

AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS LA PUENTE VALLEY COUNTY WATER DISTRICT 112 N. FIRST STREET, LA PUENTE, CALIFORNIA MONDAY, DECEMBER 12, 2022, AT 5:30 PM

<u>TELECONFERENCE ACCESS</u>: Pursuant to Government Code Section 54953, as amended by AB 361, 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.

WEBSITE: WWW.ZOOM.COM MEETING ID: 851 5884 5291 DIRECT MEETING LINK: HTTPS://US02WEB.ZOOM.US/J/85158845291

JOIN BY PHONE PHONE NUMBER: (669) 900-9128 ACCESS CODE: 851 5884 5291#

- 1. CALL TO ORDER
- 2. PLEDGE OF ALLEGIANCE
- 3. OATH OF OFFICE

Cesar J. Barajas

John P. Escalera

Henry P. Hernandez

4. ROLL CALL OF BOARD OF DIRECTORS

President Rojas	Vice President Hernandez	Director Argudo
Director Barajas	Director Escalera	

5. 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.

6. 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.

7. 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 Special Meeting of the Board of Directors held on December 1, 2022.
- B. Approval of District's Expenses for the Month of November 2022.
- C. Approval of City of Industry Waterworks System Expenses for the Month of November 2022.
- D. Receive and File the District's Water Sales Report for November 2022.
- E. Receive and File the City of Industry Waterworks System's Water Sales Report for November 2022.

8. ACTION / DISCUSSION ITEMS

A. Consideration of Annual Cost of Living Adjustment for District Employees for an Effective Date of January 1, 2023.

Recommendation: Board Discretion

B. Review and Approval of the Proposed District Budget for Period Ending December 31, 2023.

Recommendation: Approve the Proposed District Budget for Period Ending December 31, 2023.

C. Approval of the 2023 Salary Schedule for an Effective Date of January 1, 2023

Recommendation: Board Discretion

D. Consideration of Change Order No. 1 From W.A. Rasic Construction for Construction of the Nitrate Treatment System Project.

Recommendation: Authorize the General Manager to Approve Change Order No. 1 to the construction contract with W.A. Rasic Construction to construct a peroxide containment system and fence relocation for the Nitrate Treatment System being an amount of \$41,953.

9. OPERATIONS AND MAINTENANCE SUPERINTENDENT'S REPORT

Recommendation: Receive and File

10. TREATMENT AND SUPPLY SUPERINTENDENT'S REPORT

Recommendation: Receive and File

11. GENERAL MANAGER'S REPORT

12. OTHER ITEMS

A. Upcoming Events.

B. Information Items.

13. ATTORNEY'S COMMENTS

14. CLOSED SESSION

A. Public Employee Performance Evaluation.

Position: General Manager

15. BOARD MEMBER COMMENTS

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

16. FUTURE AGENDA ITEMS

17. ADJOURNMENT

POSTED: Friday, December 9, 2022

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. Roy Frausto, Board Secretary, at (626) 330-2126 in sufficient time prior to the meeting to make the necessary arrangements.

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



MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE LA PUENTE VALLEY COUNTY WATER DISTRICT FOR THURSDAY, DECEMBER 1, 2022, AT 5:30 PM

1. CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE

President Rojas led the meeting in the Pledge of Allegiance.

3. ROLL CALL OF THE BOARD OF DIRECTORS

President Rojas	Vice President Hernandez	Director Argudo	Director Barajas	Director Escalera
Present Via Teleconference	Present Via Teleconference	Absent	Present Via Teleconference	Present Via Teleconference

OTHERS PRESENT

Staff and Counsel: General Manager & Board Secretary, Roy Frausto; Office Manager, Gina Herrera; Customer Service and Accounting Clerk, Vanessa Koyama; Water Treatment & Supply Superintendent, Cesar Ortiz; Lead Customer Service & Accounting Clerk, Shaunte Maldonado and District Counsel, Jim Ciampa all present via teleconference.

Public: No members of the public were present.

4. PUBLIC COMMENTS

No comments from the Public.

Director Argudo entered the meeting at approximately 5:32 p.m.

5. ADOPTION OF AGENDA

Motion: Adopt Agenda as Presented.

1st: President Rojas

2nd: Vice President Hernandez

	Rojas	Hernandez	Argudo	Barajas	Escalera
Vote	Yes	Yes	Yes	Yes	Yes

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

6. APPROVAL OF CONSENT CALENDAR

Motion: Approval of Consent Calendar as presented.

1st: President Rojas 2nd: Director Escalera

		Rojas	Hernandez	Argudo	Barajas	Escalera
•	Vote	Yes	Yes	Yes	Yes	Yes

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

7. FINANCIAL REPORTS

A. Summary of the District's Cash and Investments as of October 31, 2022.

Mr. Frausto provided a summary of the balances in each account provided in the Summary of Cash and Investments.

Motion: Receive and File the Summary of Cash and Investments as of October 31, 2022.

1st: Director Escalera 2nd: Director Argudo

_		Rojas	Hernandez	Argudo	Barajas	Escalera
	Vote	Yes	Yes	Yes	Yes	Yes

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

B. Statement of District's Revenue and Expenses as of October 31, 2022.

Mrs. Herrera provided a summary of the Statement of Revenues and Expenses for the District as of October 31, 2022.

Motion: Receive and File the Statement of the District's Revenue and Expenses as of October 31, 2022.

1st: Director Barajas2nd: President Rojas

	Rojas	Hernandez	Argudo	Barajas	Escalera
Vote	Yes	Yes	Yes	Yes	Yes

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

C. Statement of the Industry Public Utilities' Water Operations Revenue and Expenses as of October 31, 2022.

Mrs. Herrera provided a summary of the Statement of Revenues and Expenses for the Industry Public Utilities' Water Operations.

Motion: Receive and File the Statement of the Industry Public Utilities Water Operations' Revenue and Expenses as of October 31, 2022.

1st: Director Barajas 2nd: President Rojas

	Rojas	Hernandez	Argudo	Barajas	Escalera
Vote	Yes	Yes	Yes	Yes	Yes

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

8. ACTION / DISCUSSION ITEMS

A. Consideration of Proposal from Evoqua Water Technologies for Single Pass Ion Exchange Resin Replacement Services.

Mr. Ortiz directed the Board to the staff report and explained the cost of entering into an agreement with Evoqua Water Technologies for single pass ion exchange resin replacement services for one of the vessels. Mr. Frausto also spoke on the topic and explained the change in the original proposal.

Motion: Authorize the General Manage to Enter into a Revised Agreement with Evoqua Water Technologies for Single Pass Ion Exchange Resin Replacement Services for \$126,549.34.

1st: Director Escalera 2nd: President Rojas

	Rojas	Hernandez	Argudo	Barajas	Escalera
Vote	e Yes	Yes	Yes	Yes	Yes

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

B. Consideration of Proposal from Carbon Activated for the Replacement of Vapor Phase Carbon at the District's BPOU Groundwater Treatment Plant.

Mr. Ortiz discussed the cost and requested to proceed with the proposal given by Carbon Activated.

Motion: Authorize the General Manage to Proceed with the Work as Specified in the Proposal from Carbon Activated.

1st: President Rojas 2nd: Director Barajas

		Rojas	Hernandez	Argudo	Barajas	Escalera
	Vote	Yes	Yes	Yes	Yes	Yes

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

9. WORKSHOP ON THE 2023 DISTRICT BUDGET

Mr. Frausto provided information regarding the 2023 budget and informed the board of the expected revenues and expenses for the upcoming year. He also provided an overview of the 2023 PVOU-IZ and PVOU-SZ budgets.

10. GENERAL MANAGER'S REPORT

Mr. Frausto announced that Santiago Loera has been promoted to Lead Water System Operator.

11. OTHER ITEMS

A. Upcoming Events

Mrs. Herrera announced the upcoming events for the month of December.

B. Information Items

None

12. ATTORNEY'S COMMENTS

Mr. Ciampa stated that he had nothing to report other than it was nice to see everyone at the ACWA Fall Conference.

13. BOARD MEMBER COMMENTS

A. Report on Events Attended

President Rojas reported that he attended 1 event: ACWA Fall Conference.

Director Escalera reported that he attended 2 events; ACWA Fall Conference and the SCWUA luncheon.

Vice President Hernandez reported that he attended 2 events; ACWA Fall Conference and the SCWUA luncheon.

Director Argudo reported that he attended 1 event; ACWA Fall Conference.

B. Other Comments

None

14. FUTURE AGENDA ITEMS

President Rojas adjourned the meeting at 6:22 p.m.

None

15. ADJOURNMENT

Attest:	
William D. D. C. D. C. L.	
William R. Rojas, President	Roy Frausto, Secretary

La Puente Water District November 2022 Disbursements

Check #	Payee	An	nount	Description
10350	Santiago E Loera Jr	\$	90.00	Certification Reimbursement
10351	Alexandra Guevara	\$	585.00	Cleaning Service
10352	Highroad IT	\$	663.30	Technical Support
10353	Hunter Electric	\$	1,960.39	Booster Maintenance
10354	Jack Henry & Associates	\$	27.50	Web E-Check Fee's
10355	Merritt's Hardware	\$	1,137.34	Field Supplies - PVOU Expenses
10356	Peck Road Gravel	\$	530.00	Asphalt & Concrete Disposal
10357	Petty Cash	\$	47.25	Office/Field Expense
10358	Red Wing Shoes	\$	350.00	Boot Allowance
10359	S & J Supply Co Inc	\$	2,916.49	Field Supplies - Inventory
10360	San Gabriel Basin WQA	\$	6,782.40	Pumping Right Assessments
10361	SC Edison	\$	9,483.21	Power Expense
10362	Underground Service Alert	\$	118.19	Line Notifications
10363	Weck Laboratories Inc	\$	89.00	Water Sampling
10364	Wesco Security Systems Inc	\$	297.00	Security Monitoring
10365	Waste Management of SG Valley	\$	230.72	Trash Service
10366	Blaine Tech Services Inc	\$	1,053.20	Technical Support - BP Plant
10367	Evoqua	\$	119,231.78	Resin Changeout
10368	Northstar Chemical	\$	16,647.51	Chemicals Expense
10369	Petty Cash	\$	60.00	Supplies - BP
10370	Stetson Engineers Inc	\$	487.54	Engineering Services
10371	Weck Laboratories Inc	\$	3,594.12	Water Sampling
10372	Weck Laboratories Inc	\$	4,228.06	Water Sampling
10373	Airgas USA LLC	\$	66.15	Field Supplies
10374	Applied Technology Group Inc	\$	30.00	Radio System
10375	Chevron	\$	4,078.83	Truck Fuel
10376	Civiltec Engineering Inc	\$	1,759.38	Engineering Services
10377	Continental Utility Solutions Inc	\$	50.00	Billing Expense
10378	Corporate Billing LLC Dept	\$	1,230.63	Truck Maintenance
10379	Doty Bros Construction Co	\$	28,088.00	Developer Expense
10380	Haddick's Auto Body & Towing	\$	100.00	Truck Maintenance
10381	McMaster-Carr Supply Co	\$	109.65	Field Supplies
10382	NJB Soft	\$	4,770.00	SCADA Expense
10383	O'Reilly Auto Parts	\$	9.00	Truck Maintenance
10384	Peck Road Gravel	\$	700.00	Asphalt & Concrete Disposal
10385	Public Water Agencies Group	\$	578.25	Administrative Expense
10386	Pumping Solutions Inc	\$	747.27	Equipment Maintenance
10387	Right of Way Inc	\$	263.59	Safety Supplies
10388	S & J Supply Co Inc	\$	6,653.39	Field Supplies - Inventory
10389	SC Edison	\$	165.44	Power Expense
10390	TPX Communications	\$	898.81	Cellular Service - PV Plant
10391	USA BlueBook	\$	197.24	Field Supplies
10392	Valley Vista Services	\$	383.04	Trash Service
10393	Weck Laboratories Inc	\$	124.00	Water Sampling

La Puente Water District November 2022 Disbursements - continued

Check #	Payee	An	nount	Description
10394	ACWA/JPIA	\$	26,837.14	Auto & General Liability Program
10395	Paul A Zampiello	\$	3,000.00	Educational Reimbursement
10396	Cintas	\$	184.17	Uniform Service
10397	Citi Cards	\$	2,599.18	Conference & Administrative Expenses
10398	Continental Utility Solutions Inc	\$	10.55	Billing Expense
10399	County Sanitation Dists of LA County	\$	40.87	Refuse Fee's
10400	Eide Bailly LLP	\$	1,099.60	Administrative Support
10401	Ferguson Waterworks	\$	426.25	Meter Expense
10402	Industry Hose & Fasteners	\$	47.90	Truck Maintenance
10403	Lagerlof LLP	\$	2,715.00	Attorney Fee's
10404	McMaster-Carr Supply Co	\$	62.49	Buidling Maintenance
10405	Resource Building Materials	\$	221.19	Concrete
10406	San Gabriel Valley Water Company	\$	328.61	Water Service
10407	Spectrum Business	\$	284.73	Telephone Service
10408	Weck Laboratories Inc	\$	122.08	Water Sampling
10409	Western Water Works	\$	14,558.74	Field Supplies - Inventory
10410	Spectrum Business	\$	409.38	Telephone Service
10411	Norm Reeves Ford Superstore - Cerritos	\$	111,712.76	Dump Truck Purchase
10412	ACWA/JPIA	\$	38,915.40	Health Benefits
10413	Answering Service Care	\$	151.93	Answering Service
10414	Armorcast Products Company	\$	17,142.40	Meter Lids
10415	Mutual of Omaha	\$	1,206.53	Life & Disability Insuance
10416	Premier Access Insurance Co	\$	3,262.52	Dental Insurance
10417	Spectrum Business	\$	334.99	Telephone Service
10418	Staples	\$	217.83	Office Supplies
10419	TT Technologies Inc	\$	336.35	Tool Repairs
10420	Verizon Wireless	\$	76.02	Cellular Service
10421	Western Water Works	\$	1,133.51	Cellular Service
10422	SC Edison	\$	39,696.51	Field Supplies - Asphalt
10423	Spectrum Business	\$	300.00	Power Expense
Online	Home Depot	\$	452.39	Field Supplies
Autodeduct	Bluefin Payment Systems	\$	971.06	Web Merchant Fee's
Autodeduct	Wells Fargo	\$	139.14	Merchant Fee's
Autodeduct	First Data Global Leasing	\$	44.00	Credit Card Machine Lease
Online	Lincoln Financial Group	\$	4,669.17	Deferred Compensation
Online	CalPERS	\$	14,503.56	Retirement Program
Online	Employment Development Dept	\$	5,369.57	California State & Unemployment Taxes
Online	United States Treasury	\$	29,930.16	Federal, Social Security & Medicare Taxes
	Total Vendor Payables	\$	545,126.35	

La Puente Valley County Water District Payroll Summary

November 2022

Employee Wages, Taxes and Adjustments Gross Pay Total Gross Pay Total Deductions from Gross Pay Total Deductions from Gross Pay Adjusted Gross Pay Taxes Withheld Federal Withholding Medicare Employee Social Security Employee CA - Withholding Textory Taxes Add Taxes
Gross Pay Total Gross Pay Deductions from Gross Pay Total Deductions from Gross Pay Adjusted Gross Pay Taxes Withheld Federal Withholding Medicare Employee CA - Withholding Total Deductions from Gross Pay Total Deductions
Total Gross Pay Deductions from Gross Pay Total Deductions from Gross Pay Adjusted Gross Pay Taxes Withheld Federal Withholding Medicare Employee CA - Withholding Total Gross Pay 127,119.17 12,490.52 115,252.65 12,490.00 -1,845.48 -6,874.60 -5,326.73
Deductions from Gross Pay Total Deductions from Gross Pay Adjusted Gross Pay Taxes Withheld Federal Withholding Medicare Employee Social Security Employee CA - Withholding Total Deductions From Gross Pay -11,866.52 -115,252.65 -12,490.00 -1,845.48 -6,874.60 -5,326.73
Total Deductions from Gross Pay -11,866.52 Adjusted Gross Pay 115,252.65 Taxes Withheld Federal Withholding -12,490.00 Medicare Employee -1,845.48 Social Security Employee -6,874.60 CA - Withholding -5,326.73
Adjusted Gross Pay 115,252.65 Taxes Withheld Federal Withholding -12,490.00 Medicare Employee -1,845.48 Social Security Employee -6,874.60 CA - Withholding -5,326.73
Taxes Withheld Federal Withholding -12,490.00 Medicare Employee -1,845.48 Social Security Employee -6,874.60 CA - Withholding -5,326.73
Federal Withholding -12,490.00 Medicare Employee -1,845.48 Social Security Employee -6,874.60 CA - Withholding -5,326.73
Medicare Employee -1,845.48 Social Security Employee -6,874.60 CA - Withholding -5,326.73
Social Security Employee -6,874.60 CA - Withholding -5,326.73
CA - Withholding -5,326.73
_ ·
NACHIO - Franks - Addit To
Medicare Employee Addl Tax 0.00
Total Taxes Withheld -26,536.81
Net Pay 88,715.84
Employer Taxes and Contributions
Medicare Company 1,845.48
Social Security Company 6,874.60
CA - Unemployment 40.17
CA - Employment Training Tax 2.67
Total Employer Taxes and Contributions 8,918.92

La Puente Water District November 2022 Disbursements

Total Vendor Payables \$ 545,126.35 Total Payroll \$ 88,715.84

Total November 2022 Disbursements \$ 633,842.19

Industry Public Utilities November 2022 Disbursements

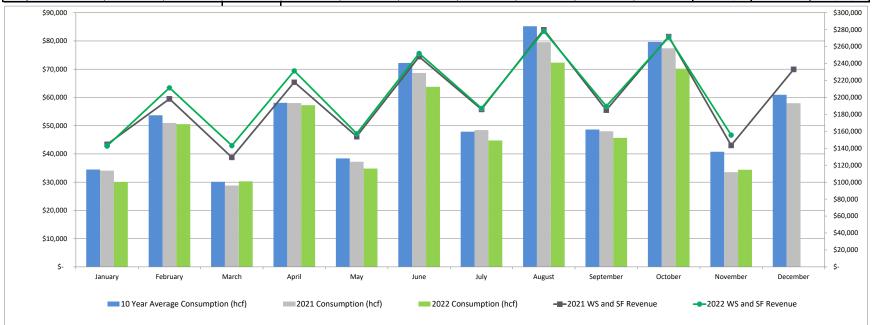
Check #	Payee	Am	ount	Description
5363	Corrpro	\$	2,175.00	Reservoir Maintenance
5364	Highroad IT	\$	442.20	Technical Support
5365	Hunter Electric	\$	633.37	Well Maintenance
5366	Merritt's Hardware	\$	122.73	Field Supplies
5367	Peck Road Gravel	\$	530.00	Asphalt & Concrete Disposal
5368	Petty Cash	\$	50.24	Office/Field Expense
5369	Resource Building Materials	\$	110.55	Concrete
5370	San Gabriel Basin WQA	\$	6,618.00	Pumping Right Assessments
5371	Underground Service Alert	\$	118.19	Line Notifications
5372	Weck Laboratories Inc	\$	122.50	Water Sampling
5373	Western Water Works	\$	474.24	Field Supplies
5374	Airgas USA LLC	\$	66.15	Field Supplies
5375	Civiltec Engineering Inc	\$	223.13	Engineering Services
5376	Continental Utility Solutions Inc	\$	50.00	Billing Expense
5377	La Puente Valley County Water District	\$	72,518.32	Labor Costs October 2022
5378	NJB Soft	\$	530.00	SCADA Expense
5379	Peck Road Gravel	\$	700.00	Asphalt & Concrete Disposal
5380	Resource Building Materials	\$	210.13	Field Supplies
5381	Right of Way Inc	\$	263.59	Safety Supplies
5382	Robert Brkich Construction	\$	13,001.00	Valve Replacement
5383	S & J Supply Co Inc	\$	328.84	Field Supplies
5384	SC Edison	\$	2,535.83	Power Expense
5385	SoCal Gas	\$	14.30	Gas Expense
5386	Spectrum Business	\$	83.56	Telephone Service
5387	USA BlueBook	\$	197.24	Field Supplies
5388	Weck Laboratories Inc	\$	122.50	Water Sampling
5389	ACWA/JPIA	\$	16,630.86	Auto & General Liability Program
5390	Cintas	\$	184.14	Uniform Service
5391	Citi Cards	\$	74.00	Administrative Expense
5392	Continental Utility Solutions Inc	\$	10.55	Billing Expense
5393	County Sanitation Dists of LA County	\$	40.86	Refuse Fee's
5394	Eide Bailly LLP	\$	491.30	Administrative Support
5395	Industry Public Utility Commission	\$	942.22	Industry Hills Power Expense
5396	Janus Pest Management Inc	\$	65.00	Rodent Control
5397	SC Edison	\$	13,153.78	Power Expense
5398	Spectrum Business	\$	284.72	Telephone Service
5399	Weck Laboratories Inc	\$	107.50	Water Sampling
5400	Answering Service Care	\$	151.92	Answering Service
5401	County of LA-Auditor Controller	\$	37.40	Pipeline Rental Fee's
5402	Doty Bros Equipment Co	\$	6,248.00	Patchwork
5403	San Gabriel Valley Water Company	\$	942.65	Water Service
5404	Staples	\$	217.79	Office Supplies
5405	TT Technologies Inc	\$	336.34	Tool Repairs
5406	Verizon Wireless	\$	76.02	Cellular Service

Industry Public Utilities November 2022 Disbursements - continued

Check #	Payee	Ar	nount	Description
Online	Home Depot Credit Services	\$	337.43	Field Supplies
Autodeduct	Bluefin Payment Systems	\$	1,569.18	Web Merchant Fee's
Autodeduct	First Data Global Leasing	\$	44.00	Credit Card Machine Lease
Autodeduct	Jack Henry & Associates	\$	16.70	Web E-Check Fee's
Autodeduct	Wells Fargo Merchant Fee's	\$	56.36	Credit Card Merchant Fee's
т	otal November 2022 Disbursements	\$	144 260 33	

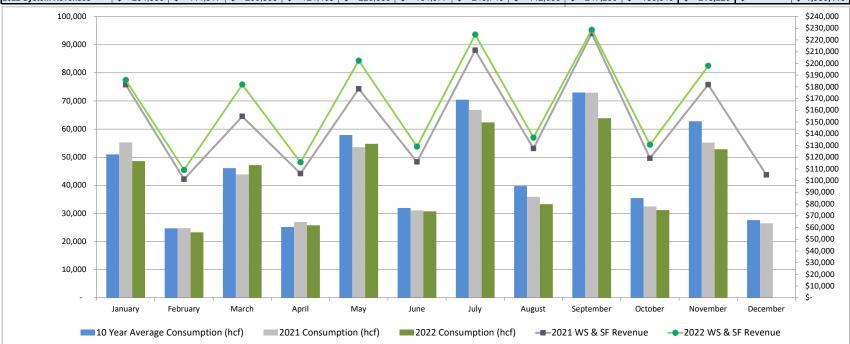
WATER SALES REPORT LPVCWD 2022

LPVCWD	January		February	March		April		May		June		July		August	Se	eptember	(October	No	vember	Dec	cember		YTD
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No. of Customers	1,24	13	1,228	1,235		1,226		1,231		1,233		1,233		1,236		1,234		1,242		1,233		_		13,574
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2022 Consumption (hcf)	30,02	28	50,516	30,287		57,235		34,805		63,736		44,747		72,317		45,688		70,182		34,384		-		533,925
2021 Consumption (hcf)	34,08	34	50,947	28,808		58,010		37,202		68,657		48,432		79,580		48,013		77,393		33,538		57,949		622,613
10 Year Average																								
Consumption (hcf)	\$ 34,46	55 \$	53,660	\$ 30,098	\$	58,078	\$	38,404	\$	72,217	\$	47,855	\$	85,210	\$	48,627	\$	79,672		40,750	\$	60,927		649,963
2022 Water Sales	\$ 78,73	37 \$	136,210	\$ 79,575	\$	156,218	\$	93,717	\$	175,590	\$	123,715	\$	201,938	\$	125,971	\$	194,818	\$	92,325	\$	-	\$	1,458,815
2021 Water Sales	\$ 85,58	35 \$	128,510	\$ 70,352	\$	147,969	\$	95,018	\$	178,069	\$	126,837	\$	210,040	\$	125,647	\$	202,131		84,168	\$	158,017	\$	1,612,344
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2022 Service Fees	\$ 63,89)5 @	75,110	\$ 63,596	\$	75,124		63,553	œ.	76,336	e	63,504	e	76,180	e e	63,586	e	76,187	¢	63,364	¢	_	\$	760,435
2022 Service rees	ψ 05,03	,υ ψ	75,110	Ψ 00,090	Ψ	75,124	Ψ	00,000	Ψ	70,550	Ψ	00,004	Ψ	70,100	Ψ	03,300	Ψ	70,107	Ψ	00,004	Ψ	-	Ψ	700,433
2021 Service Fees	\$ 59,08	30 \$	69,688	\$ 58,930	\$	69,968	\$	58,920	\$	69,979	\$	59,000	\$	69,888	\$	59,340	\$	69,784	\$	59,224	\$	75,009	\$	778,812
2022 WS and SF Revenue	\$ 142,63	32 \$	211,320	\$ 143,171	\$	231,342	\$	157,270	¢	251,926	s	187,219	\$	278,118	g .	189,557	s	271,006	\$	155,689	\$	_	\$	2,219,250
LOZZ WO dila Or Revenue	ψ 142,00	/2 Ψ	211,020	Ψ 140,171	Ψ	201,042	Ψ	107,270	Ψ	201,020	Ψ	107,210	Ψ	270,110	Ψ	100,001	Ψ	27 1,000	Ψ	100,000	Ψ		_	2,210,200
2021 WS and SF Revenue	\$ 144,66	35 \$	198,198	\$ 129,283	\$	217,937	\$	153,938	\$	248,049	\$	185,838	\$	279,928	\$	184,988	\$	271,915	\$	143,392	\$	233,026	\$	2,391,156
2022 Hyd Fees	\$ 95	50 \$	750	\$ 950	\$	750	\$	950	\$	750	\$	950	\$	750	\$	950	\$	750	\$	950	\$	-	\$	9,450
2022 DC Fees	\$ 33	38 \$	10,026	\$ 284	\$	10,130	\$	284	\$	10,779	\$	284	\$	10,779	\$	332	\$	10,886	\$	419	\$	-	\$	54,541
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2022 System Revenue	\$ 143,92	21 \$	222,096	\$ 144,405	\$	242,222	\$	158,504	\$	263,456	\$	188,453	\$	289,647	\$	190,838	\$	282,641	\$	157,058	\$	-	\$	2,283,242



WATER SALES REPORT CIWS 2022

CIWS	January	F	ebruary	March	April	May	June	July	August	Se	eptember	October	N	ovember	De	ecember	YTD
			•					•			•						
No. of Customers	964		893	964	890	965	890	968	892		966	892		965		-	10,249
2022 Consumption (hcf)	48,649		23,297	47,199	25,789	54,759	30,786	62,388	33,319		63,877	31,199		52,840			474,102
2021 Consumption (hcf)	55,295		24,763	43,880	26,923	53,588	31,100	66,822	35,958		72,952	32,540		55,218		26,473	525,512
10 Year Average Consumption (hcf)	50,998		24,742	46,102	25,200	57,891	31,965	70,498	39,762		73,011	35,498		62,770		27,615	546,051
2022 Water Sales	\$ 123,503	\$	58,734	\$ 119,827	\$ 65,288	\$ 140,366	\$ 78,894	\$ 162,064	\$ 86,507	\$	166,187	\$ 80,453	\$	135,174	\$	-	\$ 1,216,995
2021 Water Sales	\$ 125,336	\$	54,667	\$ 98,449	\$ 59,444	\$ 121,979	\$ 69,264	\$ 154,746	\$ 81,024	\$	168,996	\$ 72,768	\$	125,456	\$	58,306	\$ 1,190,435
2022 Service Fees	\$ 62,348	\$	50,336	\$ 62,203	\$ 50,334	\$ 62,049	\$ 50,236	\$ 62,538	\$ 50,249	\$	62,538	\$ 50,220	\$	62,782	\$		\$ 625,832
2021 Service Fees	\$ 56,462	\$	46.526	\$ 56.401	\$ 46,557	\$ 56.402	\$ 46,714	\$ 56,572	\$ 46,465	\$	56,603	\$ 46,395	\$	56,502	\$	46,537	\$ 618,135
								<u> </u>						<u> </u>			
2022 Hyd Fees	\$ 1,550	\$	300	\$ 1,550	\$ 300	\$ 1,550	\$ 300	\$ 1,550	\$ 300	\$	1,550	\$ 300	\$	1,550	\$	-	\$ 10,800
2022 DC Fees	\$ 16,955	\$	5,547	\$ 16,955	\$ 5,547	\$ 16,871	\$ 5,547	\$ 17,598	\$ 5,547	\$	16,955	\$ 5,547	\$	18,720	\$	-	\$ 131,788
2022 System Revenues	\$ 204,356	\$	114,917	\$ 200,535	\$ 121,468	\$ 220,835	\$ 134,977	\$ 243,749	\$ 142,603	\$	247,230	\$ 136,519	\$	218,225	\$	-	\$ 1,985,415



Memo

To: Honorable Board of Directors

From: Roy Frausto, General Manager

Date: December 12, 2022

Re: 2022 Cost of Living Adjustment



Summary

As customary of this District, a cost of living adjustment (COLA) of all District Employees salaries is considered each year. It is the duty of the General Manager to recommend to the Board what increase is in the best interest of the District. This recommendation is based on the increase of the Consumer Price Index (CPI) for urban wage earners and clerical workers in our region. The General Manager also considers the COLA for Social Security (SS) as a basis of discussion and comparison.

Over this past year, the annual average of the CPI for our region increased by an estimated 7.75% and the SS COLA was 8.7%. For your reference, attached is the data from the U.S. Bureau of Labor Statistics detailing the historical CPI for Los Angeles cities with respect to urban wage earners and clerical workers. In addition, I have included a graph depicting the District's COLA calculations and adopted COLA increases for the past several years.

In preparing my recommendation for the 2022 COLA, I analyzed the fiscal impact to the District and ensured that the recommended COLA is financially feasible and ensures employee salaries remain competitive in relation to the job market.

Recommendation

For calendar year 2023, the General Manager recommends that a 5% COLA be applied to all employee salaries and **not** to salary ranges for each position, which is 2.75% lower than the CPI change of 7.75% and 3.7% lower than the SS COLA change of 8.7%.

Thank you for your consideration on this matter.

If you have any question, please feel free to contact me.

Enclosures:

- 1. CPI Table for Urban Wage Earners and Clerical Workers in Los Angeles-Long Beach-Anaheim
- 2. Historical COLA Graph

CPI-Urban Wage Earners and Clerical Workers (Curre Original Data Value

Series Id: CWURS49ASA0 Not Seasonally Adjusted

Series All items in Los Angeles-Long Beach-Anaheim, CA, Title: urban wage earners and clerical workers, not

Area: Los Angeles-Long Beach-Anaheim, CA

Item: All items

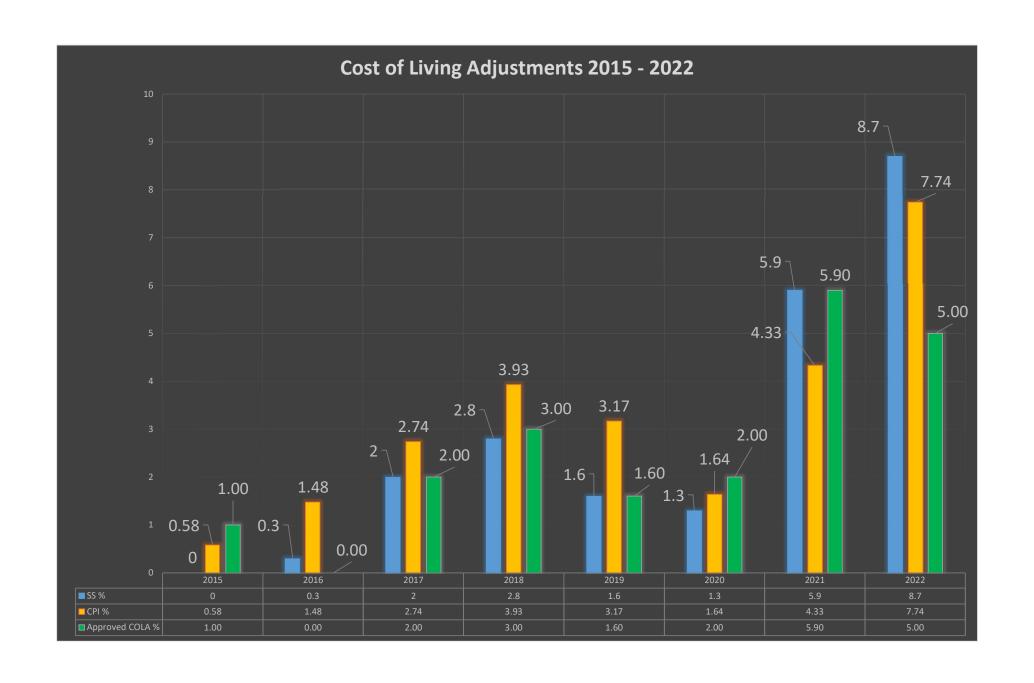
Base 1982-84=100

Period:

Years: 2008 to 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2	% Change
2008	213.825	214.231	216.493	217.914	219.702	222.435	223.245	221.230	220.285	218.726	214.083	211.007	217.765	217.433	218.096	
2009	212.454	213.234	213.013	213.405	214.446	216.145	216.128	216.628	217.302	217.474	216.618	216.233	215.257	213.783	216.730	-1.15%
2010	217.290	217.090	218.157	218.475	218.787	218.222	218.367	218.752	218.427	219.339	218.694	219.619	218.435	218.004	218.866	1.48%
2011	221.540	222.814	225.770	227.051	226.842	225.461	224.277	224.665	226.096	226.116	225.786	224.444	225.072	224.913	225.231	3.04%
2012	226.245	227.585	230.281	230.023	230.180	228.917	228.446	230.229	231.085	233.431	230.426	228.940	229.649	228.872	230.426	2.03%
2013	230.651	232.983	233.200	232.030	232.387	232.378	232.190	232.245	232.817	232.735	231.598	231.594	232.234	232.271	232.197	1.13%
2014	232.578	233.886	235.500	235.717	236.647	236.880	236.963	236.504	236.451	235.921	233.896	232.330	235.273	235.201	235.344	1.31%
2015	231.063	232.975	235.991	235.697	238.816	237.792	239.889	238.755	237.324	237.472	237.190	236.787	236.646	235.389	237.903	0.58%
2016	238.609	238.262	239.146	239.536	240.320	240.522	240.580	240.267	240.851	241.932	240.809	240.846	240.140	239.399	240.881	1.48%
2017	242.735	244.254	244.932	245.417	246.153	245.900	246.681	247.260	248.550	249.234	249.680	249.854	246.721	244.899	248.543	2.74%
2018	251.785	253.243	254.451	255.379	256.652	256.208	256.632	257.318	258.246	259.899	259.064	258.101	256.415	254.620	258.210	3.93%
2019	259.182	259.734	261.278	264.469	265.283	264.640	265.012	264.687	266.517	269.314	268.041	266.274	264.536	262.431	266.641	3.17%
2020 2021	268.127 271.129	268.938 272.816	266.964 274.097	265.930 277.126	267.007 279.139	268.118 280.687	270.012 282.271	270.563 282.691	270.257 283.191	270.864 285.973	270.695 287.940	268.928 288.910	268.867 280.498	262.431 275.832	270.426 285.163	1.64% 4.33%
2022	291.852	292.690	297.870	299.436	301.960	305.577	304.441	304.137	305.414	307.720	307.720	307.720	302.211	298.231	306.192	

Source: Bureau of Labor Statistics





ANNUAL BUDGET

Year Ending December 31, 2023

THE LA PUENTE VALLEY COUNTY WATER DISTRICT BOARD OF DIRECTORS AND STAFF ARE DEDICATED TO PROVIDING OUR CUSTOMERS HIGH QUALITY WATER, ALONG WITH COURTEOUS AND RESPONSIVE CUSTOMER SERVICE AT THE MOST REASONABLE COST.

BOARD OF DIRECTORS

William R. Rojas President

Henry P. Hernandez Vice-President

David E. Argudo Director Cesar J. Barajas Director John P. Escalera Director

Prepared by: Roy Frausto, General Manager

Table of Contents

Sections

2023 Budget	3
About La Puente Valley County Water District	3
Service Area Trends	
Water Supply and Cost of Water	
Water Quality and the Cost of Water Treatment	7
Water Rate Adjustments	
Direction of the District	
2023 Objectives	11
Executive Summary	
Water Operations Fund	
Water Revenue - Operational	12
Water Revenue – Non-Operational	
Water Expenditures	
Capital Improvements and Capital Outlay	
Figures	
Figure 1: Boundary Map of District's Service Area	4
Figure 2: Five-Year (2017-2021) Water System Demand	5
Figure 3: Five-Year Projection of Total Cash and Reserve Fund Level	
Tables	
Table 1: Five-Year Forecast of Revenues and Expenses	10
Table 2: 2023 Capital Improvement Projects & Capital Outlay	
Table 3: 2023 Budget Summary	16
Table 4: District Budget for 2023	17
Table 5: District Treatment Plant Budget for 2023	21

2023 BUDGET

The 2023 Budget has been designed to help fulfill the District's Mission to provide high quality water along with courteous and responsive service at the most reasonable cost to our customers. The Budget is intended to support the priorities and policies of the Board of Directors as reflected in the District's Mission Statement and serve as a policy document, a financial plan, a communications device and an operations guide. It provides a comprehensive summary of District activities and capital improvement projects proposed for year ending December 31, 2023. The District is embarking on its District's 99th year of service to the community, which comes with significant challenges. Continued prudent planning of the District is paramount in positioning the District to handle these challenges long into the future.

The District's budget is prepared on a full accrual basis of accounting generally accepted in the United States, which is consistent with the District's audited financial statements. Revenues are recorded at the time they are earned, and expenses are recorded at the time the liability is incurred. The intent of the District is to establish water rates sufficient to provide for payment of all operations and maintenance expenses along with capital improvements. The annual goal is to present a balanced budget (projected expenses equal to or less than projected revenues) to the Board of Directors for adoption.

The preparation and adoption of a comprehensive budget and operating plan is essential for the sound management and financial administration of the District. As an enterprise type of utility, the District is similar to a commercial operation whose expenditures may vary during the year in response to the timing and level of customer service demand. Water service demand is primarily influenced by water consumption practices, weather factors and the continued growth in the number of customers served. Budget objectives must therefore be structured to respond to fluctuating service demands. Activities are projected from historical data as a baseline to determine the appropriate funding level. Decisions made throughout the year by the Board of Directors and the General Manager is balanced between meeting budget objectives and budgetary constraints.

ABOUT LA PUENTE VALLEY COUNTY WATER DISTRICT

La Puente Valley County Water District (District) provides safe, reliable and cost-effective drinking water to approximately 9,600 people within the communities of La Puente and the City of Industry. The District has been providing water service to these communities for over 98 years. The District was formed in August 1924 by popular vote, in accordance with the County Water District Act of 1913. In its infancy, the District consisted of approximately 1,300 acres and 200 water service connections. The area was vastly different from what it is today. At that time, most of the water produced from the District's Well Field was delivered to meet agricultural irrigation needs of the valley. Over the years, the District has grown to approximately 1,600 acres and over 2,500 water service connections. To this day, the District's Well Field continues to be the main source of supply to meet the needs of the District's customers. The boundary map of the District's service area is provided in **Figure 1**.

Figure 1 - Boundary Map of District's Service Area



A publicly elected, five-member Board of Directors governs the District. Board members serve four-year terms and elections are held every two years with terms staggered to ensure continuity. The Board is responsible for establishing District policy on a variety of issues including, but not limited to, financial planning, infrastructure investment, and water rates. Day-to-day operations are managed by the General Manager who oversees a highly qualified staff responsible for executing ongoing operational and administrative functions. The District's employees include certified water treatment and distribution operators and an experienced administrative staff.

The District's Water System includes approximately 2,550 service connections, more than 32 miles of distribution and transmission mains, 3 active wells, a 2,500 gpm state-of-the-art groundwater treatment facility, 5 booster pump stations and 3 reservoirs. The District also manages and operates the Industry Public Utilities Water System, which includes 1,860 service connections, 34.4 miles of distribution and transmission mains, 1 active well, 5 booster pump stations, and 3 reservoirs. Beginning in 2023, the District will start operating the Puente Valley Operable Unit - Intermediate Zone (PVOU-IZ) and Shallow Zone (PVOU-SZ). The PVOU-IZ consists of over 3 miles of transmission mains, 7 extractions wells, a new 2,000 gpm state-of-the-art groundwater treatment facility and 1 Reservoir. The PVOU-SZ consists of 2 extractions wells and a new 350 gpm state-of-the-art groundwater treatment facility for surface water discharge.

SERVICE AREA TRENDS

Land use in the portion of the City of La Puente bounded by the District's service area is primarily residential with some commercial, public/institutional, and open space areas. Land use in the portion of the City of Industry bounded by the District's service area is primarily commercial and industrial. This portion of the District's service area is also, for the most part, fully developed. Population data for the City of Industry shows little or no growth over the next 20 years. District Staff projects that most, if not all, future developments within the District's service area will be redevelopment of commercial and/or residential properties that may or may not have an impact on the water system's water demand.

The annual amount of water used within the District's water system (water system demand) over the last 10 years (2011-2021) has averaged 1,650 acre-feet (AF). The average water system demand over the past 5 years (2017-21) has been 1,542 AF. In 2021, the water system demand was approximately 9.7% greater than in 2020 and 6.1% greater than compared to the 5-year average. 2017 was the lowest demand over the past 10 years, which was driven mainly by water conservation efforts in response to the multi-year historic State drought conditions (2012-2017). In October 2021, the District's Board of Directors adopted Resolution No. 273, which declared water use efficiency practices and water conservation measures. The adopted outdoor water use restrictions yielded may result in reduction in future water system demand. **Figure 2** displays the water system demand in AF for a 5-year period.

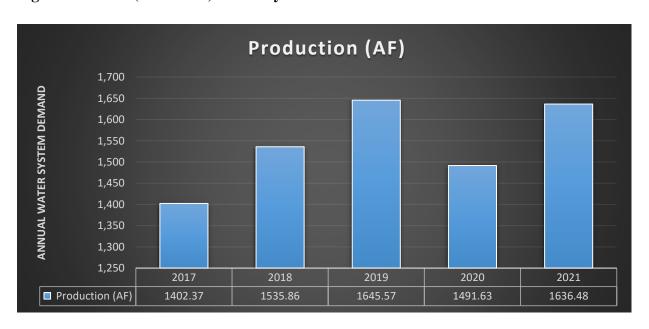


Figure 2: 5 Year (2017-2021) Water System Demand

WATER SUPPLY AND COST OF WATER

The District's primary source of supply is from three ground water wells that produce water from the adjudicated Main San Gabriel Basin (Basin). The groundwater rights in the Basin were adjudicated on the basis of mutual prescription resulting in a specific quantity in acre-feet per year for each producer. Such rights were then converted to a Pumper's Share, expressed in

percent of the aggregate of all prescriptive rights. The District was adjudicated 1,097-acre feet of water rights based on groundwater production that occurred between calendar years 1953 and 1967. Subsequently, the District obtained the water rights of El Encanto Properties on July 22, 1974, in the amount of 33.40 acre-feet. Thus, the District's total adjudicated water rights are 1,130.40 acre-feet. This represents 0.57197 percent (Pumper's Share) of all adjudicated water rights in the Basin.

Under the Main San Gabriel Basin Judgment, the Main San Gabriel Basin Watermaster (Watermaster) annually establishes the Operating Safe Yield (OSY) for the ensuing year. This is done mainly on the basis of groundwater storage conditions as reflected by the Baldwin Park Key Well. In order to provide sufficient storage capacity in the basin to capture as much of the local stream flow as practicable, the Judgment provides that imported supplemental water will not be spread in the Basin when the Key Well elevation exceeds 250 feet above mean sea level (msl) and will be spread, insofar practicable, to maintain the elevation above 200 feet msl. Each year a producer is allowed to extract, free of Replacement Water Assessment, its share of the OSY which is established in May each year by the Watermaster. This annual share is referred to as the annual production right.

Any producer can extract all the water needed for beneficial use, but the portion of such extraction, which exceeds the annual production right of the OSY, is assessed at a rate (Replacement Water Assessment), which will purchase one acre-foot of imported supplemental water for each acre-foot of excess production. Such water is then purchased by the Watermaster from the appropriate Responsible Agency (municipal water district) and used to replenish the Basin. If Basin storage is low, as indicated by the key well elevation, the OSY is set at a lower level so that more Replacement Water may be purchased to increase Basin storage. If Basin storage is relatively high, the OSY is increased so that Replacement Water will not increase Basin storage to the point that local water runoff will be un-storable.

Due to the historic drought conditions, the OSY has been set at a very low level for the last eight years at 150,000 acre-feet. This has resulted in an 18% reduction of the District's annual production right as compared to the long-term average annual production right. Approximately 40% of water the District pumps from the Basin each year to meet its water system demand requires the District to lease production rights and/or purchase replacement water.

The District is located within the service area of regional water supplier Upper San Gabriel Valley Municipal Water District (Upper District). The District relies upon Upper District to deliver replacement water for every acre foot of water produced over the District's annual production right. Upper District is a member agency of the Metropolitan Water District of Southern California (MWD), which is the agency that purchases imported water from for replenishment purposes. The vast majority of imported water is delivered through the State Water Project (SWP) Delivery System. In the past, MWD provided this water at its replenishment water rate. Between 2007 and 2010, imported water at the replenishment rate was unavailable for purchase, but was available at the MWD tier 1 and tier 2 untreated water rates, which were substantially higher. As a result of the import water pricing change, in May 2009, the rate for the Replacement Water Assessment set by Watermaster was increased from \$251.90

per acre foot to \$450.00. In May 2022, the Replacement Water Assessment was set at \$1,058.00 per acre foot for the 2022-23 production year, which equates to a \$806.10 per acre foot increase over the last twelve years.

The District was able to cushion the effect of this increase by purchasing 2,000-acre feet of cyclic storage water (in 2009) at a rate of \$251.90 per acre foot. Cyclic storage water, when available, can be purchased by a producer that has a cyclic storage water agreement in place with Watermaster. Cyclic storage water is replenishment water that has already been delivered into the Basin, which can be used to offset future replenishment water obligations. This water has allowed the District to limit its replenishment water purchase to only 188-acre feet over the last nine years. Currently the District has 478-acre feet in its cyclic storage account. This water also provides a major benefit during times of drought, like we are currently facing. Over the last nine years, the District has also leased groundwater productions rights at a rate 8% to 10% lower than the cost for replacement water, which further reduced the impact of the rising cost of replenishment water. The future cost for replenishment water along with groundwater production assessments will continue to have a substantial financial impact on the District in years to come.

WATER QUALITY AND THE COST OF WATER TREATMENT

The area of the Basin where the District's wells draw water is contaminated with various contaminants, such as volatile organic compounds (VOC's) and perchlorate. In 2002, the District along with other water entities, entered into an agreement with the parties who were potentially responsible for the groundwater contamination. This agreement is known as the Baldwin Park Operable Unit Project Agreement (BPOU Agreement). Under this Agreement, the water from the District's well field is treated at the District's groundwater treatment facility before it enters the District's service area. Water leaving the facility meets all State and Federal drinking water regulations. The cost to construct, maintain and operate the treatment facility was and continues to be reimbursed by the potentially responsible parties, who are now known as the Cooperating Respondents (CRs). None of these treatment costs are paid for through the District's water rates.

The term of the BPOU Agreement was 15 years and was set to expire in May of 2017. The District, other water entities and the CRs negotiated an extension to the BPOU Agreement (referred to as the 2017 BPOU Agreement), which has secured continued funding of groundwater treatment at the District's well field for an additional ten years.

In 2018, District staff identified that levels of nitrate in the water produced from the District's well field were increasing. Although the levels of nitrate in the water are below the regulatory maximum contaminant level for nitrate, District staff has begun the design and procurement efforts of a nitrate treatment system at the District's groundwater treatment facility. The capital investment and operational cost of a nitrate treatment system will have a substantial financial impact on the District and the cost for water.

WATER RATE ADJUSTMENTS

In 2017, the District initiated a water rate study and comprehensive cost of service analysis. This study was completed by Raftelis Financial Consultants in June of 2018. The final recommendation was to adopt a multi-year (5 year) water rate adjustment plan. Water rate adjustments were developed as part of the study and a notice to all customers of the proposed increase to water rates was provided in August of 2018. Substantial increases in the District's operational expenses, as described below, were the major factors supporting the need for an increase to water rates and charges:

- Cost of Water The District is fortunate to have rights to a local groundwater source in the Main San Gabriel Basin ("Basin"), but any water the District pumps over its allotment must be replaced to maintain water levels in the Basin by leasing rights or purchasing imported water. The cost for this replacement water has increased by over twenty-three percent (23%) in the last four years.
- Groundwater Management A groundwater pumping assessment has been put into effect by the Main San Gabriel Basin Watermaster in order to secure additional water resources to maintain water levels in the Basin. This assessment continues to have a large cost impact on the District and all water providers that pump groundwater from the Basin in the San Gabriel Valley.
- Capital Improvements The District continuously invests in capital improvement projects that improve the performance of the water system or extend the life of existing facilities and equipment to avoid more expensive emergency repairs. In 2023, the District will be updating its 2017 Ten-Year Water Master Plan which identified necessary improvements and prioritized projects based on their need and benefit.

In 2023, the District will update its 2017 Water Master Plan and complete a water rate study and comprehensive cost of service analysis to conclude what type of rate adjustments will be needed in the near future. The District's goal will be to continue to generate sufficient revenue to meet the cost of providing excellent water service while avoiding drastic increases to water rates. The cost of replenishment water and financing of needed water system improvements will have the most significant impact on water rates going forward.

DIRECTION OF THE DISTRICT

Projecting beyond 2022, it is necessary to identify significant increases in expenses that the District will need to be prepared for, either by managing reserves or increasing revenues. In preparing the annual budget, District Staff also projects the annual revenue and operating expenses (cash items) out for five years. These projections include all operating costs and capital improvement investments but exclude depreciation. Summarized below are a few District ventures that will have substantial impact on the five-year projection of revenue and expenses.

Recycled Water Project

The recycled water system required the District, for the first time in several decades, to obtain a loan to finance such a project. The investment in a recycled water system will deliver recycled water to several irrigation customers and replace the use of drinking water for irrigation.

The District has partnered with Upper San Gabriel Valley Municipal Water District to secure a \$428,000 grant from the State Department of Water Resources for Phase 1 of a Recycled Water System Project. The projected cost of Phase 1 is \$2,000,000. The grant will cover approximately 25 percent of the estimated cost of Phase 1, which is expected to serve 55-acre feet per year of recycled water, to be purchased indirectly from Los Angeles County Sanitation Districts, to serve irrigation customers on Don Julian Avenue.

The current cost to produce 55-acre feet of water that is over the District's annual production right is approximately \$58,000. The District secured a loan along with the grant funding to fund this project, which would otherwise not be cost effective. The assumptions of the Recycled Water Project cost and the associated debt service is included in the five-year forecast. This new drought resistant source of water improves long-term water supply reliability for all the District's customers. The estimated cost of the Recycled Water System Project, loan proceeds, loan payment and other grant funding are included in the 5-year revenue and expense projections.

PVOU-IZ and PVOU-SZ Projects

The District prides itself on its efforts over the past 25 years to provide groundwater cleanup (treatment) in the Main San Gabriel Groundwater Basin. In fact, the District was the first water agency in the San Gabriel Valley to provide multi-barrier treatment for various contaminants at its groundwater treatment facility, which kick-started other groundwater treatment projects in the Valley. Over the years, the District's groundwater treatment plant has removed tons of contaminants. Our District's overall goal is to leave the groundwater basin free of contamination for future generations, so that it may continue to be used to meet the needs of its residents.

In mid-2014, the District was presented with an opportunity to further make a difference in remediating groundwater contamination in the Main San Gabriel Basin, more specifically the Puente Valley area. Under an order by US EPA, several industrial companies have been planning for several years to construct a highly efficient groundwater treatment system. This system would be comprised of 50 monitoring wells, 7 production wells, and multiple treatment technologies. In 2015, a property was purchased, by the lead industrial company, to construct the groundwater treatment facility. This property is located within the District's service area and in close proximity to the District's water distribution facilities. Since District staff already has experience operating a similar groundwater treatment system, the District has agreed and is contracted to operate the PVOU-IZ and PVOU-SZ treatment facilities. The vision for the District is to receive fully treated water from the PVOU-IZ, which meets all State and Federal drinking water standards, into its water system to utilize this water as a back-up supply for the District.

In 2017, the PVOU-IZ project was modified with respect to the delivery of treated water. The treated water is now planned to be delivered to the District, who will in turn deliver a certain amount to neighboring Suburban Water Systems. The other components of the project remain unchanged.

The new treatment facilities will improve water quality in the groundwater Basin, the PVOU-IZ will provide an additional emergency water supply for the community of La Puente, and create additional revenue sources for the District. The revenues that will be received by the District for conveying water and operating the plants will help keep the District water rates affordable. The groundwater treatment systems and associated improvements were completed in 2022 with groundwater treatment starting in 2023. The revenues anticipated from the District's involvement in this project is included in the five-year revenue projections.

Groundwater Treatment System for Nitrate Removal

District staff identified that levels of nitrate in the water produced from the District's well field were increasing in an abnormal trend, as compared to last 5 years. Although the levels of nitrate in the water are below the regulatory maximum contaminant level, the District began the design and procurement process of a nitrate treatment system at the District's groundwater treatment facility.

In addition, the District entered into a Nitrate Funding Agreement with the Cooperating Respondents to fund a portion of the anticipated Nitrate Treatment Project and operations and maintenance cost for water treated and delivered to neighboring Suburban Water Systems. Although this funding agreement is beneficial to the District, a loan will be needed to fund a portion of the Project. The estimated cost of a nitrate treatment system, loan proceeds, loan payment, Cooperating Respondent funding and grant funding are included in the 5-year revenue and expense projections.

Five Year Forecast of Revenues and Expenses

Factoring the aforementioned District ventures, **Table 1** provides a summary of the five-year forecast of the District's expenses and compares it to the projected revenues.

Table 1: Five-Year Forecast of Revenues and Expenses

		2023	2024	2025	2026	2027
- 1	Revenues	\$ 5,056,482.00	\$ 5,425,900.00	\$ 5,598,900.00	\$ 5,780,100.00	\$ 5,969,700.00
1	Expenses	\$ 4,571,955.18	\$ 4,725,100.00	\$ 4,933,200.00	\$ 5,219,600.00	\$ 5,452,100.00
- 1	Net Gain	\$ 484,526.82	\$ 700,800.00	\$ 665,700.00	\$ 560,500.00	\$ 517,600.00

District's Cash and Reserves

In May 2012, the Board of Directors adopted Resolution No. 208 which updated the policy for the management of the District's cash and financial reserves. The Policy specifies what types of

reserves the District shall maintain and what the minimum and maximum levels shall be for each reserve fund. **Figure 3** below provides a five-year projection of the cash and the reserve fund level based on the projected expenses and revenues from **Table 1**.

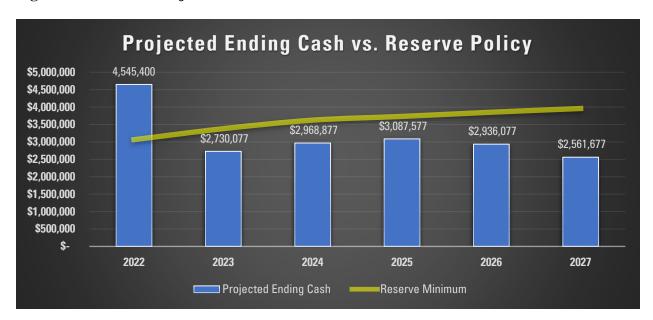


Figure 3: Five-Year Projection of Total Cash and Reserve Fund Level

Reserve fund levels are expected to decline over the next 5 years, primarily due to the capital investment and debt service related to the District's Recycled Water Project & Nitrate Treatment System Project. The future five-year water rate increase plan is vital in maintaining adequate reserve fund levels and meeting the needs of the District's Customers.

2023 OBJECTIVES

Special emphasis will be placed on accomplishing the following objectives during 2023.

- ✓ Recycled Water System Project
 - Initiate Phase 1 Customer Retrofits
 - Begin delivery of recycled water
- ✓ Finalize Construction of the Nitrate Treatment System at the District's BPOU Groundwater Treatment Facility
- ✓ Successfully Complete the Compliance Testing of the PVOU-IZ Treatment Facility
- ✓ Successfully Begin to Operate the PVOU-SZ Treatment Facility
- ✓ Secure Groundwater Production Right Leases and Cyclic Storage Purchases to Reduce the Impacts of Replacement Water Costs
- ✓ Secure a Term Sheet with the CRs with Respect to City of Industry's Groundwater Treatment Project

- ✓ Continue Fulfill Contractual Obligation in Operating and Managing the City of Industry Waterworks System in a Cost-Effective Manner
- ✓ Renew the Operations Agreement and Continue Operating and Managing the City of Industry Waterworks System in a Cost-Effective Manner
- ✓ Complete Capital Improvements and Capital Outlay Projects
- ✓ Plan the District's 100 year Anniversary Event

EXECUTIVE SUMMARY

A report of the significant findings and recommendations for the calendar year 2023 Budget are:

- ✓ Annual Revenue is expected to be \$6,338,882
- ✓ Annual Expenditures are budgeted at \$5,854,355
- ✓ Annual Net Revenue is expected to be \$484,500
- ✓ Capital Improvement/Outlay Projects are budgeted at \$2,512,900
- ✓ The Districts change in cash is expected to decrease by \$1,920,950 through 2023

WATER OPERATIONS FUND

The District's activities identified in this budget are designed to accomplish the District's Mission as it relates to water operations. For the calendar year 2023, the District will need a total operation budget of \$5,854,355 to carry out its Mission.

All of the revenues and expenses that allow the District to function flow either directly or indirectly through the Water Operations Fund. The Water Operations Fund's source of revenue consists of water sales, miscellaneous billing, property taxes, management fees and interest earned on Water Operations Fund related investments. The Water Operations Fund exists to finance operations, maintenance, repair, supplies, depreciation, contingencies, personnel compensation related to water operations, capital improvements and to provide a catastrophic restoration reserve.

The Budget Summary details the projected Water Operations Fund revenues and expenditures for 2023 and compares those revenues and expenditures with the estimate for year-end 2022.

WATER REVENUE - OPERATIONAL

Water Sales and Service Charges:

Water sales and service charges are the major sources of revenue for the District. These sales are the result of the District's normal meter reading and billing activities for all classes of water to all active service connections. The distribution of sales provides 34 percent as fixed sales allocated to the service charges on the basis of meter capacity and the remaining 66 percent being variable sales and allocated to the commodity charges. The District forecasts water sales and service charges at \$2,757,200.

Operational Revenue Related to the District's Groundwater Treatment Facility

The District owns and operates a groundwater treatment plant within the Main San Gabriel Basin for the removal of various contaminants. The United States EPA has identified this contaminated area of the Basin as BPOU and has named those parties that are potentially responsible, also known as the Cooperating Respondents, for the contamination in this area of the Basin. The construction and ongoing operating cost of the District's treatment plant is reimbursable per the BPOU Project Agreement entered into by the Cooperating Respondents, Main San Gabriel Basin Watermaster, San Gabriel Basin Water Quality Authority and the Water Entities; which the District is a party to. As detailed in the Proposed 2023 Budget for the District's Treatment Plant, the District anticipates the operation and maintenance expense for the Treatment Plant to be \$1,606,880, all of which will be reimbursed to the District by the Cooperating Respondents.

WATER REVENUE - NON-OPERATIONAL

Interest:

For calendar year 2023, District staff forecasts interest on Water Operations Fund related investments of \$35,000. The estimate is predicated on current interest rates.

Other Revenues:

This includes a total of \$321,100 from Property Taxes; \$317,902 for Fees related to the management of the PVOU SZ Treatment Facility, the BPOU Treatment Plant and the City of Industry Water Works System; \$1,567,480 from Service Fees related to labor reimbursement, \$41,000 from Rental Revenue, \$50,000 from Prop 84 Grant Funds, \$607,700 from funding agreements for the PVOU IZ Project.

WATER EXPENDITURES

Personnel (Salaries and Benefits):

In order to maintain high quality service within the District's service area, fulfill contractual obligations to manage and operate the City of Industry Waterworks System, continue the District's involvement in the PVOU IZ & SZ Project and operate the District's Groundwater Treatment Facility, a total of 17 full-time employees and 1 part-time employees will be needed.

(Field Operations) <u>Transmission</u>, <u>Distribution</u>, <u>Treatment and Supply</u> 11

(Office and Management) Customer Service and Administration 6

In calendar year 2023, the District will need a personnel compensation budget of \$1,699,000 for salaries and payroll taxes related to meeting the requirements of water distribution, water treatment & supply, customer service and administrative functions for the District, CIWS, BPOU Treatment Plant Operations and PVOU IZ & SZ.

Supply and Treatment:

Water Supply and Treatment make up the variable costs of the District. These costs are generally defined as the annual operating expense to purchase and lease imported water and pump local groundwater to satisfy customer service demand. Variable costs are sensitive to operating factors that are beyond the District's control. These factors include weather, new

construction, pricing or incentive programs offered by other agencies, cost of treatment chemicals and materials, energy costs and changes in efficiency of existing equipment. The budget amount can be considered as the best projection of annual costs based on an average weather, growth and consumption. For the calendar year 2023, the District will need a total of \$2,255,055 for the Supply and Treatment costs.

Other Operating Expenses:

These program costs make up a portion of the fixed operating or "overhead" costs required to maintain the District's plant sites and water distribution system (facilities). This includes costs for services, materials, vehicles and equipment for the repair, maintenance and operation of these facilities. For the calendar year 2023, the District will need a total of \$495,300 for Other Operating Expenses.

General and Administrative:

These program costs are "overhead" costs required to maintain District operations as they relate to customer service and administrative functions of the District. This includes costs for office supplies, office building maintenance, office equipment, customer billing, insurance, professional services, public outreach and conservation programs. For the calendar year 2023, the District will need a total of \$444,000 for General and Administrative costs.

CAPITAL IMPROVEMENTS AND CAPITAL OUTLAY

The District is committed to enhancing the condition of its water system through investments in capital improvement projects. These investments will ensure that the water system will deliver high quality water to its customers long into the future. These investments will also ensure that the District's personnel will have the necessary tools to carry out their functions. Capital Improvements and Outlay may include expenditures for construction of new permanent capital facilities, replacement of existing facilities, purchasing fixed assets for various programs in the District and capital purchases necessary to maintain the quality of operations in the District.

Table 2 below is a summary for Capital Improvement and Capital Outlay expenses that are necessary to maintain high quality service for District Customers:

Table 2: 2023 Capital Improvement Projects & Capital Outlay

Project	Description	Co	st
Fire Hydrant			
Replacements	Replace Inoperable Fire Hydrants as needed.	\$	38,500
_			
Other Field Equipment	Various field equipment needed	\$	15,000
other Freid Equipment	various field equipment needed	Ψ	15,000
Valve Replacements	Replace Inoperable Valves as Needed	\$	40,000
Service Line	Replace Aging Plastic and/or Galvanized	·	,
Replacements	Service Lines as Needed	\$	65,000
	Upgrades to an interconnection between the		
LP-CIWS Interconnection	CIWS and the District to assist with the		
(Ind. Hills)	delivery of PVOU IZ treated water.	\$	65,000
T1 . T . 1	Purchase new District truck to replace fully	Φ.	00.000
Fleet Trucks	depreciated service truck.	\$	80,000
	Assessment of current system and initiate		
SCADA Improvements	improvements to software and hardware	\$	40,000
	Construct a new pump station for the	Ψ	.0,000
	delivery of PVOU IZ treated water to		
	Suburban Water Systems and improvements		
Hudson Plant	to the District's existing pump station.		
Improvements	(2 yr. project)	\$	542,700
•	Complete design and begin construction of a		,
Groundwater Treatment	Nitrate treatment system at the District's		
System – Nitrate	groundwater treatment facility.		
Removal	(2yr. Project)	\$	954,355
	Construct New Recycled Waterlines and		
Recycled Water System	Pump Station for 12 Irrigations Customers.		
(Phase 1)	(2 yr. project)	\$	246,700
Well 2 Rehab	Well 2 Rehab. Full pump and motor rehab	\$	200,000
	Install a pressure sustaining/regulating valve		
Ferrero/Rorimer St.	on S Ferrero Lane. The hydraulic loop		
Project	capacities increase within the area.	\$	120,000

Total: \$ 2,407,255



Table 3
La Puente Valley County Water District
2023 Proposed Budget (Summary)

Water Dis	LPVCWD	TP	TOTAL	LPVCWD	TP	TOTAL	TOTAL
	2022 Adopted 20 Budget	022 Adopted Budget	2022 Adopted Budget	2023 Proposed Budget	2023 Proposed Budget	2023 Proposed Budget	Budget Variance 2023- 2022
Revenues							
Operational Rate Revenues	\$ 2,711,100 \$		\$ 2,711,100			\$ 2,757,200	
Operational Non-Rate Revenues	1,254,700	1,446,400	2,701,100	1,570,202	1,606,880	3,177,082	475,982
Non-Operational Revenues	376,000	-	376,000	404,600	-	404,600	28,600
Total Revenues	4,341,800	1,446,400	5,788,200	4,732,002	1,606,880	6,338,882	550,682
Expense							
Salaries & Benefits	1,963,400	319,800	2,283,200	2,313,520	324,480	2,638,000	354,800
Supply & Treatment	998,126	947,600	1,945,726	1,144,955	1,110,100	2,255,055	309,329
Other Operating Expenses	265,000	159,000	424,000	345,000	150,300	495,300	71,300
General & Administrative	419,000	20,000	439,000	444,000	22,000	466,000	27,000
Total Expense	3,645,526	1,446,400	5,091,926	4,247,475	1,606,880	5,854,355	762,429
Net Income from Operations	696,300	-	696,300	484,500	-	484,500	(211,700)
Less: Capital Expenses	(3,285,700)	-	(3,285,700)	(2,407,255)	-	(2,407,255)	878,445
Net Income After Capital	(2,589,400)	-	(2,589,400)	(1,922,755)	-	(1,922,755)	666,745
Capital Reimbursement (OU Projects)	658,300	-	658,300	607,700	-	607,700	(50,600)
Grant Proceeds	224,070	-	224,070	50,000	-	50,000	(174,070)
Loan Proceeds	-	=	-	-	-	-	-
Loan Payment (Interest & Principal)	(255,100)	-	(255,100)	(198,500)	-	(198,500)	56,600
Cyclic Storage Purchases						-	
Cyclic Purchase	(239,030)			(251,750)		(251,750)	
Prepaid Inventory Purchases				(100,000)		(100,000)	
Change in Cash	(2,201,160)	-	(1,962,130)	(1,815,305)	-	(1,815,305)	498,675
Contibuted Capital (Developer)	-	-	-	-	-	-	-
Add: Capital Assets (District-Funded)	2,327,400	-	2,327,400	1,749,555	-	1,749,555	(577,845)
Add: Debt Principal	117,200	-	117,200	120,600	-	120,600	3,400
Less: Loan Proceeds	-	-	-	-	-	-	-
Less: Depreciation Expense	(425,000)	(105,000)	(530,000)	(450,000)	(105,000)	(555,000)	(25,000)
Net Income (Loss)	\$ (181,560) \$	(105,000)	\$ (47,530)	\$ (395,150)	\$ (105,000)	\$ (500,150)	\$ (100,770)



Table 4
La Puente Valley County Water District
2023 Proposed Budget (Detail)

Water	2022	2022	2022	2023	2023-2022
	Adopted	Projected	Projected	Proposed	Budget
	Budget	Year-End	Variance	Budget	Variance
Operating Revenues (Rate)					
Water Sales	\$ 1,708,200	\$ 1,626,500	\$ (81,700)	1,667,200	\$ (41,000)
Service Charges	839,400	845,400	6,000	908,800	69,400
Surplus Sales	50,000	69,700	19,700	60,000	10,000
Customer Charges	40,000	42,100	2,100	40,000	-
Fire Service	73,000	75,100	2,100	80,700	7,700
Miscellaneous Income	500	1,600	1,100	500	
Total Operating Revenues (Rate)	2,711,100	2,660,400	(50,700)	2,757,200	46,100
Operating Revenues (Non-Rate)					
Management Fees	317,200	282,202	(34,998)	317,902	702
IPU Service Fees (Labor)	777,500	772,600	(4,900)	777,500	-
BPOU Service Fees (Labor)	319,800	323,700	3,900	324,480	4,680
PVOU IZ Service Fees (Labor)	150,000	180,000	30,000	307,500	157,500
PVOU SZ Service Fees (Labor)				158,000	
Other O&M Fees	10,000	9,300	(700)	9,300	(700)
Total Operating Revenues (Non-Rate)	1,574,500	1,567,802	(6,698)	1,894,682	162,182
Non-Operating Revenues					
Taxes & Assessments	320,000	320,000	-	321,100	1,100
Rental Revenue	40,000	40,500	500	41,000	1,000
Interest Revenue	10,000	24,000	14,000	35,000	25,000
Market Value Gain / (Loss)	-	-	-	-	-
Miscellaneous Income	6,000	9,553	3,553	7,500	1,500
Developer Fees	-	21,300	21,300	-	
Total Non-Operating Revenues	376,000	415,353	39,353	404,600	28,600
Total Revenues	 4,661,600	4,643,555	(18,045)	5,056,482	236,882
Supply & Treatment					
Purchased & Leased Water	398,826	398,299	(527)	495,655	96,829
Power	200,000	193,181	(6,819)	250,000	50,000
Assessments	333,300	328,700	(4,600)	333,300	-



Table 4
La Puente Valley County Water District
2023 Proposed Budget (Detail)

Water	2022 Adopted Budget	2022 Projected Year-End	2022 Projected Variance	2023 Proposed Budget	2023-2022 Budget Variance
Treatment	6,000	5,300	(700)	6,000	-
Well & Pump Maintenance	60,000	60,000	-	60,000	
Total Supply & Treatment	998,126	985,480	(12,646)	1,144,955	146,829
Salaries & Benefits					
Total District Wide Labor	1,350,000	1,380,000	30,000	1,577,000	227,000
Directors Fees & Benefits	115,000	76,300	(38,700)	115,000	-
Benefits	330,000	325,000	(5,000)	405,000	75,000
OPEB Payments	55,000	82,000	27,000	110,000	55,000
OPEB Trust Contributions	100,000	100,000	-	60,000	(40,000)
Payroll Taxes	106,700	110,400	3,700	122,000	15,300
CalPERS Retirement (Normal Costs)	158,000	124,000	(34,000)	184,000	26,000
CalPERS Unfunded Accrued Liability	68,500	72,578	4,078	65,000	
Total Salaries & Benefits	2,283,200	2,270,278	(12,922)	2,638,000	358,300
Labor Analysis (Informational):					
Labor Billing Revenues	(1,247,300)	(1,276,300)	(29,000)	(1,567,480)	(162,180)
District Labor Net Expenditures	1,035,900	993,978	(41,922)	1,070,520	196,120
Other Operating Expenses					
General Plant	35,000	35,000	-	60,000	25,000
Transmission & Distribution	80,000	80,000	-	120,000	40,000
Vehicles & Equipment	40,000	45,000	5,000	50,000	10,000
Field Support & Other Expenses	60,000	55,000	(5,000)	60,000	-
Regulatory Compliance	50,000	40,000	(10,000)	55,000	5,000
Total Other Operating Expenses	265,000	255,000	(10,000)	345,000	80,000
General & Administrative					
District Office Expenses	50,000	50,000	-	55,000	5,000
Customer Accounts	32,000	27,800	(4,200)	32,000	-
Insurance	82,000	80,000	(2,000)	82,000	-
Professional Services	115,000	73,500	(41,500)	160,000	45,000
Training & Certification	45,000	27,000	(18,000)	45,000	-
Public Outreach & Conservation	30,000	20,000	(10,000)	25,000	(5,000)
Other Administrative Expenses	65,000	35,000	(30,000)	45,000	(20,000)
Total General & Administrative	419,000	313,300	(105,700)	444,000	25,000
Total Expense	3,965,326	3,824,058	(141,268)	4,571,955	610,129
Net Income from Operations	696,274	819,497	123,223	484,527	(373,247)
Capital Expenses					
Nitrate Treatment System	(2,060,000)	(1,105,645)	954,355	(954,355)	1,105,645
Recycled Water System	(300,000)	(53,300)	246,700	(246,700)	53,300
Hudson Avenue Pumping Improvements	(552,700)	(10,000)	542,700	(542,700)	10,000
SCADA Improvements	(30,000)	(5,000)	25,000	(40,000)	(10,000)



Table 4 La Puente Valley County Water District 2023 Proposed Budget (Detail)

Water	2022 Adopted Budget	2022 Projected Year-End	2022 Projected Variance	2023 Proposed Budget	2023-2022 Budget Variance
Service Line Replacements	(45,000)	(25,000)	20,000	(65,000)	(20,000)
Valve Replacements	(25,000)	(20,000)	5,000	(40,000)	(15,000)
Meter Replacement / Reading Equipment	(25,000)	(1,800)	23,200		25,000
Fire Hydrant Repair/Replacements	(23,000)	(9,800)	13,200	(38,500)	(15,500)
LP CIWS Interconnection (Ind. Hills)	(65,000)	-	65,000	(65,000)	-
Well 2 Rehabilitation	-	-	-	(200,000)	(200,000)
Fleet Trucks	(150,000)	(120,000)	30,000	(80,000)	70,000
Other Field Equipment	(10,000)	-	10,000	(15,000)	(5,000)
Ferrero/Rorimer St. Project	-	-	-	(120,000)	(120,000)
Total Capital Expenses	(3,285,700)	(1,350,545)	1,935,155	(2,407,255)	878,445



Table 4
La Puente Valley County Water District
2023 Proposed Budget (Detail)

Vater	2022 Adopted Budget	2022 Projected Year-End	2022 Projected Variance	2023 Proposed Budget	2023-2022 Budget Variance
Net Income After Capital	(2,589,426)	(531,048)	2,058,378	(1,922,728)	505,198
Funding & Debt Payments					
Capital Reimbursement (OU Projects)	658,300	1,314	(656,986)	607,700	(50,600)
Grant Revenues	224,070	224,070		50,000	(174,070)
Loan Proceeds	-	-	-	-	-
Loan Issuance Costs	-	-	-	-	-
Loan Payment - Interest	(81,400)	(81,400)	-	(77,900)	3,500
Loan Payment - Principal	(173,700)	(173,700)	-	(120,600)	53,100
Cyclic Storage Purchases					-
Cyclic Purchase	(239,030)	(239,030)	-	(251,750)	(12,720)
Prepaid Inventory Purchases	-	-	=	(100,000)	(100,000)
Change in Cash	(2,201,186)	(799,794)	1,401,392	(1,815,278)	224,408
Contributed Capital	-	-	-	-	-
Add: Capitalized Assets (District-Funded)	2,327,400	1,350,545	(976,855)	1,749,555	(577,845)
Add: Debt Principal	117,200	173,700	56,500	120,600	3,400
Add: Cyclic Storage	239,030	239,030		251,750	
Add: Prepaid Inventory	-	-		100,000	
Less: Loan Proceeds	-	-	-	-	-
Less: Depreciation Expense	(425,000)	(425,000)	-	(450,000)	(25,000)
Pension Income / (Expense)	-	-	-	-	-
OPEB Income / (Expense)	-	-	-	-	-
Net Income / (Loss)	\$ 57,444 \$	538,481	\$ 481,037	\$ (43,373)	\$ (375,037)



Table 5
BPOU Treatment Plant
2023 Proposed Budget (Detail)

Total Operational Non-Rate Revenues 1,697,930 Salaries & Benefits	\$ 1,446,400 1,446,400	\$ 251,530		
Total Operational Non-Rate Revenues 1,697,930 Salaries & Benefits		\$ 251,530		
Salaries & Benefits	1,446,400		\$ 1,606,880	\$ 160,480
		251,530	1,606,880	160,480
DDOLLTD Labor */1)				
BPOU TP Labor *(1) 323,700	319,800	3,900	324,480	4,680
Total Salaries & Benefits 323,700	319,800	3,900	324,480	4,680
Supply & Treatment				
NDMA, 1,4-Dioxane Treatment 210,000	212,200	(2,200)	229,900	17,700
VOC Treatment 24,060	20,600	3,460	23,300	2,700
Perchlorate Treatment 533,007	389,000	144,007	437,800	48,800
Other Chemicals 35,000	57,300	(22,300)	67,900	10,600
Treatment Plant Power 325,000	220,500	104,500	303,200	82,700
Treatment Plant Maintenance 62,000	48,000	14,000	48,000	-
Well & Pump Maintenance 33,000	-	33,000	-	
Total Supply & Treatment 1,222,067	947,600	274,467	1,110,100	162,500
Other Operating Expenses				
Contract Labor -	20,000	(20,000)	20,000	-
General Plant 28,000	15,000	13,000	15,000	-
Vehicles & Equipment 13,000	13,000	-	14,300	1,300
Field Support & Other Expenses -	-	-	-	-
Regulatory Compliance 95,000	111,000	(16,000)	101,000	(10,000)
Total Other Operating Expenses 136,000	159,000	(23,000)	150,300	(8,700)
General & Administrative				
Add: Capital Assets (District-Funded) -	2,500	(2,500)	2,500	-
Insurance 8,500	10,000	(1,500)	12,000	2,000
Professional Services 7,663	7,500	163	7,500	
Total General & Administrative 16,163	20,000	(3,837)	22,000	2,000
Total Expense 1,697,930	1,446,400	251,530	1,606,880	160,480
Operational Net Income -	-	-	-	-
Capital Expenses N/A	-	-	-	-
Less: Total Capital Expenses -	-	-	-	-
Less: Depreciation Expense (105,000)	(105,000)	-	(105,000)	-
Net Income (Loss) \$ (105,000)	\$ (105,000)	\$ -	\$ (105,000)	\$ -

^{*(1)} The labor expense depicted here is the amount of labor billed to the BPOU in which the District recieves reimbursement which is shown on Table 1.5 in operational non-rate revenue (BPOU Service Fees).

La Puente Valley County Water District

Proposed Salary Schedule - To Be Effective January 1, 2023

			Proposed Salary Range					
Range	Position	Time		Begin		Mid		End
		Annual	\$	173,400	\$	197,653.29	\$	221,906.57
GM	General Manager	Month	\$	14,450	\$	16,471	\$	18,492
		Hour	\$	83.37	\$	95.03	\$	106.69
		Annual	\$	84,966	\$	117,812.60	\$	150,659.20
ОМ	Office Manager	Month	\$	7,081	\$	9,818	\$	12,555
		Hour	\$	40.85	\$	56.64	\$	72.43
	Operation and	Annual	\$	84,966	\$	116,651.75	\$	148,337.50
OMS	Maintenance	Month	\$	7,081	\$	9,721	\$	12,361
	Superintendent	Hour	\$	40.85	\$	56.08	\$	71.32
	Water Treatment &	Annual	\$	84,966	\$	116,651.75	\$	148,337.50
WTSS	Supply	Month	\$	7,081	\$	9,721	\$	12,361
	Superintendent	Hour	\$	40.85	\$	56.08	\$	71.32
	W . T	Annual	\$	75,999	\$	97,239.36	\$	118,479.72
WTS	Water Treatment &	Month	\$	6,333	\$	8,103	\$	9,873
	Supply Supervisor	Hour	\$	36.54	\$	46.75	\$	56.96
		Annual	\$	75,999	\$	97,239.36	\$	118,479.72
WDS	Water Distribution	Month	\$	6,333	\$	8,103	\$	9,873
	Supervisor	Hour	\$	36.54	\$	46.75	\$	56.96
	Lead Water System	Annual	\$	65,752	\$	82,143.89	\$	98,535.77
LWT	Operator	Month	\$	5,479	\$	6,845	\$	8,211
	(Treatment)	Hour	\$	31.61	\$	39.49	\$	47.37
	Lead Water System	Annual	\$	65,752	\$	82,143.89	\$	98,535.77
LWD	Operator	Month	\$	5,479	\$	6,845	\$	8,211
	(Distribution)	Hour	\$	31.61	\$	39.49	\$	47.37
		Annual	\$	61,483	\$	75,126.61	\$	88,770.21
WSOII	Water System	Month	\$	5,124	\$	6,261	\$	7,398
	Operator II	Hour	\$	29.56	\$	36.12	\$	42.68
		Annual	\$	56,359	\$	66,936.40	\$	77,513.79
WSOI	Water System Operator I	Month	\$	4,697	\$	5,578	\$	6,459
	Operator i	Hour	\$	27.10	\$	32.18	\$	37.27
	Water System	Annual	\$	50,382	\$	59,813.05	\$	69,244.10
WMW	Maintenance	Month	\$	4,199	\$	4,984	\$	5,770
	Worker	Hour	\$	24.22	\$	28.76	\$	33.29
	Lead Customer	Annual	\$	53,798	\$	70,707.76	\$	87,617.51
LCSA	Support &	Month	\$	4,483	\$	5,892	\$	7,301
	Accounting Clerk	Hour	\$	25.86	\$	33.99	\$	42.12
	Custom - Comment 2	Annual	\$	48,673	\$	62,553.09	\$	76,433.17
CSAII	Customer Support & Accounting Clerk II	Month	\$	4,056	\$	5,213	\$	6,369
	Accounting Clerk II	Hour	\$	23.40	\$	30.07	\$	36.75
	0	Annual	\$	38,854	\$	53,034.96	\$	67,215.92
CSAI	Customer Support &	Month	\$	3,238	\$	4,420	\$	5,601
	Accounting Clerk I	Hour	\$	18.68	\$	25.50	\$	32.32

STAFF REPORT



Meeting Date: December 12, 2022

To: Honorable Board of Directors

Subject: Consideration of Change Order No. 1 From W.A. Rasic Construction for

Construction of the Nitrate Treatment System Project.

Purpose - Authorize a change order for additional work to construct a peroxide

containment system and fence relocation for the Nitrate Treatment

System being installed at the District's Treatment Facility.

Recommendation - Authorize the General Manager to approve Change Order No. 1 to the

construction contract with W.A. Rasic Construction (Rasic) to construct a peroxide containment system and fence relocation for the

Nitrate Treatment System for an amount of \$41,953.

Fiscal Impact - The District's 2022 Capital Improvement Budget appropriates

\$2,060,000 for the Nitrate Treatment, of which \$1,063,691.92 has been expended to date. The cost of \$41,953 for the additional work proposed by W.A. Rasic is within the budget for this capital improvement project and is also within the authorized contingency amount of \$149,962.50

of the construction contract.

Previous Board Action - November 2021 – Board awarded a contract to Rasic for the

construction of the Nitrate Treatment System and authorized the General Manager to enter into a construction contract with W.A. Rasic in the amount of \$999,750.00. In addition, authorized a contingency

amount of \$149,962.50 for the construction contract.

Background

In November 2021, the Board of Directors awarded a contract to Rasic for the construction of the Nitrate Treatment System and authorized the General Manager to enter into a construction contract with W.A. Rasic in the amount of \$999,750.00. The overall scope of work consists of the following:

- Task 1 Complying with all relevant regulations and requirements and obtaining construction permits as applicable from City of Baldwin Park;
- Task 2 Onsite relocation, handling, installation, and anchoring of the Owner-procured treatment system equipment, including the following:
 - Three ion exchange nitrate removal vessels already delivered and stored at the Facility;
 - o Two water softener vessels already delivered and stored at the Facility;
 - One bulk brine maker tank already delivered and stored at the Facility;

- One brine day tank already delivered and stored at the Facility; and
- Two brine regeneration pumps already delivered and stored at the Facility.
- Task 3 Furnishing and installation of process piping for interconnecting the Owner-procured treatment system equipment;
- Task 4 Furnishing and installation of process piping to connect the nitrate treatment system to the BPOU treatments system, downstream SPIX, and upstream AOP systems;
- Task 5 Furnishing and installation of waste brine discharge system, including the associated tank, pumps, and piping to discharge to the onsite industrial wastewater pipeline;
- Task 6 Relocating the existing hydrogen peroxide storage tank and injection pump skid, including furnishing and installation of one of the hydrogen peroxide injection pumps and its ancillary components, furnishing, and installation of an inline static mixer Model Westfall 2800 mixer and injection quill combo unit, or approved equal.
- Task 7 Furnishing and installation of all pipe supports, mounting features, anchor bolts, including for the Owner-procured equipment;
- Task 8 Removal and handling sections of existing building and/or fencing as necessary to perform the work and reinstallation to previous conditions;
- Task 9 Leak testing, flushing, chlorinating, and dechlorinating the treatment system equipment and piping (water for leak testing and startup/commissioning will be provided by LPVCWD);
- Task 10 Startup testing, commissioning, troubleshooting, and operator training;
- Task 11 Tie in of process water pipeline to existing treatment system per design drawings and tie in of wastewater pipeline to existing wastewater discharge pipe per design drawings, assume up to 5,000 gallons dewatering at tie-ins; and
- Task 12 Performance of general inspection procedures and development of training plans, operation and maintenance manuals, and record as-built drawings;

W.A. Rasic has either fully or partially completed Task 1-8. However, during the process of preparing for Task 6 (peroxide relocation), Staff identified that the new peroxide tank location would need to be double-contained and coated to meet spill containment requirements.

Summary

As a result of the additional work to construct and coat a double containment area for the new hydrogen peroxide storage tank, W.A. Rasic submitted a change order request for additional funds necessary to complete the work. Outlined below is the change order (Enclosure 1) request for the work:

	Total Change Order Request	\$41,953.00
	Chemical containment area and fence relocation	\$41,953.00
•	Work Item Description	Price

Fiscal Impact

The District's 2022 Capital Improvement Budget appropriates \$2,060,000 for the Nitrate Treatment, of which \$1,063,691.92 has been expended to date. The cost of \$41,953 for the additional work proposed by W.A. Rasic is within the budget for this capital improvement project and is also within the authorized contingency amount of \$149,962.50 of the construction contract.

Recommendation

Staff recommends that the Board authorize the General Manager to approve Change Order No. 1 to the construction contract with W.A. Rasic Construction to construct a peroxide containment system and fence relocation for the Nitrate Treatment System for an amount of \$41,953.

Respectfully Submitted,

Roy Frausto

General Manager

Enclosure(s)

- Change Order No. 1 Request from W.A. Rasic Construction



November 30, 2022

La Puente Valley County Water District 112 N 1st St. La Puente, CA 91744

Attention: Roy Frausto

Reference: Baldwin Park Nitrate Treatment Plant

Change Order Request – Peroxide Treatment

Dear Mr. Frausto,

W. A. Rasic Construction Company, Inc. ("W. A. Rasic") has received your request for pricing for the additional work for a peroxide system containment and shelter for the Nitrate Treatment system being installed at your Baldwin Park facility. After reviewing the plans and requirements we are pleased to provide you with the following proposal for the work:

Work Item Description	Price
Chemical containment area and fence relocation	\$41,953.00
Chemical containment area shade structure	Not Included
Total	\$41,953.00

Please let us know if you have any questions or concerns.

Sincerely, W.A. Rasic Construction Company, Inc.	If this Change Order Proposal is acceptable to you please acknowledge below.
Shane K. Sato	Accepted By Signature
Division Manager	Name
	Title
	Date

Memo

To: Honorable Board of Directors

From: Paul Zampiello, Operations & Maintenance Superintendent

Date: December 12, 2022

Re: Monthly Operations & Maintenance Superintendent's Report



The following report summarizes LPVCWD, IPU Waterworks, BPOU, and PVOU operational and compliance activities of November and since the last report to the Board. The report also includes the status of various projects for each system.

DISTRIBUTION, SUPPLY AND PRODUCTION

- Monthly Water Production Summary Total production from the LPVCWD Wellfield for the month
 of November was 320.29 AF, of which 203.16 AF was delivered to Suburban Water Systems. IPU
 Waterworks Well No. 5 produced a total of 151.65 AF in the month of November. The November
 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.

	Stat	tic Water Le	evel (Ft)	Pumpi	ng Water	Level (Ft)			
Well	2021	2022	Difference Current - 2021 (%)	2021	2022	Difference Current - 2021 (%)	Drawdown (Ft)	Current GPM Pumping Rate	Specific Capacity (GPM/Ft)
LPVCWD 2	162	166	-2.5%	201	194	3.5%	28	1,014	36.2
LPVCWD 3	161	168	-4.3%	169	175	-3.6%	7	983	140.4
LPVCWD 5	149	155	-4.0%	169	176	-4.1%	21	1,392	66.3
COI 5	110	115	-4.5%	151	163	-7.9%	48	1,144	23.8

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

LPVCWD Monthly Water Consumption

Month	2013	2022	Difference Current-2013 (%)	Accumulative Difference (%)
June	185.13	143.96	-22.2%	-22.2%
July	204.48	154.20	-24.6%	-23.4%
August	201.38	161.76	-19.7%	-22.2%
September	187.60	144.15	-23.2%	-22.4%
October	172.74	135.34	-21.7%	-22.3%
November	139.24	112.27	-19.4%	-21.8%

IPU Waterworks Monthly Water Consumption

Month	2013	2022	Difference Current-2013 (%)	Accumulative Difference (%)
June	152.60	107.76	-29.4%	-29.4%
July	141.36	123.21	-12.8%	-21.1%
August	153.97	124.26	-19.3%	-20.5%
September	151.67	111.51	-26.5%	-22.0%
October	137.26	103.19	-24.8%	-22.6%
November	110.83	89.33	-19.4%	-22.0%

CAPITAL/OTHER PROJECTS

1. LPVCWD Recycled Water Project

Staff worked with the District's electrician to energize the pump station and performed an electrical check. Staff is currently working to coordinate with Rowland Water District and the City of Industry and energizing the pipeline and will be scheduling startup testing with the pump manufacturing manufacturer in early January.

2. LPVCWD PVOU IZ Project and SZ-South Project

- Staff has continued conducting bi-weekly project meetings with RC Foster to discuss the
 plant startup. Also, District staff continued to perform preventative maintenance activities
 and operational testing for the new PVOU-IZ treatment plant.
- RC Foster crews are working to finalize all onsite construction for the PVOU-IZ
 Treatment Plant. Recent construction activities have included the installation of the

- North Hudson Ave Entrance Gate, and crews worked on labeling process and flow directions.
- RC Foster has continued onsite construction for the new PVOU-SZ Treatment Plant.
 Recent construction activities have included the continued work on Electricians working
 on wiring at well sites, continuing work on installation of controller for South Hudson
 Ave gate, installation of gravity drainage piping to sumps, pulling wire between control
 on-site control cabinets
- 3. Distribution Leak Repairs & Maintenance Field staff has performed various replacements and leak repairs to the water distribution systems in November. They have repaired and replaced: 3 water service lines, 14 meter replacements, 2 curb stop valves, 1 air release assembly, and replacement of one fire hydrant.
- 4. Equipment Training Staff attended a two-hour training and demonstration of a new service line tapping machine. Staff is also in the process of procuring quotes to purchase a new service tapping machine that will help improve water service lines' installation in the distribution system.

DEVELOPMENT PROJECTS

- 1. LPVCWD New Development Project at 658 Del Valle Avenue The project consists of three new one-story single-family homes. Staff recently completed the installation of the three new 1-inch water service lines supporting the housing development at 658 Del Valle Avenue.
- 2. LPVCWD New ADU Project at 147 Stimson Avenue The project consists of one Accessory Dwelling Unit (ADU), a secondary dwelling on a property with a primary residence and has complete living facilities for one or more persons. Staff received the deposit for the project's new water service line and meter. Staff are currently procuring the parts and materials necessary for the installation and will construct the new water services in the coming weeks.
- 3. LPVCWD New 34-Unit Mix-Used Apartment Building at 15861 Main Street Staff has received a request for new water services related to a development project at 15861 Main St. The project is the new construction of a 34-unit mix-used apartment building at the corner of Main Street and 2nd Street. Staff has met with the Developer and provided them with the necessary information to develop a utility site plan and request service quantity. Staff is awaiting the submittal of the new water service request and information. Once received, Staff will review the submittal and provide the Developer with a cost estimate and water capacity fee letter.

La Puente Valley County Water District

PRODUCTION REPORT - NOVEMBER 2022

LPVCWD PRODUCTION	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 YTD	2021
Well No. 2	134.64	111.29	70.40	104.59	112.79	109.80	112.47	124.50	136.36	132.55	135.19		1284.58	478.27
Well No. 3	0.05	0.00	0.00	0.00	4.43	3.83	4.35	3.22	4.84	4.44	0.00		25.16	52.72
Well No. 5	188.55	171.84	212.26	198.45	210.83	198.34	207.20	201.42	174.93	179.69	185.10		2128.61	3199.50
Interconnections to LPVCWD	2.25	1.06	2.27	1.43	2.38	1.70	2.27	2.57	2.53	2.26	2.19		22.91	27.45
<u>Subtotal</u>	325.50	<u>284.19</u>	<u>284.93</u>	<u>304.47</u>	330.42	<u>313.67</u>	<u>326.29</u>	<u>331.71</u>	<u>318.67</u>	<u>318.94</u>	322.48	<u>0.00</u>	<u>3461.26</u>	3757.93
Interconnections to SWS	214.56	171.73	152.77	181.60	187.68	168.35	172.03	169.91	170.17	177.51	203.16		1969.47	2119.58
Interconnections to COI	2.98	0.51	3.01	1.86	2.38	1.36	0.06	0.04	4.35	6.08	7.04		29.67	32.46
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		0.00	0.00
<u>Subtotal</u>	217.54	<u>172.24</u>	<u>155.78</u>	<u>183.46</u>	<u>190.06</u>	<u>169.71</u>	<u>172.09</u>	<u>169.95</u>	<u>174.52</u>	<u>183.59</u>	210.20	0.00	<u>1999.14</u>	2152.04
Total Production for LPVCWD	107.95	<u>111.95</u>	<u>129.15</u>	<u>121.02</u>	<u>140.36</u>	<u>143.96</u>	<u>154.20</u>	<u>161.76</u>	<u>144.15</u>	<u>135.34</u>	<u>112.27</u>	<u>0.00</u>	<u>1462.12</u>	1605.90
CIWS PRODUCTION														
COI Well No. 5 To SGVWC B5	188.24	172.46	169.47	152.15	165.19	150.81	173.08	164.27	157.49	156.03	151.65		1800.84	2157.37
Interconnections to CIWS														
SGVWC Salt Lake Ave	0.85	0.39	0.43	0.43	0.57	0.54	0.82	0.67	0.49	0.41	0.36		5.96	6.55
SGVWC Lomitas Ave	79.69	85.98	98.81	98.75	109.99	107.55	124.59	126.12	109.18	98.96	84.12		1123.74	1268.21
SGVWC Workman Mill Rd	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.00	0.02	0.00	0.00		0.04	0.02
Interconnections from LPVCWD	2.98	0.51	3.01	1.86	2.38	1.36	0.06	0.04	4.35	6.08	7.04		29.67	32.46
Subtotal	83.52	86.88	102.25	101.04	112.94	109.46	125.48	126.83	114.04	105.45	91.52	0.00	1159.41	1307.24
												<u>0.00</u>		
Interconnections to LPVCWD	2.25	1.06	2.27	1.43	2.38	1.70	2.27	2.57	2.53	2.26	2.19		22.91	27.45
Total Production for CIWS	<u>81.27</u>	<u>85.82</u>	<u>99.98</u>	<u>99.61</u>	<u>110.56</u>	<u>107.76</u>	<u>123.21</u>	<u>124.26</u>	<u>111.51</u>	<u>103.19</u>	<u>89.33</u>	<u>0.00</u>	<u>1136.50</u>	1279.79

Memo

To: Honorable Board of Directors

From: Cesar A. Ortiz, Water Treatment & Supply Superintendent

Date: December 12, 2022

Re: Monthly Water Treatment & Supply Superintendent Report



The following report summarizes LPVCWD, IPU Waterworks System, BPOU and PVOU-IZ 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.

WATER QUALITY / COMPLIANCE

- **Distribution System Monitoring** District Staff collected all required water quality samples from both distribution systems for the month; approximately **63** samples were collected. All results met State and Federal drinking water quality regulations.
- Treatment Monitoring & Compliance All water quality compliance samples were collected from all the treatment processes and plant effluent, as required. Approximately 187 samples were collected.
- **Source Monitoring** All water quality samples were collected from all the Wells, as required. Approximately **22** samples were collected. The table below summarizes LPVCWD Wells' current water quality for constituents of concern.

Well Sampled	СТС	TCE	PCE	Perchlorate	1,4- Dioxane	NDMA	Nitrate
	MC L= 6 ppb	MCL=5 ppb	MCL=5 ppb	MCL=6 ppb	NL = 1 ppb	NL=10 ppt	MCL=10 ppm
LPVCWD 2	1.5	28	1.4	19	0.56	25	5.6
LPVCWD 3	NS	NS	NS	NS	NS	NS	NS
LPVCWD 5	ND	4.3	ND	12	0.14	3.9	7.1

ND – None Detected NS – Not Sampled

• The Bi-monthly Nitrate Concentrations for SP-6 and SP-10 are provided as *Attachment 1*.

OPERATIONAL UPDATES & PROJECTS

- 1) We have a Resin Change Out on one vessel scheduled for the week of December 12th and a Carbon Change Out for both vessels scheduled for the week of December 19th.
- 2) BPOU Treatment Plant Nitrate Project is still under construction. Daily and weekly site visits and meetings with WARasic, Hunter Electric Service, SoCal Scada and LPVCWD Staff were conducted and continue being completed.
- 3) BPOU Treatment Plant Repairs & Maintenance Staff has performed various weekly chemical calibrations, monthly analyzer cleanings and calibrations, SPIX pre-filter change-outs, daily treatment plant rounds and monthly reporting.
- 4) PVOU-IZ Treatment Plant Staff continues to train and participating in maintenance and operations activities at the plant site and at the off-site wells. Staff has also begun acquiring spare parts for inventory and tools and supplies for maintenance.
- 5) PVOU-SZ Treatment Plant Under Construction, larger equipment and process equipment has been delivered and is in the process of being installed, along with connecting piping, bracing and supports. Waiting for Chemical tanks to be delivered.
- 6) IPUWS Well No. 5 follow up The Well is running and supplying water to SGVWC's B-5 facility in Hand operation, under the request of SGVWC. All electrical repairs have been completed. In order to return the control of the well to Auto, control issues found in the Tesco panel need to be addressed. Currently, Tesco has been on site to complete repairs on their side and continue to troubleshoot on their end.

SP-6 and SP-10 Nitrate Concentrations EPA Method 353.2 MCL = 10 mg/L

Nitrate Concentrations October / November					
Date	SP-6	SP-10	Well(s)	Comments	
10/3/2022	7.7	7.8	2 & 5	Weck Lab (353.2)	
10/6/2022	7.0	7.0	2 & 5	Weck Lab (353.2)	
10/10/2022	7.2	7.2	2 & 5	Weck Lab (353.2)	
10/13/2022	7.5	7.5	2 & 5	Weck Lab (353.2)	
10/17/2022	7.7	7.7	2 & 5	Weck Lab (353.2)	
10/20/2022	7.4	7.4	2 & 5	Weck Lab (353.2)	
10/24/2022	7.5	7.5	2 & 5	Weck Lab (353.2)	
11/1/2022	7.2	6.5	2 & 5	Weck Lab (353.2)	
11/4/2022	7.7	7.8	2 & 5	Weck Lab (353.2)	
11/7/2022	7.8	7.8	2 & 5	Weck Lab (353.2)	
11/10/2022	7.8	7.8	2 & 5	Weck Lab (353.2)	
11/14/2022	7.8	7.8	2 & 5	Weck Lab (353.2)	
11/17/2022	7.9	7.9	2 & 5	Weck Lab (353.2)	
11/23/2022	7.7	7.7	2 & 5	Weck Lab (353.2)	

AVERAGE	7.6	7.5
MINIMUM	7.0	6.5
MAXIMUM	7.9	7.9

Notes:

All units reported in milligrams per Liter (mg/L)

MCL = Maximum Contaminent Level



112 N. First St. La Puente, Ca 91744

Attachment 1

President's Special Recognition Award

The President of the

ACWA JPIA

hereby gives Special Recognition to

La Puente Valley County Water District

for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums" in the Workers' Compensation Program for the period 07/01/2018 - 06/30/2021 announced at the Board of Directors' Meeting in Indian Wells.

Miles Medarald

Melody McDonald, President



November 28, 2022







DECEMBER 7, 2022

REPORT OF THE WATERMASTER ENGINEER ON HYDROLOGIC CONDITIONS

¥ Baldwin Park Key Well (see attached graph)

- Located in the central portion of the San Gabriel Valley within the City of Baldwin Park and used as a general indication of water elevations throughout the San Gabriel Valley
- ➤ One vertical foot is equivalent to about 8,000 acre-feet of groundwater in the Main Basin
- ➤ On October 28, 2022, the Baldwin Park Key Well groundwater elevation was 177.2 feet.
- On November 28, 2022, the Baldwin Park Key Well groundwater elevation was 179.7 feet, no change from the prior week. The historic low was 169.4 feet on November 21, 2018.
 - An increase of about 3.0 feet from the prior month.
 - ❖ About 3 feet lower than one year ago (represents 24,000 acre-feet). Includes an estimated 130,000 acre-feet of untreated imported water in cyclic storage accounts, which represents about 14 feet of groundwater elevation at the Key Well.
 - Producer Cyclic Storage 53,000 AF
 - MWD Cyclic Storage (for UD RDA delivery) 49,000 AF
 - Other Cyclic Storage 28,000 AF

♣ Rainfall (see attached graphs)

- > Data are readily available on a daily basis and are indicative of comparative amount of rainfall in the San Gabriel Valley (percent of average)
- > Puddingstone Dam as of November 28, 2022
 - ❖ Average rainfall from July 1st through November 30th of each year is 2.60 inches
 - ❖ Rainfall during July 1, 2022 through November 28, 2022 is 3.66 inches, which is 141 percent of average.
 - Rainfall during July 1, 2021 through June 30, 2022 was 11.42 inches, which was 63 percent of average.
- ➤ Los Angeles Civic Center as of November 28, 2022
 - ❖ Average rainfall from July 1st through November 30th of each year is 1.99 inches
 - ❖ Rainfall during July 1, 2022 through November 28, 2022 is 2.37 inches, which is 119 percent of average.
 - ❖ Rainfall during July 1, 2021 through June 30, 2022 was 12.40 inches, which was 82 percent of average.

Report of the Watermaster Engineer on Hydrologic Conditions – December 7, 2022 (continued)

♣ Reservoir Storage and Releases

- > There are three dams and reservoirs located along the San Gabriel River above San Gabriel Canyon. Their primary function is for flood control and also used to store watershed runoff for subsequent groundwater replenishment.
 - Cogswell Reservoir is located highest in the watershed and has a maximum storage capacity of 10,475 acre-feet
 - San Gabriel Reservoir is located downstream of and receives releases from Cogswell Reservoir, and has a maximum storage capacity of 44,044 acrefeet
 - Morris Reservoir is located downstream of and receives releases from San Gabriel Reservoir, and has a maximum storage capacity of 28,736 acrefeet. Releases from Morris Reservoir and San Gabriel Reservoir are used at local surface water treatment plants and used for groundwater replenishment
 - Total storage capacity is 83,255 acre-feet
 - The combined minimum pool behind Cogswell, San Gabriel and Morris Reservoirs is about 10,500 acre-feet.
 - Combined storage as of November 29, 2022 was 14,574 acre-feet (about 18 percent of capacity).
 - San Gabriel Reservoir inflow was 17 cfs and release was 0 cfs as of November 29, 2022.
 - ❖ Morris Reservoir inflow was 1 cfs and release was 15 cfs as of November 29, 2022. All of the release was diverted from the San Gabriel River at the Azusa Duarte intake for use by Committee of Nine.

↓ Untreated Imported Water Deliveries

> Upper District

- ❖ USG-3 is located in San Gabriel Canyon just below Morris Dam, it represents Upper District's primary point of delivery of untreated imported water for groundwater replenishment to the San Gabriel Valley. The typical delivery rate is about 190 cfs (or about 375 acre-feet per day).
- ❖ During October 2022, Upper District delivered 14,708 acre-feet through USG-3. From this total amount delivered, there was an over delivery of 13 acre-feet which will go into MWD's Cyclic Storage account. Deliveries began on October 3, 2022 at a flow rate of about 290 cfs. Deliveries ended on October 31, 2022.
- During November 2022, Upper District did not make deliveries through USG-3.

> Three Valleys District

- During October 2022, Three Valleys District delivered 10 acre-feet through PM-26.
- During November 2022, Three Valleys District plans to deliver about 200 acre-feet through PM-26.
- During October 2022, Three Valleys District did not make deliveries through USG-3 and to the San Gabriel Canyon.

Report of the Watermaster Engineer on Hydrologic Conditions – December 7, 2022 (continued)

During November 2022, Three Valleys District does not plan to make deliveries through USG-3 and to the San Gabriel Canyon

> San Gabriel District

- During October 2022, San Gabriel District delivered 257 acre-feet to the San Gabriel Canyon.
- During October 2022, San Gabriel District did not make deliveries to the San Gabriel River.
- During November 2022, San Gabriel District plans to deliver about 600 acre-feet to the San Gabriel Canyon.
- During November 2022 San Gabriel District does not plan to make deliveries to the San Gabriel River.

Landfill Report

- Watermaster staff toured the following landfills during the month of November 2022:
 - * Azusa Land Reclamation
 - · Peck Road
- > During the tour, Watermaster staff found that each landfill appeared to operate consistent with the conditions under each landfill's permit.

Water Quality

- ➤ Water systems are required by the Division of Drinking Water (DDW) to collect water quality data from source wells and provide the results to DDW pursuant to Title 22 (Water quality data collected through Main San Gabriel Basin Watermaster's Basinwide Groundwater Quality Monitoring Program)
 - During November 2022, 61 wells were sampled under Title 22
 - During October 2022, 58 wells were sampled under Title 22
 - During October 2022, Stetson Engineers Inc. received no public notice of wells shut down due to contamination.
- DDW announced it will be considering hexavalent chromium Maximum Contaminant Level (MCL) of 10 part per billion (ppb) with a notice of a public workshop to present information and solicit public input regarding the proposed administrative draft of the hexavalent chromium MCL.
 - ❖ DDW is proposing a compliance schedule based on system size:
 - Systems with more than 10,000 service connections would be required to comply with the MCL within 2 years of rule adoption.
 - Systems with 1,000 to 10,000 service connections would be required to comply with the MCL within 3 years of rule adoption.
 - Systems with less than 1,000 service connections would be required to comply with the MCL within 4 years of rule adoption.

Report of the Watermaster Engineer on Hydrologic Conditions – December 7, 2022 (continued)

- DDW announced, it has initiated the process of developing revised notification level (NL) and reporting level (RL) for manganese. The current NL for manganese is 500 ppb and the secondary MCL for manganese is 50 ppb. DDW indicated additional notice will be provided when the proposed revisions are available.
 - Manganese is a secondary standard and is sampled by the Producer as part of the triennial General Mineral / General Physicals (GM/GP) sampling. Watermaster does not sample for manganese.
- > DDW has issued the notification level (NL) for perfluorohexane sulfonic acid (PFHxS) at 3 parts per trillion (ppt) and the response level at 20 ppt under the recommendation by The Office of Environmental Health Hazard Assessment (OEHHA).
 - Detections of PFHxS above 2 ppt have been found in the Main San Gabriel Basin.
- United States Environmental Protection Agency (EPA) has updated Health Advisories on Per- and Polyfluroalkyl Substances (PFAS).
 - Interim Health Advisories
 - o Perfluorooctanoic Acid (PFOA)
 - o Perfluorooctane sulfonate (PFOS)
 - Final Health Advisories
 - o GenX chemicals (PFOA replacement)
 - o Perfluorobutane sulfonic acid (PFBS) (PFOS replacement)
 - For PFOA and PFOS, some negative health effects may occur at concentrations that are near zero and below our ability to detect at this time.
 - The lower the level of these chemicals in drinking water, the lower the risk to public health.
 - PFOA Health Advisory Value 0.004 ppt (Interim), Minimum Reporting Level – 4 ppt
 - PFOS Health Advisory Value 0.02 ppt (Interim), Minimum Reporting Level – 4 ppt
 - GenX Chemicals Health Advisory Value 10 ppt (Final),
 Minimum Reporting Level 5 ppt
 - PFBS Health Advisory Value 2,000 ppt (Final), Minimum Reporting Level – 3 ppt

