply & Treatment					
Purchased Water - Leased	-	-	367,890	0.00%	496,961
Purchased Water - Other	1,456	2,229	14,400	15.48%	14,069
Power	12,647	25,705	125,000	20.56%	107,347
Assessments	5,515	5,515	132,770	4.15%	91,367
Treatment	-	-	7,000	0.00%	4,589
Well & Pump Maintenance	-	577	157,000	0.37%	2,376
Total Supply & Treatment	19,618	34,026	804,060	4.23%	716,709
Other Operating Expenses					
General Plant	167	706	10,500	6.72%	5,313
Transmission & Distribution	12,708	22,220	60,000	37.03%	67,558
Vehicles & Equipment	-	-	30,000	0.00%	31,515
Field Support & Other Expenses	1,446	2,669	27,000	9.88%	26,761
Regulatory Compliance	323	1,783	30,000	5.94%	35,146
Total Other Operating Expenses	14,643	27,377	157,500	17.38%	166,293

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS

**Statement of Revenue and Expenses
For the Period Ending August 31, 2017
(Unaudited)**

DESCRIPTION	AUGUST 2017	FISCAL YTD 2017-2018	BUDGET FY 2017-2018	17% OF BUDGET	FY END 2016-2017
General & Administrative					
Management Fee	-	-	183,890	0.00%	180,285
Office Expenses	805	1,448	20,500	7.07%	22,806
Insurance	-	-	25,500	0.00%	12,323
Professional Services	-	450	45,000	1.00%	4,739
Customer Accounts	1,286	2,556	16,000	15.97%	15,748
Public Outreach & Conservation	14	27	25,000	0.11%	4,688
Other Administrative Expenses	252	662	2,000	33.09%	4,758
Total General & Administrative	2,357	5,143	317,890	1.62%	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 - Andrews School #2	-	-	-	N/A	72,134
Developer Project - Don Julia Unit D	-	-	-	N/A	893
Developer Project - 13936-38 Valley Blvd	-	-	-	N/A	62,277
Net Developer Project Activity	-	-	-	-	-
Master Plan Update / Hydraulic Model	-	-	-	N/A	11,359
Other System Improvements (Materials)	-	-	-	N/A	223
FH Laterals	208	208	9,000	2.32%	83
Service Line Replacements	-	-	30,000	0.00%	71,893
Valve Replacements	-	13	25,000	0.05%	660
Plant Electrical System Improvements	-	-	20,000	0.00%	-
Meter Installations - Industry Hills	5,930	5,930	-	0.00%	24,818
Meter Read Collection System	-	-	-	0.00%	23,792
SCADA System Assessment & Upgrades	-	-	9,000	0.00%	-
Total Other & System Improvements	6,139	6,152	93,000	6.62%	132,828
TOTAL EXPENSES	98,141	178,615	2,002,150	8.92%	1,875,389
OPERATING INCOME	12,454	164,033	(15,550)	N/A	101,232

Memo

To: Honorable Board of Directors
From: Roy Frausto, Compliance Officer/Project Engineer
Date: September 25, 2017
Re: Project Engineer's Report – August 2017



CAPITAL PROJECTS

1. LPVCWD Recycled Water Project – Staff met with Upper District representatives on September 5, 2017, to discuss project status, grant funding, and scheduling. In addition, staff held a conference call with the Sanitation District (San District) to discuss current status of the 1211 permit. From the conversation, the San District believes the 1211 permit should be approved during the second quarter of 2018.

Currently, final plans and structural bridge calculations were finalized and submitted to the City of Industry for final check and approval. It is anticipated that the competitive bid process will open on October 16, 2017, and bid packages will be due by November 15, 2017.

2. LPVCWD PVOU Project – Staff continues to participate in drafting definitive agreements between SWS, Northrop and LPVCWD for operation of the IZ Interim Remedy. In addition, staff participated in a pre-construction meeting for the IZ West Well on September 20, 2017, to discuss scheduling and construction activities related to the Well. Construction and drilling of the IZ Well is scheduled to start on October 16, 2017.

In regards to the treatment plant, Northrop Grumman continues to develop the Request for Proposals to procure the General Contractor for construction of the treatment plant and pipeline following submittal of the Final Design to USEPA.

DEVELOPMENTS

1. LPVCWD 747 Del Valle Development – Sealed bids were received on September 6, 2017. Our General Manager was authorized to secure services from Doty Bros. Equipment Company for the construction of 12-inch Waterline in Del Valle Avenue after receiving required funds for said construction from the developer.

Currently, funds for the construction of the waterline have been deposited by the developer and staff has initiated the process of awarding the contract to Doty Bros. Equipment Company.

2. Star Theatre Property – Based on preliminary design submittals, the property may be used to develop 22 units of condos. Currently, a fence is still in place to serve as a future construction barrier and no activity or request for information has been received by staff.
3. 15921 Sierra Vista Court – Staff received a notice from the City of La Puente in regards to a five-condominium unit development on 15921 Sierra Vista Court. The project is tentatively scheduled to be presented to the City of La Puente's Planning Commission during their September 2017 meeting.

SPECIAL/OTHER PROJECTS

1. LPVCWD Air Stripper Efficiency Evaluation – LPVCWD staff implemented the testing procedures called out for in the test plan during the month of July and August. All sampling events resulted in Non-Detect (summarized in the summary sheet enclosed herein). A permit amendment request is anticipated to be submitted by December 2017 or early 2018.
2. Banbridge Pump Station – On August 23, 2017, the geotechnical firm mobilized onsite to take samples of the existing hillside for soil for lab testing. A report of the findings was submitted and summarized in regards to backfill recommendations. The report described that the encountered earth materials were generally suitable for use as compacted structural fill, if the proposed fill soils are free of significant organic material, debris and oversized rock. In summary, in the event that the structure is removed, the void can be filled with compacted soil. Provided this report, a revised project scope will be drafted and presented to the Board for review. In addition, staff has scheduled a meeting on October 3, 2017, with the 122 Banbridge Ave. property owner to discuss project scope options.
3. LPVCWD Bacteriological Sample Site Plan (BSSP) – Staff constructed a new sample station near 410 Holguin Place that represents Zone 5 water quality. A revised BSSP incorporating this new sample station will be submitted to DDW early October 2017.
4. SPIX Resin Pilot Testing – Staff will coordinate a pilot test of new PSRII plus resin from Evoqua Water Technologies to test the throughput and water quality output. If the pilot proves successful, staff will pursue a permit amendment or letter of approval for the use of the PSR 2 plus resin.
5. Nitrate Blending Plan – A nitrate blending plan to blend Well 3 water with Well 2 or 5 water will be drafted for precautionary purposes and submitted to the DDW for review and comment.
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. LPVCWD Permit Amendment - Staff met with the DDW on August 24, 2017 and concluded that a permit amendment was the next step to formally permit the lower air: water ratio for Air Stripper #2 along with the proposed blending plan. Staff will assist the DDW in drafting the engineering and technical report sections of the permit amendment to expedite the issuance of the permit.

FUTURE PROJECTS

1. Water Loss Accountability – Analyze and draft an annual report to optimize water accountability and minimize water loss.
2. GIS System – Staff coordinated with DCSE to manage the GIS system in-house by reflecting all updates and changes on a real-time basis. Staff will schedule accordingly to start reflecting redline field data.

Upcoming Events



To: Honorable Board of Directors
From: Rosa Ruehlman, Office Administrator RRR
Date: 09/22/17
Re: Upcoming Board Approved Events for 2017

Day/Date	Event	<u>Aquirre</u>	<u>Escalera</u>	<u>Hastings</u>	<u>Hernandez</u>	<u>Rojas</u>
Monday-Thursday, September 25-28, 2017	CSDA 2017 Annual Conference in Monterey Marriott/Portola Hotels in Monterey, CA			X	X	X
Thursday, September 28, 2017	SCWUA Luncheon at the Pomona Fairplex CANCELLED					
Wednesday-Friday, October 4-6, 2017	SmartWater Innovations Conference at South Point Hotel in Las Vegas, NV Registration is now Open		X	X	X	X
Monday– Thursday, October 23-26, 2017	AWWA CANV 2017 Fall Conference at Atlantis Casino Resort in Reno, NV Deadline September 22, 2017					
Thursday, October 26, 2017	SCWUA Luncheon at the Pomona Fairplex	X	X	X		X
Wednesday, November 8, 2017*	San Gabriel Valley Water Association Luncheon at 11:30 am at South Hills Country Club					
Thursday, November 16, 2017*	SCWUA Luncheon at the Pomona Fairplex (3rd Thursday due to Thanksgiving)	X	X	X		X
Tuesday – Thursday, November 28- December 1, 2017	ACWA 2017 Fall Conference in Anaheim Marriott Hotel in Anaheim, CA Registration is now Open		X			
Thursday, December 7, 2017*	SCWUA Luncheon at the Pomona Fairplex (Will be held on 1st Thursday)	X	X	X		X

* SGVWA and SCWUA scheduled program and location TBA at a later date.

SGVWA – San Gabriel Valley Water Association Quarterly Luncheons, are held on the Second Wednesday of February, May, August and November at 11:30 am at the Swiss Park in Whittier CA, (Dates 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 December due to the Christmas holiday and are held at the Pomona Fairplex in Pomona, CA. (Dates are subject to change)

Upcoming Meeting:

- No other meetings at this time.

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	12/04/16
Sexual Harassment 2 Year Requirement	12/01/17	12/01/17	05/09/19	10/10/18	05/09/19
Form 700 Annual Requirement	04/01/18	04/01/18	04/01/18	04/01/18	04/01/18
Form 470 Short Form Semi Annual Requirement	07/31/18	07/31/18	07/31/18	07/31/18	07/31/18

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

City of La Puente 2017 Events

Date	Event	Sponsored by
1 1st Tuesday each month	Planning Commission Meeting	LP
2 2nd & 4th Tuesday each month	City Council Meetings	LP
11 October 29, 2017 (Sunday)	Main St. Run	LP
12 November 11, 2017 (Saturday)	Veteran's Day	LP
13 December 1, 2017 (Friday)	Holiday Parade and Tree Lighting Ceremony	LP & Old Towne Puente

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