



AGENDA

**REGULAR MEETING OF THE BOARD OF DIRECTORS
LA PUENTE VALLEY COUNTY WATER DISTRICT
112 N. FIRST STREET, LA PUENTE, CALIFORNIA
MONDAY, OCTOBER 26, 2020 AT 5:30 PM**

TELECONFERENCE ACCESS: Pursuant to Executive Order N-29-20 issued by Governor Newsom in response to the COVID-19 pandemic as a precaution to protect staff, our constituents, and elected officials, the La Puente Valley County Water District will hold its Board meeting via teleconference or the most rapid means of communication available at the time.

**PHONE NUMBER: (669) 900-9128
MEETING ID: 864 3172 9429#**

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL OF BOARD OF DIRECTORS

President Hernandez____ Vice President Hastings____ Director Barajas____
Director Escalera____ Director Rojas____

4. PUBLIC COMMENT

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

5. ADOPTION OF AGENDA

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

6. APPROVAL OF CONSENT CALENDAR

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

- A. Approval of Minutes of the Regular Meeting of the Board of Directors held on October 12, 2020.
- B. Receive and File the Industry Public Utilities' Water Operations 2020-21 First Quarter Report.

7. FINANCIAL REPORTS

- A. Summary of the District's Cash and Investments as of September 30, 2020.
Recommendation: Receive and File.

- B. Statement of District's Revenue and Expenses as of September 30, 2020.

Recommendation: Receive and File.

- C. Statement of the Industry Public Utilities Water Operations Revenue and Expenses as of September 30, 2020.

Recommendation: Receive and File.

8. ACTION / DISCUSSION ITEMS

- A. Consideration of CEQA Notice of Exemption for the District's Nitrate Treatment Project.

Recommendation: Approve CEQA Notice of Exemption for the District's Nitrate Treatment Project to be Constructed at the District's Groundwater Treatment Facility.

9. OPERATIONS AND MAINTENANCE SUPERINTENDENT'S REPORT

Recommendation: Receive and File.

10. GENERAL MANAGER'S REPORT

11. OTHER ITEMS

12. ATTORNEY'S COMMENTS

13. BOARD MEMBER COMMENTS

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

14. FUTURE AGENDA ITEMS

15. ADJOURNMENT

POSTED: Friday, October 23, 2020

President Henry P. Hernandez, Presiding.

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

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



**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
LA PUENTE VALLEY COUNTY WATER DISTRICT
FOR MONDAY, OCTOBER 12, 2020 AT 5:30 PM**

1. CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE

President Hernandez led the meeting in the Pledge of Allegiance.

3. ROLL CALL OF THE BOARD OF DIRECTORS

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

OTHERS PRESENT

Staff and Counsel: General Manager & Board Secretary, Gregory Galindo; Office Manager, Gina Herrera; Customer Support & Accounting Clerk, Vanessa Koyama; Operations & Maintenance Superintendent, Paul Zampiello and District Counsel, James Ciampa all present via teleconference.

Public: No members of the public were present.

4. PUBLIC COMMENTS

No comments from the Public.

5. ADOPTION OF AGENDA

Motion: Adopt Agenda as Presented.

1st: Director Escalera

2nd: Director Rojas

	President Hernandez	Vice President Hastings	Director Barajas	Director Escalera	Director Rojas
Vote	Yes	Yes	Yes	Yes	Yes

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

6. APPROVAL OF CONSENT CALENDAR

Motion: Approve Consent Calendar as Presented.

1st: President Hernandez

2nd: Vice President Hastings

	President Hernandez	Vice President Hastings	Director Barajas	Director Escalera	Director Rojas
Vote	Yes	Yes	Yes	Yes	Yes

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

7. GENERAL MANAGER’S REPORT

Mr. Galindo reported that last IPUC meeting he informed the commission of the management change at the District. He reported on that he and Mr. Frausto have been working on the transition in management. He also reported that the main office is still closed to walk-in customers but is back to the 8:00 am to 5:00 pm scheduled for office hours Monday – Thursday with Friday being open from 7:00 to 3:00 pm. He added that customer support staff is seeing customers by appointment if requested.

8. OTHER ITEMS

A. Information Items.

Mr. Galindo referred to the information provided in the Board meeting packet regarding the LAFCO election results.

9. ATTORNEY’S COMMENTS

Mr. Ciampa provided information on the procedures for going into closed session and reconvening the meeting when the closed session is complete.

10. BOARD MEMBER COMMENTS

A. Report on Events Attended.

Mr. Barajas reported on the WQA webinar event he attended on October 8, 2020.

B. Other Comments.

11. FUTURE AGENDA ITEMS

12. PUBLIC COMMENTS ON CLOSED SESSION

13. CLOSED SESSION 5:39 p.m.

- A. Conference with Labor Negotiator Pursuant to Section 54957.6 of the Government Code.
District Negotiator: Jim Ciampa, District Counsel
Unrepresented Employee: Roy Frausto, Assistant General Manager.

14. REPORT ON CLOSED SESSION 5:57 p.m.

Mr. Ciampa reported that he was given directions on the negotiating matter and no further action under the Brown Act was taken.

15. ACTION ITEMS

- A. **Consideration of General Manager Employment Agreement Between the District and Mr. Roy Frausto.**

Mr. Ciampa reported on the General Manager Employment Agreement for consideration by the Board. He discussed the various terms of the agreement with the Board. After some discussion a motion was made by Director Barajas.

Motion: Approve a General Manager Employment Agreement with Mr. Roy Frausto.

1st: Director Barajas

2nd: Director Rojas

	President Hernandez	Vice President Hastings	Director Barajas	Director Escalera	Director Rojas
Vote	Yes	Yes	Yes	Yes	Yes

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

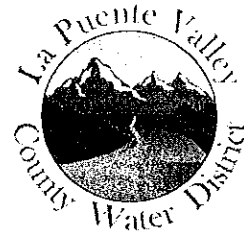
16. ADJOURNMENT

President Hernandez adjourned the meeting at 6:03 p.m.

Attest:

Henry P. Hernandez, President

Greg B. Galindo, Secretary



Summary of Cash and Investments
September 2020

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	0.685%	\$ 2,961,799.60	\$ -	\$ -	\$ 2,961,799.60
Checking Account					
Well Fargo Checking Account (per General Ledger)		\$ 719,506.05	\$ 482,486.88	\$ 566,336.22	\$ 635,656.71
District's Total Cash and Investments:					\$ <u>3,597,456.31</u>

Industry Public Utilities

Checking Account	Beginning Balance	Receipts	Disbursements	Ending Balance
Well Fargo Checking Account (per General Ledger)	\$ 1,166,637.11	\$ 131,758.49	\$ 398,034.71	\$ 900,360.89
IPU's Total Cash and Investments:				\$ <u>900,360.89</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: 10.15.2020

Greg B. Galindo

La Puente Valley County Water District (Treatment Plant Included)
Statement of Revenues and Expenses
For the Period Ending September 30, 2020
(Unaudited)

	LPVCWD YTD 2020	TP YTD 2020	COMBINED YTD 2020	COMBINED BUDGET 2020	75% OF BUDGET	COMBINED 2019 YE
Total Operational Rate Revenues	\$ 1,635,289	\$ -	\$ 1,635,289	\$ 2,265,900	72%	\$ 2,150,204
Total Operational Non-Rate Revenues	844,957	957,770	1,802,727	2,588,800	70%	\$ 2,143,472
Total Non-Operating Revenues	224,701	-	224,701	329,700	68%	452,773
TOTAL REVENUES	2,704,947	957,770	3,662,717	5,184,400	71%	4,746,449
Total Salaries & Benefits	1,315,460	218,608	1,534,069	2,126,800	72%	1,958,279
Total Supply & Treatment	578,674	644,052	1,222,726	1,824,900	67%	1,689,769
Total Other Operating Expenses	126,341	82,278	208,620	475,300	44%	335,935
Total General & Administrative	193,350	12,832	206,182	456,500	45%	339,880
TOTAL EXPENSES	2,213,826	957,770	3,171,597	4,883,500	65%	4,323,864
TOTAL OPERATIONAL INCOME	491,120	-	491,120	300,900	163%	422,585
Capital Improvements	(1,914,005)	-	(1,914,005)	(3,745,000)	51%	(564,463)
Capital Outlay	-	-	-	(120,000)	0%	(34,402)
TOTAL CAPITAL	(1,914,005)	-	(1,914,005)	(3,865,000)	50%	(598,864)
INCOME (AFTER CAPITAL EXP.)	(1,422,885)	-	(1,422,885)	(3,564,100)	40%	(176,279)
Capital Reimbursement (OU Projects)	150,000	-	150,000	600,000	25%	150,000
Grant Revenue	-	-	-	305,000	0%	-
Loan Proceeds	1,489,539	-	1,489,539	3,000,000	50%	-
Loan Repayment (Principal & Int.)	(75,488)	-	(75,488)	-		-
Issuance Costs	(11,000)	-	(11,000)	-	0%	-
PROJECTED CHANGE IN CASH	130,166	-	130,166	340,900	38%	(26,279)
Contributed Capital	-	-	-	-		320,192
Add Back Capitalized Assets	1,914,005	-	1,914,005	3,865,000	50%	598,864
Less Depreciation Expense	(285,000)	(135,000)	(420,000)	(560,000)	75%	(512,951)
Less OPEB & Pension Liability Expense	-	-	-	(10,000)	0%	-
NET INCOME (LOSS)	\$ 1,759,172	\$ (135,000)	\$ 1,624,172	\$ 3,635,900	45%	\$ 379,825

La Puente Valley County Water District
Statement of Revenues and Expenses
For the Period Ending September 30, 2020
(Unaudited)

	September 2020	YTD 2020	2020 ANNUAL BUDGET	75% OF BUDGET	YEAR END 2019
Operational Rate Revenues					
Water Sales	\$ 115,906	\$ 1,008,206	\$ 1,405,000	72%	\$ 1,327,414
Service Charges	56,055	533,692	712,000	75%	671,651
Surplus Sales	3,484	40,401	50,000	81%	53,504
Customer Charges	396	8,866	33,900	26%	36,133
Fire Service	1,196	43,627	64,000	68%	60,881
Misc. Income - Customer	-	496	1,000	50%	620
Total Operational Rate Revenues	177,036	1,635,289	2,265,900	72%	2,150,204
Operational Non-Rate Revenues					
Management Fees	48,304	330,441	432,200	76%	265,926
PVOU Service Fees (Labor)	-	4,654	93,000	5%	10,667
BPOU Service Fees (Labor)	29,041	218,608	295,000	74%	288,379
IPU Service Fees (Labor)	59,465	509,863	715,800	71%	696,375
Other O & M Fees	-	-	7,500	0%	-
Total Operational Non-Rate Revenues	136,810	1,063,565	1,543,500	69%	1,261,347
Non-Operational Revenues					
Taxes & Assessments	-	148,395	220,000	67%	283,793
Rental Revenue	3,793	23,936	38,000	63%	37,119
Interest Revenue	-	20,945	50,000	42%	75,155
Market Value Adjustment	-	-	-	N/A	8,596
Miscellaneous Income	286	29,620	16,700	177%	26,409
Developer Fees	-	1,804	5,000	36%	21,701
Total Non-Operational Revenues	4,079	224,701	329,700	68%	452,773
TOTAL REVENUES	317,926	2,923,555	4,139,100	71%	3,864,323
Salaries & Benefits					
Total District Wide Labor	97,563	909,632	1,267,700	72%	1,164,013
Directors Fees & Benefits	8,449	76,528	118,200	65%	111,494
Benefits	25,057	229,975	317,300	72%	290,544
OPEB Payments	28,787	107,716	158,800	68%	145,854
Payroll Taxes	7,628	72,869	98,800	74%	91,023
Retirement Program Expense	12,889	137,349	166,000	83%	155,352
Total Salaries & Benefits	180,372	1,534,069	2,126,800	72%	1,958,279
Analysis Purposes Only:					
<i>Offsetting Revenue</i>	(88,506)	(733,125)	(1,103,800)	66%	(995,421)
<i>District Labor Net Total</i>	91,866	800,944	1,023,000	78%	962,858
Supply & Treatment					
Purchased & Leased Water	190	195,297	483,800	40%	480,906
Power	18,132	122,933	167,900	73%	151,166
Assessments	-	252,901	276,700	91%	246,512
Treatment	380	2,156	9,500	23%	2,976
Well & Pump Maintenance	-	5,387	38,500	14%	65,555
Total Supply & Treatment	18,702	578,674	976,400	59%	947,115

La Puente Valley County Water District
Statement of Revenues and Expenses
For the Period Ending September 30, 2020
(Unaudited)

	September 2020	YTD 2020	2020 ANNUAL BUDGET	75% OF BUDGET	YEAR END 2019
Other Operating Expenses					
General Plant	606	15,174	56,300	27%	40,101
Transmission & Distribution	12,548	33,529	94,700	35%	65,164
Vehicles & Equipment	5,673	19,356	31,500	61%	23,206
Field Support & Other Expenses	1,651	35,923	66,500	54%	46,750
Regulatory Compliance	1,210	22,360	57,000	39%	40,273
Total Other Operating Expenses	21,688	126,341	306,000	41%	215,495
General & Administrative					
District Office Expenses	1,272	30,451	63,100	48%	59,217
Customer Accounts	2,259	21,114	25,000	84%	23,085
Insurance	6,131	35,074	67,900	52%	69,094
Professional Services	3,877	64,710	125,000	52%	84,412
Training & Certification	-	3,734	42,500	9%	43,447
Public Outreach & Conservation	1,029	6,016	33,000	18%	8,159
Other Administrative Expenses	17,358	32,251	72,500	44%	33,434
Total General & Administrative	31,926	193,350	429,000	45%	320,848
TOTAL EXPENSES	252,688	2,432,435	3,838,200	63%	3,441,738
TOTAL OPERATIONAL INCOME	65,237	491,120	300,900	163%	422,585
Capital Improvements					
Zone 3 Improvements	-	-	-	N/A	(10,860)
Fire Hydrant Repair/Replacements	-	(5,580)	(5,000)	112%	(5,880)
Service Line Replacements	-	(10,973)	(20,000)	55%	(45,609)
Valve Replacements	-	(11,251)	(15,000)	75%	(27,390)
Meter Read Collection System	-	(3,310)	(25,000)	13%	-
SCADA Improvements	-	-	(125,000)	0%	-
Ferrero Lane & Rorimer St. Improvements	-	-	(65,000)	0%	-
5th St. Waterline Improvement	-	-	-	N/A	(185,956)
LP-CIWS Interconnection (Ind. Hills)	-	-	(75,000)	0%	-
Hudson Plant Improvements	-	-	(375,000)	0%	-
Well No.5 Rehab (Design)	-	-	(30,000)	0%	(192,036)
Nitrate Treatment System	(14,289)	(103,287)	(1,130,000)	9%	(95,066)
Phase 1 - Recycled Water System	(80,333)	(1,779,605)	(1,880,000)	95%	(1,666)
Total Capital Improvements	(94,622)	(1,914,005)	(3,745,000)	51%	(564,463)

La Puente Valley County Water District
Statement of Revenues and Expenses
For the Period Ending September 30, 2020
(Unaudited)

	September 2020	YTD 2020	2020 ANNUAL BUDGET	75% OF BUDGET	YEAR END 2019
Capital Outlay					
Truck(s)	-	-	(110,000)	0%	(34,402)
Other Equipment	-	-	(5,000)	0%	-
IT Equipment	-	-	(5,000)	0%	-
Total Capital Outlay	-	-	(120,000)	0%	(34,402)
TOTAL CAPITAL	(94,622)	(1,914,005)	(3,865,000)	50%	(598,864)
INCOME (AFTER CAPITAL EXP.)	(29,385)	(1,422,885)	(3,564,100)	40%	(176,279)
Funding & Debt Repayment					
Capital Reimbursement (OU Projects)	-	150,000	600,000	25%	150,000
Grant Revenue	-	-	305,000	0%	-
Loan Proceeds	-	1,489,539	3,000,000	50%	-
Issuance Costs	-	(11,000)	-	N/A	-
Loan Repayment - Interest	-	(12,876)	-	N/A	-
Loan Repayment - Principal	-	(62,612)	-	N/A	-
CASH DIFFERENCE	(29,385)	130,166	340,900	38%	(26,279)
Contributed Capital	-	-	-	N/A	320,192
Add Back Capitalized Assets	94,622	1,914,005	3,865,000	50%	598,864
Less Depreciation Expense	(31,667)	(285,000)	(380,000)	75%	(378,494)
Less OPEB Expense - Not Funded	-	-	(10,000)	0%	-
NET INCOME (LOSS)	\$ 33,570	\$ 1,759,172	\$ 3,815,900	46%	\$ 514,283

Treatment Plant
Statement of Revenues and Expenses
For the Period Ending September 30, 2020
(Unaudited)

	September 2020	YTD 2020	2020 ANNUAL BUDGET	75% OF BUDGET	YEAR END 2019
Non-Rate Operational Revenues					
Reimbursements from CR's	140,611	739,162	\$ 1,340,300	55%	882,126
Miscellaneous Income	-	-	-	N/A	-
Total Non-Rate Operational Revenues	140,611	739,162	1,340,300	55%	882,126
Salaries & Benefits					
<i>BPOU TP Labor (1)</i>	29,041	218,608	295,000	74%	-
Contract Labor	-	-	-	N/A	-
Total Salaries & Benefits	29,041	218,608	295,000	74%	-
Supply & Treatment					
NDMA, 1,4-Dioxane Treatment	5,907	177,445	201,000	88%	168,733
VOC Treatment	-	4,602	-	N/A	26,698
Perchlorate Treatment	99,854	231,487	351,500	66%	311,926
Other Chemicals	-	8,044	53,000	15%	21,626
Treatment Plant Power	21,724	157,979	195,000	81%	164,422
Treatment Plant Maintenance	4,624	53,837	48,000	112%	29,196
Well & Pump Maintenance	-	10,656	-	N/A	20,052
Total Supply & Treatment	132,109	644,052	848,500	76%	742,654
Other Operating Expenses					
General Plant	1,405	21,597	35,000	62%	17,438
Transmission & Distribution	-	-	-	N/A	5,250
Vehicles & Equipment	1,131	9,361	9,300	101%	11,018
Field Support & Other Expenses	-	166	15,000	1%	22
Regulatory Compliance	5,967	51,155	110,000	47%	86,712
Total Other Operating Expenses	8,502	82,278	169,300	49%	120,440
General & Administrative					
District Office Expenses	-	-	2,500	0%	-
Insurance	-	5,565	10,000	56%	10,362
Professional Services	-	7,267	15,000	48%	8,670
Total General & Administrative	-	12,832	27,500	47%	19,032
TOTAL EXPENSES	169,652	957,770	1,340,300	71%	882,126
<i>TOTAL EXPENSES (Minus Labor)</i>	<i>140,611</i>	<i>739,162</i>	<i>1,045,300</i>	<i>71%</i>	<i>882,126</i>
TOTAL OPERATIONAL INCOME	-	-	-		-
Depreciation Expense	(15,000)	(135,000)	(180,000)	75%	(134,458)
Total Non-Cash Items (Dep. & OPEB)	(15,000)	(135,000)	(180,000)	75%	(134,458)
NET INCOME (LOSS)	\$ (15,000)	\$ (135,000)	\$ (180,000)	75%	(134,458)

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

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS
Statement of Revenue and Expenses Summary
For the Period Ending September 30, 2020
(Unaudited)

	SEPTEMBER 2020	FISCAL YTD 2020-21	BUDGET 2020-21	25% OF BUDGET	FY END 2019-20
Total Operational Revenues	\$ 228,888	\$ 551,793	\$ 1,999,300	28%	\$ 1,871,073
Total Non-Operational Revenues	3,896	3,896	57,500	7%	44,057
TOTAL REVENUES	232,784	555,689	2,056,800	27%	1,915,129
Total Salaries & Benefits	57,031	179,476	706,400	25%	645,754
Total Supply & Treatment	6,380	49,183	735,700	7%	797,588
Total Other Operating Expenses	17,638	42,319	254,000	17%	160,713
Total General & Administrative	51,243	59,695	323,600	18%	259,901
Total Other & System Improvements	-	10,921	122,800	9%	145,714
NET OPERATING INCOME (LOSS)	132,293	341,594	2,142,500	16%	2,009,670
OPERATING INCOME	100,492	214,095	(85,700)		(94,541)
NET INCOME (LOSS)	\$ 100,492	\$ 214,095	\$ (85,700)		\$ (94,541)

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS

Statement of Revenue and Expenses

For the Period Ending September 30, 2020

(Unaudited)

	SEPTEMBER 2020	FISCAL YTD 2020-21	BUDGET 2020-21	25% OF BUDGET	FY END 2019-20
Operational Revenues					
1 Water Sales	\$ 159,074	\$ 371,697	\$ 1,228,500	30%	\$ 1,135,989
2 Service Charges	56,308	149,920	645,800	23%	617,389
3 Customer Charges	230	395	18,000	2%	14,850
4 Fire Service	13,277	29,782	107,000	28%	102,845
5 <i>Total Operational Revenues</i>	228,888	551,793	1,999,300	28%	1,871,073
Non-Operational Revenues					
6 Contamination Reimbursement	-	-	40,000	0%	44,057
7 Developer Fees	3,896	3,896	2,500	156%	-
8 Miscellaneous Income	-	-	15,000	0%	-
9 <i>Total Non-Operational Revenues</i>	3,896	3,896	57,500	7%	44,057
10 TOTAL REVENUES	232,784	555,689	2,056,800	27%	1,915,129
Salaries & Benefits					
11 Administrative Salaries	17,318	53,508	211,000	25%	206,059
12 Field Salaries	16,919	60,544	243,000	25%	209,989
13 Employee Benefits	12,115	36,114	152,000	24%	131,644
14 Pension Plan	6,563	19,771	63,000	31%	63,217
15 Payroll Taxes	2,584	8,007	30,400	26%	27,988
16 Workman's Compensation	1,533	1,533	7,000	22%	6,858
17 <i>Total Salaries & Benefits</i>	57,031	179,476	706,400	25%	645,754
Supply & Treatment					
18 Purchased Water - Leased	-	-	261,100	0%	373,001
19 Purchased Water - Other	1,720	4,327	24,500	18%	17,027
20 Power	4,101	36,884	131,300	28%	124,327
21 Assessments	-	6,618	281,800	2%	235,093
22 Treatment	-	-	7,000	0%	5,471
23 Well & Pump Maintenance	559	1,355	30,000	5%	42,669
24 <i>Total Supply & Treatment</i>	6,380	49,183	735,700	7%	797,588
Other Operating Expenses					
25 General Plant	175	1,961	55,000	4%	7,276
26 Transmission & Distribution	14,365	28,562	85,000	34%	55,856
27 Vehicles & Equipment	-	-	36,000	0%	31,328
28 Field Support & Other Expenses	833	5,735	40,000	14%	32,298
29 Regulatory Compliance	2,266	6,061	38,000	16%	33,956
30 <i>Total Other Operating Expenses</i>	17,638	42,319	254,000	17%	160,713

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS

Statement of Revenue and Expenses

For the Period Ending September 30, 2020

(Unaudited)

	SEPTEMBER 2020	FISCAL YTD 2020-21	BUDGET 2020-21	25% OF BUDGET	FY END 2019-20
General & Administrative					
31 Management Fee	48,304	48,304	195,100	25%	191,320
32 Office Expenses	779	4,270	30,000	14%	21,009
33 Insurance	-	-	15,000	0%	12,843
34 Professional Services	163	683	35,000	2%	4,990
35 Customer Accounts	1,727	5,651	30,000	19%	22,170
36 Public Outreach & Conservation	14	41	15,000	0%	2,761
37 Other Administrative Expenses	257	747	3,500	21%	4,807
38 <i>Total General & Administrative</i>	51,243	59,695	323,600	18%	259,901
Other Exp. & System Improvements (Water Ops Fund)					
39 Fire Hydrant Repair/Replace	-	-	6,300	0%	9,543
40 Service Line Replacements	-	-	30,000	0%	38,073
41 Valve Replacements & Installations	-	-	19,500	0%	9,003
42 Meter Read Collection System	-	3,310	12,000	28%	-
43 SCADA Improvements	-	-	30,000	0%	-
44 Water Rate Study	-	-	-	N/A	40,989
45 Groundwater Treatment Facility Feas. Stu	-	7,611	25,000	30%	48,107
46 <i>Total Other & System Improvements</i>	-	10,921	122,800	9%	145,714
47 TOTAL EXPENSES	132,293	341,594	2,142,500	16%	2,009,670
48 NET OPERATING INCOME (LOSS)	100,492	214,095	(85,700)		(94,541)

STAFF REPORT



Meeting Date: October 26, 2020

To: Honorable Board of Directors

Subject: Consideration to File a CEQA Notice of Exemption for the District's Groundwater Nitrate Treatment System Project.

Purpose - *File a CEQA Notice of Exemption for the construction of the Nitrate Treatment System located at the District Groundwater Treatment Facility.*

Recommendation - *Approve and direct staff to file a CEQA Notice of Exemption for the District's Nitrate Treatment System Project on the basis of the categorical exemption permitted under 14 CCR Section 15301(b).*

Fiscal Impact - *The District's 2020 Capital Budget appropriates \$1,130,000 for the Nitrate Treatment System Project. The year to date expenditures for this project are \$103,287. The fees for filing the proposed Notice of Exemption will have very minimal impact on the project budget.*

Previous Related Action - *July 22, 2019 - the Board approved the Project Justification and Description for the Nitrate Treatment System Project. Board also authorized the General Manager to proceed with the evaluation of potential Nitrate-Nitrogen concentrations at the District's Wellfield, as Proposed by Stetson Engineer's Inc.*
September 16, 2020 - The Board authorized the General Manager to enter into a professional services agreement with Geosyntec Consultants (Geosyntec) for the preparation of a technical memorandum to evaluate groundwater treatment systems for Nitrate removal.
November 12, 2020 - The Board approved a Nitrate Funding Agreement with the Cooperating Respondents for funding of Nitrate treatment at the District's Groundwater Treatment Facility.
March 9, 2020 – The Board approved a proposal from Evoqua Water Technologies LLC for the design of the Nitrate Removal Ion Exchange Treatment System.
May 11, 2020 - The Board authorized the General Manager to enter into a professional services agreement with Geosyntec Consultants (Geosyntec) for engineering and permitting support services for the Nitrate Treatment System Project.

Background

During Summer of 2018, the District's Nitrate levels at the District's wellfield where on an abnormal increasing trend that resulted in average treated water near 80% of the 10 mg/l Maximum

Contaminant Level (MCL) for Nitrate. The District formally advised (through a memorandum) Suburban Water Systems (SWS) and the BPOU stakeholders on August 31, 2018, that treated water from the District's Treatment Facility may continue to be at or slightly above 8 mg/l. In response to the District's memorandum, SWS sent a letter on September 12, 2018, to the BPOU Distribution list advising that they would not accept water that exceeds 80% of the MCL from District's Groundwater Treatment Facility. At that time, basin levels in the Main San Gabriel Basin were at an all-time low.

Since last year, the District has made some progress on addressing the Nitrate issue by moving forward a Nitrate Treatment System Project. The work completed thus far to move the project forward are as follows:

- Completed a project description and justification memorandum.
- Completed a technical memorandum on potential Nitrate-Nitrogen concentrations at the District's Wellfield, which provides support that the levels are anticipated to continue to increase over time.
- Entered into a Nitrate Treatment Funding Agreement with the Cooperating Respondents that provides some funding toward the capital and operations costs through May 2027.
- Completed a technical memorandum that evaluated groundwater treatment systems for Nitrate removal and recommended the preferred system that would best meet the District's needs.
- Secured a \$3,000,000 loan to fund the District's Recycled Water System Project and to partially fund the Nitrate Treatment System Project.
- Completed the design of the Nitrate Treatment System (Evoqua system components only).
- Entered into a professional services agreement with Geosyntec Consultants (Geosyntec) for engineering and permitting support services for the project.

Summary

Before the District can move to the construction phase of the project and in compliance with the California Environmental Quality Act (CEQA), the District, acting as the Lead Agency, must assess the projects impact to the environment. Now that the District has completed the preliminary design of the Nitrate Treatment System and staff fully understands the nature of the work that will need to be completed for the project, with assistance from Geosyntec, staff has concluded that the District's Nitrate Treatment System Project shall be categorical exemption as permitted under 14 CCR Section 15301(b).

Fiscal Impact

The District's 2020 Capital Budget appropriates \$1,130,000 for the Nitrate Treatment System Project. The year to date expenditures for this project are \$103,287. The fees for filing the proposed Notice of Exemption will have very minimal impact on the project budget.

Recommendation

Staff recommends the Board of Directors approve the CEQA Notice of Exemption for the District's Nitrate Treatment System Project and direct staff to file the notice with the county clerk.

Respectfully Submitted,
Roy Frausto
Assistant General Manager

Enclosure

- *Notice of Exemption*

Notice of Exemption

Appendix E

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk

County of: _____

From: (Public Agency): La Puente Valley County Water District
112 N. First Street
La Puente, CA 91744

(Address)

Project Title: Groundwater Nitrate Treatment System

Project Applicant: La Puente Valley County Water District

Project Location - Specific:

1695 Puente Avenue, Baldwin Park, CA 91706. Cross street (SW): Francisquito Ave.

Project Location - City: Baldwin Park

Project Location - County: Los Angeles

Description of Nature, Purpose and Beneficiaries of Project:

LPVCWD extracts and treats groundwater at the facility and delivers it to the community as potable water. LPVCWD has decided to add a treatment process at the facility to mitigate increasing concentrations of nitrate in the groundwater that are approaching the maximum allowable level for potable water. The project will add an ion exchange treatment process to the existing facility, to remove nitrate from the extracted groundwater. Beneficiaries will include the potable water customers of LPVCWD.

Name of Public Agency Approving Project: La Puente Valley County Water District

Name of Person or Agency Carrying Out Project: La Puente Valley County Water District

Exempt Status: **(check one):**

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: Class 1, Article 19, Section 15061 (b)(2), Section 15301(b)
- Statutory Exemptions. State code number: _____

Reasons why project is exempt:

The Project is considered exempt pursuant to Section 15301(b): The Project is at an existing facility, the new ion exchange process will be incorporated inside an existing industrial building with limited to no external changes to the property, and will be used to treat groundwater to potable water standards with respect to nitrate.

Lead Agency

Contact Person: Roy Frausto Area Code/Telephone/Extension: 626-330-2126

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: _____ Date: _____ Title: _____

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____

Memo



To: Honorable Board of Directors
From: Paul Zampielo, Operations & Maintenance Superintendent
Date: October 26, 2020
Re: Monthly Operations & Compliance Report

The following report summarizes La Puente Valley County Water District (LPVCWD) and City of Industry Waterworks System (CIWS) operational and compliance activities of the previous month and since the last report to the Board. The report also includes the status of various projects for each system.

COVID-19 RESPONSE

In the District's continued response to COVID-19, field staff have a modified start-time schedule, but are maintaining a full 8-hour shift to comply with the requirements of social distancing protocols. The schedule consists of employees working independently on maintenance activities for both water systems. When required to work together on leak repairs, field staff adhere to social distancing protocols and wear face coverings when near each other or the general public. Cleaning and disinfecting protocols have been instituted for all District vehicles, equipment, and facilities. The modified schedule and cleaning protocols have not caused any issues in completing the essential duties to operate and maintain both water systems.

DISTRIBUTION, SUPPLY AND PRODUCTION

- Monthly Water Production Summary – Total production from the LPVCWD Wellfield for the month of September was 301.45 AF, of which, 142.07 AF was delivered to Suburban Water Systems. CIWS Well No. 5 produced a total of 169.23 AF in the month of September. The September Monthly Production Report is provided as **Attachment 1**.
- Well Water Levels and Pumping Rates - The latest static water level, pumping water level, and pumping rate for LPVCWD and CIWS are as shown in the table below.

Well	Static Water Level (Ft)	Pumping Water Level (Ft)	Drawdown (Ft)	Current GPM Pumping Rate	Specific Capacity
LPVCWD 2	152	195	43	1395	32.4
LPVCWD 3	147	156	9	1020	113.3
LPVCWD 5	134	174	40	2428	60.7
COI 5	104	124	20	1307	65.4

- Monthly Water Conservation – A summary of LPVCWD and CIWS water systems usage for the past 6 months as compared to the calendar year 2013 is shown below.

LPVCWD Monthly Water Consumption

Month	2013	2020	Difference Current-2013 (%)	Accumulative Difference (%)
April	153.73	98.57	-35.9%	-35.9%
May	174.40	135.75	-22.2%	-29.0%
June	185.13	148.08	-20.0%	-26.0%
July	204.48	158.93	-22.3%	-25.1%
August	201.48	171.25	-15.0%	-23.1%
September	187.38	158.73	-15.3%	-21.8%

CIWS Monthly Water Consumption

Month	2013	2020	Difference Current-2013 (%)	Accumulative Difference (%)
April	115.82	82.56	-28.7%	-28.7%
May	147.93	109.46	-26.0%	-27.4%
June	152.60	121.43	-20.4%	-25.0%
July	141.36	136.16	-3.7%	-19.7%
August	153.97	138.11	-10.3%	-17.8%
September	151.67	130.37	-14.0%	-17.2%

WATER QUALITY / COMPLIANCE

- Distribution System Monitoring – District Staff collected all required water quality samples from the distribution system for the month of September; approximately 45 samples were collected. All results met State and Federal drinking water quality regulations.
- Source Monitoring – All water quality samples were collected from all the wells, as required. The table below summarizes LPVCWD’s wells current water quality for constituents of concern. The Bimonthly Nitrate Concentrations for SP-6 and SP-10 is provided as **Attachment 2**.

Well Sampled	1,1 DCE	TCE	PCE	Perchlorate	1,4- Dioxane	NDMA	Nitrate
	MCL= 6 ppb	MCL= 5 ppb	MCL= 5 ppb	MCL=6 ppb	NL= 1 ppb	NL= 10 ppt	MCL=10 ppm
LPVCWD 2	ND	38	2.3	25	0.72	50	6.1
LPVCWD 3	ND	ND	ND	8.9	ND	ND	8.9
LPVCWD 5	ND	5.2	0.62	12	ND	7.7	8.2

CAPITAL / OTHER PROJECTS

1. LPVCWD Recycled Water Project
 - Staff is continuing to work to finalize the easement agreement with the property owner for access to the electrical transformer.
2. LPVCWD PVOU IZ Project and SZ-South Project
 - RC Foster has completed all the construction work for the PVOU brine waste line. Crews also completed the connection to the LA County waste line and installed a new manhole vault for the connection.
 - Crews continued work on constructing and installing the Well equipment and vault for the EW-N Well on Cadbrook Dr.
 - Other recent construction activity of the PVOU-IZ Plant includes the continued installation of the above ground onsite piping, the placement of the LPGAC vessels, and installation of the chlorine feed system building's electrical panel.
3. LPVCWD & CIWS Distribution Leak Repairs & Maintenance – Over the past several weeks, field staff has performed valve maintenance and various leak repairs to the water distribution systems. They have repaired and replaced: 13 water service lines, 5 meter curb stop valves, and 18 meter replacements.
4. LPVCWD & CIWS Site Maintenance – Staff performed extensive routine site maintenance and cleaned up at the Proctor yard and Main St. Reservoirs. This work included the dirt spoils removal and grading at Main St. and reorganizing the Proctor yard's equipment and materials.
5. CIWS Lead & Copper Sampling – Staff recently conducted the Triannual Lead and Copper Sampling for the City of Industry Water System. Staff is pleased to report that there was full participation from the required residents, and all samples results met State and Federal water quality regulations.
6. LPVCWD Nitrate Treatment – Titan Industrial Metal Corp completed the removal all of the ISEP equipment from the building in preparation for the new nitrate treatment system. Staff has continued working with Geosyntec and Evoqua on the design and environmental impact documents for the new treatment system.
7. BPOU New Wastewater Storage – Staff has continued to remove the old brine tanks and piping to prepare for the installation of the new wastewater tanks. Staff also anticipates the delivery of the new tanks in the coming weeks and will coordinate the installation of the tanks and the fence improvements soon after.

La Puente Valley County Water District

PRODUCTION REPORT - SEPTEMBER 2020

LPVCWD PRODUCTION	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2020 YTD	2019
Well No. 2	194.96	19.17	6.01	37.77	6.76	6.27	7.44	6.14	5.99				290.50	1986.13
Well No. 3	135.90	13.82	4.25	4.63	3.96	4.50	5.32	4.40	4.37				181.14	1405.41
Well No. 5	2.09	274.10	307.61	246.06	310.97	303.12	310.43	317.01	291.08				2362.48	424.99
Interconnections to LPVCWD	2.24	1.23	2.69	0.67	2.59	3.66	2.92	4.60	2.45				23.05	139.67
Subtotal	335.19	308.32	320.56	289.13	324.28	317.55	326.11	332.15	303.90	0.00	0.00	0.00	2857.18	3956.21
Interconnections to SWS	222.04	196.75	220.62	190.53	186.24	167.94	163.24	158.25	142.07				1647.68	2229.53
Interconnections to COI	4.15	0.56	0.03	0.03	2.30	1.53	3.94	2.64	3.10				18.28	148.10
Interconnections to Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00	0.00
Subtotal	226.19	197.31	220.65	190.56	188.54	169.47	167.18	160.89	145.17	0.00	0.00	0.00	1665.96	2377.63
Total Production for LPVCWD	109.00	111.01	99.91	98.57	135.75	148.08	158.93	171.25	158.73	0.00	0.00	0.00	1191.21	1578.58
CIWS PRODUCTION														
COI Well No. 5 To SGVCW B5	81.94	152.20	165.92	170.31	172.54	166.56	174.49	169.57	169.23				1422.76	1288.69
Interconnections to CIWS														
SGVWC Salt Lake Ave	0.51	0.58	0.56	0.52	0.57	0.67	0.65	0.80	0.85				5.71	10.62
SGVWC Lomitas Ave	81.07	88.10	82.33	82.67	109.00	122.88	134.49	139.27	128.87				968.68	1222.84
SGVWC Workman Mill Rd	0.02	0.03	0.07	0.01	0.18	0.01	0.00	0.00	0.00				0.32	0.65
Interconnections from LPVCWD	4.15	0.56	0.03	0.03	2.30	1.53	3.94	2.64	3.10				18.28	148.10
Subtotal	85.75	89.27	82.99	83.23	112.05	125.09	139.08	142.71	132.82	0.00	0.00	0.00	992.99	1382.21
Interconnections to LPVCWD	2.24	1.23	2.69	0.67	2.59	3.66	2.92	4.60	2.45				23.05	139.67
Total Production for CIWS	83.51	88.04	80.30	82.56	109.46	121.43	136.16	138.11	130.37	0.00	0.00	0.00	969.94	1242.54

**SP 6 and SP 10
Nitrate Concentrations
EPA Method 300.0
MCL = 10 mg/l**

Nitrate Concentrations August / September				
Date	SP 10	SP 6	Well	Comments
08/03/2020	8.3	8.3	5	
08/06/2020	8.2	8.3	5	
08/10/2020	8.0	8.1	5	
08/13/2020	8.1	8.1	5	
08/17/2020	8.0	8.1	5	
08/20/2020	7.8	7.8	2&3	
08/24/2020	8.2	8.2	5	
08/27/2020	8.2	8.2	5	
09/01/2020	8.1	8.1	5	
09/08/2020	8.2	8.2	5	
09/11/2020	8.2	8.1	5	
09/14/2020	8.1	8.1	5	
09/17/2020	8.2	8.2	5	
09/21/2020	8.4	8.4	5	
09/24/2020	8.3	8.3	5	
09/28/2020	8.4	8.4	5	

AVERAGE	8.2	8.2
MINIMUM	7.8	7.8
MAXIMUM	8.4	8.4

NOTES:

All units reported in milligrams per liter (mg/l)

MCL = Maximum Contaminant Level



112 N First St.
La Puente, CA 91744

Attachment 2