



AGENDA

**REGULAR MEETING OF THE BOARD OF DIRECTORS
LA PUENTE VALLEY COUNTY WATER DISTRICT
112 N. FIRST STREET, LA PUENTE, CALIFORNIA
MONDAY, MARCH 27, 2023, AT 4:30 PM**

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL OF BOARD OF DIRECTORS

President Hernandez____ Vice President Rojas____ Director Argudo____

Director Barajas____ Director Escalera____

4. PUBLIC COMMENT

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

5. ADOPTION OF AGENDA

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

6. APPROVAL OF CONSENT CALENDAR

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

- A. Approval of Minutes of the Regular Meeting of the Board of Directors held on March 13, 2023.

7. FINANCIAL REPORTS

- A. Summary of the District's Cash and Investments as of February 28, 2023.

Recommendation: Receive and File.

- B. Statement of District's Revenue and Expenses as of February 28, 2023.

Recommendation: Receive and File.

- C. Statement of the Industry Public Utilities Water Operations Revenue and Expenses as of February 28, 2023.

Recommendation: Receive and File.

8. ACTION / DISCUSSION ITEMS

- A. Consideration of Increase in the Board of Directors' Per Day of Service Compensation.

Recommendation: Board Discretion

- B. Consideration of Lease of Main San Gabriel Basin Production Rights from Canyon Water Company.

Recommendation: Authorize the General Manager to Lease 615 Acre-Feet of 22-23 Main San Gabriel Basin Water Production Rights from Canyon Water Company.

- C. Consideration of Lease of Main San Gabriel Basin Production Rights from Sieglinde A. Tate.

Recommendation: Authorize the General Manager to Lease 43.89 Acre-Feet of 22-23 Main San Gabriel Basin Water Production Rights from Sieglinde A. Tate.

- D. Consideration of Job Description and Salary Range for the Customer Service & Accounting Supervisor Position.

Recommendation: Approve the Proposed Job Description and Salary Range for the Customer Service & Accounting Supervisor Position.

9. GENERAL MANAGER'S REPORT

10. OTHER ITEMS

- A. Upcoming Events.
B. Information Items.

11. ATTORNEY'S COMMENTS

12. BOARD MEMBER COMMENTS

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

13. FUTURE AGENDA ITEMS

14. ADJOURNMENT

POSTED: Friday, March 24, 2023

President Henry P. Hernandez, Presiding.

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

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



Item 6 Consent Calendar



**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
LA PUENTE VALLEY COUNTY WATER DISTRICT
FOR MONDAY, MARCH 13, 2023, AT 5:30 PM**

1. CALL TO ORDER

President Hernandez called the meeting to order at 5:31 p.m.

2. PLEDGE OF ALLEGIANCE

President Hernandez led the meeting in the Pledge of Allegiance.

3. ROLL CALL OF THE BOARD OF DIRECTORS

| President Hernandez | Vice President Rojas | Director Argudo | Director Barajas | Director Escalera |
|----------------------------|-----------------------------|------------------------|-------------------------|--------------------------|
| Present | Present | Absent | Absent | Present |

OTHERS PRESENT

Staff and Counsel: General Manager & Board Secretary, Roy Frausto; Lead Customer Service & Accounting Clerk, Shaunte Maldonado; Customer Support & Accounting Clerk II, Vanessa Koyama; Operations & Maintenance Superintendent, Paul Zampiello; Water Treatment & Supply Superintendent, Cesar Ortiz; and District Counsel, James Ciampa all present.

Public: No members of the public were present.

4. PUBLIC COMMENTS

No comments from the Public.

5. ADOPTION OF AGENDA

Motion: Adopt Agenda as Presented.

1st: Vice President Rojas

2nd: President Hernandez

| | President Hernandez | Vice President Rojas | Director Argudo | Director Barajas | Director Escalera |
|-------------|----------------------------|-----------------------------|------------------------|-------------------------|--------------------------|
| Vote | Yes | Yes | Absent | Absent | Yes |

Motion carried by a vote of: 3 Yes, 0 No, 0 Abstain, 2 Absent

6. APPROVAL OF CONSENT CALENDAR

Motion: Approve Consent Calendar as Presented.

1st: Vice President Rojas

2nd: President Hernandez

| | President Hernandez | Vice President Rojas | Director Argudo | Director Barajas | Director Escalera |
|-------------|----------------------------|-----------------------------|------------------------|-------------------------|--------------------------|
| Vote | Yes | Yes | Absent | Absent | Yes |

Motion carried by a vote of: 3 Yes, 0 No, 0 Abstain, 2 Absent.

7. ACTION / DISCUSSION ITEMS

A. Discussion/Action Regarding Nomination for ACWA Joint Powers Authority Executive Committee.

Mr. Frausto discussed supporting the nomination of Sue Peng to the ACWA Joint Powers Authority Executive Committee.

Recommendation: Approve nomination of Sue Peng to the ACWA Joint Powers Authority Executive Committee Resolution 294.

Roll call only per Mr. Ciampa

| | President Hernandez | Vice President Rojas | Director Argudo | Director Barajas | Director Escalera |
|-------------|----------------------------|-----------------------------|------------------------|-------------------------|--------------------------|
| Vote | Yes | Yes | Absent | Absent | Yes |

B. Consideration of Resolution 295 Regarding Changing Regular Board Meeting Time.

Mr. Frausto summarized Resolution 295, which changes the start time of the regular Board Meeting from 5:30 p.m. to 4:30 p.m. Effective March 27, 2023.

Motion: Adopt Resolution 295.

1st: Vice President Rojas

2nd: President Hernandez

| | President Hernandez | Vice President Rojas | Director Argudo | Director Barajas | Director Escalera |
|-------------|----------------------------|-----------------------------|------------------------|-------------------------|--------------------------|
| Vote | Yes | Yes | Absent | Absent | Yes |

Motion carried by a vote of: 3 Yes, 0 No, 0 Abstain, 2 Absent

C. Discussion Regarding Art Mural

Mr. Ciampa explained the license agreement and summarized what the District's rights are in regard to the mural. Mr. Frausto also answered questions regarding the mural.

8. OPERATIONS AND MAINTENANCE SUPERINTENDENT'S REPORT

Mr. Zampiello informed the Board on the report he provided in the Board Packet. Topics included the current well levels and various projects.

Motion: Receive and File the Operations and Maintenance Superintendent's Report.

1st: President Hernandez

2nd: Vice President Rojas

| | President Hernandez | Vice President Rojas | Director Argudo | Director Barajas | Director Escalera |
|-------------|--------------------------------|---------------------------------|----------------------------|-----------------------------|------------------------------|
| Vote | Yes | Yes | Absent | Absent | Yes |

Motion carried by a vote of: 3 Yes, 0 No, 0 Abstain, 2 Absent.

9. TREATMENT AND SUPPLY SUPERINTENDENT’S REPORT

Mr. Ortiz discussed water samples and updates at the Baldwin Park Operating Unit.

Motion: Receive and File the Treatment and Supply Superintendent’s Report.

1st: Director Escalera

2nd: Vice President Rojas

| | President Hernandez | Vice President Rojas | Director Argudo | Director Barajas | Director Escalera |
|-------------|--------------------------------|---------------------------------|----------------------------|-----------------------------|------------------------------|
| Vote | Yes | Yes | Absent | Absent | Yes |

Motion carried by a vote of: 3 Yes, 0 No, 0 Abstain, 2 Absent

10. GENERAL MANAGER’S REPORT

Mr. Frausto had a brief report he went over the Baldwin Park key well, latest rainfall and the internship program.

11. OTHER ITEMS

A. Upcoming Events

Ms. Maldonado went over upcoming events.

B. Information Items.

Included in the Board Packet.

12. ATTORNEY’S COMMENTS

Mr. Ciampa stated he had nothing to report.

13. BOARD MEMBER COMMENTS

A. Report on Events Attended

Vice President Rojas reported that he attended one event: (1) First District Consolidated Oversight Board Meet.

Director Escalera reported that he attended one event: (1) SCWUA Luncheon

B. Other Comments

None to Report

14. FUTURE AGENDA ITEMS

None.

15. ADJOURNMENT

President Hernandez adjourned the meeting at 6:15 p.m.

Attest:

Henry P. Hernandez, Board President

Roy Frausto, Board Secretary



Item 7A – Summary of the District’s Cash and Investments as of January 31, 2023



Summary of Cash and Investments February 2023

La Puente Valley County Water District

| Investments | Interest Rate (Apportionment Rate) | Beginning Balance | Receipts/ Change in Value | Disbursements/ Change in Value | Ending Balance |
|--|---------------------------------------|-------------------|------------------------------|-----------------------------------|-------------------------------|
| Local Agency Investment Fund | 2.624% | \$ 2,512,109.46 | \$ - | \$ - | \$ 2,512,109.46 |
| Raymond James Financial Services | | \$ 499,027.25 | \$ 825.01 | \$ (2,457.50) | \$ 497,394.76 |
| Checking Account | | | | | |
| Well Fargo Checking Account (per General Ledger) | | \$ 926,048.47 | \$ 605,481.99 | \$ 462,693.69 | \$ 1,068,836.77 |
| District's Total Cash and Investments: | | | | | \$ <u>3,580,946.23</u> |

Industry Public Utilities

| Checking Account | Beginning Balance | Receipts | Disbursements | Ending Balance |
|--|-------------------|---------------|---------------|-------------------------------|
| Well Fargo Checking Account (per General Ledger) | \$ 1,145,168.57 | \$ 255,241.83 | \$ 144,689.01 | \$ 1,255,721.39 |
| IPU's Total Cash and Investments: | | | | \$ <u>1,255,721.39</u> |

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

Roy Frausto

Roy Frausto

, General Manager

Date: March 21, 2023



Item 7B – Summary of the District's Revenue and Expenses



La Puente Valley County Water District

Statement of Revenues & Expenses Summary

For the Period Ending February 28, 2023
(Unaudited)

| | LPVCWD | | BPOU | | | |
|---|------------------|--------------------|-----------------|---------------------|---------------|-------------------|
| | YTD 2023 | YTD 2023 | YTD 2023 | BUDGET 2023 | 17% OF BUDGET | 2022 YEAR-END |
| Revenues | | | | | | |
| Operational Rate Revenues | \$ 384,516 | \$ - | \$ 384,516 | \$ 2,757,200 | 14% | \$ 2,660,795 |
| Operational Non-Rate Revenues | 194,021 | 190,556 | 384,576 | 3,177,082 | 12% | 3,016,100 |
| Non-Operational Revenues | 37,107 | - | 37,107 | 404,600 | 9% | 445,986 |
| Total Revenues | 615,644 | 190,556 | 806,199 | 6,338,882 | 13% | 6,122,881 |
| Expense | | | | | | |
| Salaries & Benefits | 357,496 | 47,191 | 404,687 | 2,638,000 | 15% | 2,311,220 |
| Supply & Treatment | 31,527 | 115,485 | 147,012 | 2,255,055 | 7% | 2,233,545 |
| Other Operating Expenses | 39,446 | 27,879 | 67,325 | 495,300 | 14% | 421,023 |
| General & Administrative | 50,611 | - | 50,611 | 466,000 | 11% | 332,381 |
| Total Expense | 479,079 | 190,556 | 669,635 | 5,854,355 | 11% | 5,298,169 |
| Net Income from Operations | 136,564 | - | 136,564 | 484,527 | 28% | 824,713 |
| Less: Capital Expenses | (38,041) | - | (38,041) | (2,407,255) | 2% | (1,332,244) |
| Net Income After Capital | 98,524 | - | 98,524 | (1,922,728) | -5% | (507,532) |
| Other Funding & Debt Service | | | | | | |
| Capital Reimbursement (OU Projects) | - | - | - | 607,700 | 0% | 10,368 |
| Grant Revenues | - | - | - | 50,000 | 0% | 224,070 |
| Loan Payment (Interest & Principal) | (99,406) | - | (99,406) | (198,500) | 50% | (254,330) |
| Cyclic Storage Purchases | | | | | | |
| Cyclic Purchase | - | - | - | (251,750) | 0% | - |
| Prepaid Inventory Purchases | - | - | - | (100,000) | 0% | - |
| Change in Cash | (882) | - | (882) | (1,815,278) | 0% | (527,424) |
| Contributed Capital (Developer) | - | - | - | - | N/A | 221,725 |
| Add: Capital Assets (District-Funded) | 38,041 | - | 38,041 | 1,749,555 | 2% | 1,097,807 |
| Add: Debt Principal | 59,851 | - | 59,851 | 120,600 | 50% | 173,631 |
| Add: Cyclic Storage Purchases | - | - | - | 251,750 | 0% | - |
| Add: Prepaid Inventory | - | - | - | 100,000 | 0% | - |
| Less: Depreciation Expense | (75,000) | (17,500) | (92,500) | (555,000) | 17% | (425,000) |
| Net Income / (Loss) | \$ 22,010 | \$ (17,500) | \$ 4,510 | \$ (148,373) | -3% | \$ 540,738 |

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.



La Puente Valley County Water District

Statement of Revenues & Expenses

For the Period Ending February 28, 2023
(Unaudited)

| | February 2023 | YTD 2023 | BUDGET 2023 | 17% OF BUDGET | 2022 YEAR-END |
|--|------------------|------------------|---------------------|------------------|-------------------|
| Operational Rate Revenues | | | | | |
| Water Sales | \$ 125,052 | \$ 200,822 | \$ 1,667,200 | 12% | \$ 1,603,280 |
| Service Charges | 82,296 | 150,917 | 908,800 | 17% | 861,022 |
| Surplus Sales | 5,827 | 11,812 | 60,000 | 20% | 73,612 |
| Customer Charges | 3,791 | 7,095 | 40,000 | 18% | 44,983 |
| Fire Service | 12,439 | 13,746 | 80,700 | 17% | 76,533 |
| Miscellaneous Income (Cust. Charges) | - | 124 | 500 | 25% | 1,364 |
| Total Operational Rate Revenues | 229,405 | 384,516 | 2,757,200 | 14% | 2,660,795 |
| Operational Non-Rate Revenues | | | | | |
| Management Fees | - | - | 317,902 | 0% | 282,202 |
| IPU Service Fees (Labor) | 68,726 | 135,575 | 777,500 | 17% | 770,103 |
| BPOU Service Fees (Labor) | 22,999 | 47,191 | 324,480 | 15% | 315,465 |
| PVOU IZ Service Fees (Labor) | 27,599 | 58,446 | 307,500 | 19% | 201,875 |
| PVOU SZ Service Fees (Labor) | - | - | 158,000 | 0% | - |
| Other O&M Fees | - | - | 9,300 | 0% | 12,686 |
| Total Operational Non-Rate Revenues | 119,324 | 241,212 | 1,894,682 | 13% | 1,582,332 |
| Non-Operational Revenues | | | | | |
| Taxes & Assessments | 18,005 | 18,005 | 321,100 | 6% | 351,827 |
| Rental Revenue | 3,405 | 6,810 | 41,000 | 17% | 40,562 |
| Interest Revenue | - | - | 35,000 | 0% | 36,028 |
| Market Value Adjustment | - | - | - | N/A | (42,921) |
| Miscellaneous Income | 5,984 | 12,293 | 7,500 | 164% | 4,568 |
| Developer Fees | - | - | - | N/A | 55,923 |
| Total Non-Operational Revenues | 27,394 | 37,107 | 404,600 | 9% | 445,986 |
| Total Revenues | 376,123 | 662,835 | 5,056,482 | 13% | 4,689,113 |
| Supply & Treatment | | | | | |
| Purchased & Leased Water | 279 | 517 | 495,655 | 0% | 411,430 |
| Power | 9,733 | 19,834 | 250,000 | 8% | 117,907 |
| Treatment Plant Power | - | - | - | 0% | - |
| Treatment Plant Power | 4,698 | 9,830 | - | 0% | 64,340 |
| Power | 14,431 | 29,663 | 250,000 | 12% | 182,246 |
| Assessments | - | - | 333,300 | 0% | 334,649 |
| Treatment | 634 | 1,347 | 6,000 | 22% | 6,094 |
| Well & Pump Maintenance | - | - | 60,000 | 0% | 47,574 |
| Total Supply & Treatment | \$ 15,344 | \$ 31,527 | \$ 1,144,955 | 3% | \$ 981,993 |

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.



La Puente Valley County Water District

Statement of Revenues & Expenses

For the Period Ending February 28, 2023
(Unaudited)

| | February 2023 | YTD 2023 | BUDGET 2023 | 17% OF BUDGET | 2022 YEAR-END |
|--|-------------------|-------------------|-------------------|------------------|-------------------|
| Salaries & Benefits | | | | | |
| Total District Wide Labor | \$ 131,416 | \$ 271,330 | \$ 1,577,000 | 17% | \$ 1,405,024 |
| Directors Fees & Benefits | 6,653 | 13,476 | 115,000 | 12% | 82,983 |
| Benefits | 31,789 | 62,124 | 405,000 | 15% | 318,111 |
| OPEB Payments | 7,607 | 15,213 | 110,000 | 14% | 82,228 |
| OPEB Trust Contributions | - | - | 60,000 | 0% | 100,000 |
| Payroll Taxes | 10,464 | 22,938 | 122,000 | 19% | 107,593 |
| CalPERS Retirement (Normal Costs) | 15,217 | 19,605 | 184,000 | 11% | 142,703 |
| CalPERS Unfunded Accrued Liability | - | - | 65,000 | 0% | 72,578 |
| Total Salaries & Benefits | 203,146 | 404,687 | 2,638,000 | 15% | 2,311,220 |
| District Salaries & Benefits (Informational Only) | | | | | |
| Less: Labor Service Revenue | (119,324) | (241,212) | (1,567,480) | 15% | (1,287,443) |
| Net District Salaries & Benefits | 83,822 | 163,475 | 1,070,520 | 15% | 1,023,777 |
| Other Operating Expenses | | | | | |
| General Plant | 3,130 | 7,455 | 60,000 | 12% | 36,312 |
| Transmission & Distribution | 1,382 | 2,053 | 120,000 | 2% | 106,380 |
| Vehicles & Equipment | 3,157 | 11,868 | 50,000 | 24% | 32,428 |
| Field Support & Other Expenses | 5,081 | 16,511 | 60,000 | 28% | 49,250 |
| Regulatory Compliance | 855 | 1,559 | 55,000 | 3% | 35,582 |
| Total Other Operating Expenses | 13,604 | 39,446 | 345,000 | 11% | 259,952 |
| General & Administrative | | | | | |
| District Office Expenses | 2,331 | 16,950 | 55,000 | 31% | 47,256 |
| Customer Accounts | 2,478 | 4,923 | 32,000 | 15% | 31,415 |
| Insurance | - | - | 82,000 | 0% | 75,522 |
| Professional Services | 6,361 | 16,719 | 160,000 | 10% | 75,928 |
| Training & Certification | 1,771 | 3,867 | 45,000 | 9% | 28,977 |
| Public Outreach & Conservation | - | - | 25,000 | 0% | 19,358 |
| Other Administrative Expenses | 3,391 | 8,153 | 45,000 | 18% | 32,779 |
| Total General & Administrative | 16,331 | 50,611 | 444,000 | 11% | 311,235 |
| Total Expense | 248,426 | 526,271 | 4,571,955 | 12% | 3,864,400 |
| Net Income from Operations | \$ 127,697 | \$ 136,564 | \$ 484,527 | 28% | \$ 824,713 |

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.



La Puente Valley County Water District

Statement of Revenues & Expenses

For the Period Ending February 28, 2023
(Unaudited)

| | February 2023 | YTD 2023 | BUDGET 2023 | 17% OF BUDGET | 2022 YEAR-END |
|---|------------------|------------------|--------------------|------------------|--------------------|
| Capital Expenses | | | | | |
| Nitrate Treatment System | \$ - | \$ (32,237) | \$ (954,355) | 3% | \$ (1,099,565) |
| Recycled Water System - Phase 1 | - | - | (246,700) | 0% | (23,726) |
| Hudson Ave Pumping Improvements | - | - | (542,700) | 0% | (10,368) |
| SCADA Improvements | - | - | (40,000) | 0% | (3,125) |
| Service Line Replacements | - | - | (65,000) | 0% | (45,475) |
| Valve Replacements | - | - | (40,000) | 0% | (26,805) |
| Fire Hydrant Repair/Replacements | - | (5,803) | (38,500) | 15% | (9,754) |
| LP CIWS Interconnection (Ind. Hills) | - | - | (65,000) | 0% | - |
| Well 2 Rehabilitation | - | - | (200,000) | 0% | - |
| Fleet Trucks | - | - | (80,000) | 0% | - |
| Dump Truck | - | - | - | N/A | (111,713) |
| Other Field Equipment | - | - | (15,000) | 0% | - |
| Ferrero/Rorimer St. Project | - | - | (120,000) | 0% | - |
| Meter Replacement/Reading Equipment | - | - | - | N/A | (1,715) |
| Total Capital Expenses | - | (38,041) | (2,407,255) | 2% | (1,332,244) |
| Net Income / (Loss) After Capital | 127,697 | 98,524 | (1,922,728) | -5% | (507,532) |
| Other Funding & Debt Service | | | | | |
| Capital Reimbursement (OU Projects) | - | - | 607,700 | 0% | 10,368 |
| Grant Revenues | - | - | 50,000 | 0% | 224,070 |
| Loan Payment - Interest | (39,555) | (39,555) | (77,900) | 51% | (80,699) |
| Loan Payment - Principal | (59,851) | (59,851) | (120,600) | 50% | (173,631) |
| Cyclic Storage Purchases | | | | | |
| Cyclic Storage Purchases | - | - | (251,750) | 0% | - |
| Prepaid Inventory Purchases | - | - | (100,000) | 0% | - |
| Cash Increase / (Decrease) | 28,291 | (882) | (1,815,278) | 0% | (527,424) |
| Contributed Capital | - | - | - | N/A | 221,725 |
| Add: Capitalized Assets (District-Funded) | - | 38,041 | 1,749,555 | 2% | 1,097,807 |
| Add: Debt Principal | 59,851 | 59,851 | 120,600 | 50% | 173,631 |
| Add: Cyclic Storage Purchases | - | - | 251,750 | 0% | - |
| Add: Prepaid Inventory | - | - | 100,000 | 0% | - |
| Less: Depreciation Expense | (37,500) | (75,000) | (450,000) | 17% | (425,000) |
| Net Income / (Loss) | \$ 50,642 | \$ 22,010 | \$ (43,373) | | \$ 540,738 |

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.



Treatment Plant (BPOU)

Statement of Revenues & Expenses

For the Period Ending February 28, 2023
(Unaudited)

| | February 2023 | YTD 2023 | BUDGET 2023 | 17% OF BUDGET | 2022 YEAR-END |
|--|-------------------|--------------------|---------------------|------------------|---------------------|
| Operational Non-Rate Revenues | | | | | |
| Reimbursements from CR's | 45,308 | 143,365 | \$ 1,606,880 | 9% | 1,433,768 |
| Total Operational Non-Rate Revenues | 45,308 | 143,365 | 1,606,880 | 9% | 1,433,768 |
| Labor & Benefits | | | | | |
| BPOU TP Labor | 22,999 | 47,191 | 324,480 | 15% | 315,465 |
| Total Labor & Benefits | 22,999 | 47,191 | 324,480 | 15% | 315,465 |
| Supply & Treatment | | | | | |
| NDMA, 1,4-Dioxane Treatment | 6,726 | 46,922 | 229,900 | 20% | 213,956 |
| VOC Treatment | 3,379 | 3,379 | 23,300 | 15% | 25,563 |
| Perchlorate Treatment | - | 3,487 | 437,800 | 1% | 528,865 |
| Other Chemicals | - | 1,910 | 67,900 | 3% | 26,263 |
| BPOU Plant Power | 26,535 | 56,058 | 303,200 | 18% | 355,444 |
| BPOU Plant Maintenance | 899 | 3,730 | 48,000 | 8% | 68,168 |
| Well & Pump Maintenance | - | - | - | 0% | 33,292 |
| Total Supply & Treatment | 37,539 | 115,485 | 1,110,100 | 10% | 1,251,551 |
| Other Operating Expenses | | | | | |
| Contract Labor | - | - | 20,000 | 0% | - |
| General Plant | 1,719 | 11,526 | 15,000 | 77% | 32,634 |
| Transmission & Distribution | - | - | - | N/A | 95 |
| Vehicles & Equipment | 1,193 | 2,204 | 14,300 | 15% | 12,371 |
| Regulatory Compliance | 4,858 | 14,150 | 101,000 | 14% | 115,971 |
| Total Other Operating Expenses | 7,769 | 27,879 | 150,300 | 19% | 161,070 |
| General & Administrative | | | | | |
| District Office Expenses | - | - | 2,500 | 0% | - |
| Insurance | - | - | 12,000 | 0% | 13,484 |
| Professional Services | - | - | 7,500 | 0% | 7,663 |
| Total General & Administrative | - | - | 22,000 | 0% | 21,147 |
| Total Expense | 68,307 | 190,556 | 1,606,880 | 12% | 1,749,234 |
| Total Expense (excluding Labor) | 45,308 | 143,365 | 1,282,400 | 11% | 1,433,768 |
| Operational Net Income | - | - | - | | - |
| Less: Depreciation Expense | (8,750) | (17,500) | (105,000) | 17% | (105,000) |
| Net Income / (Loss) | \$ (8,750) | \$ (17,500) | \$ (105,000) | 17% | \$ (105,000) |

(1) Labor costs are equal to the amount of labor billed to the Baldwin Park Operable Unit (BPOU) in which the District receives reimbursement for as shown on Table 1.5 in operational non-rate revenue (BPOU Service Fees).



**Item 7C – Statement of the Industry Public
Utilities Water Operations Revenue and
Expenses**

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS

Statement of Revenue and Expenses Summary

For the Period Ending February 28, 2023

(Unaudited)

| | February 2023 | FISCAL YTD 2022/23 | BUDGET 2022/23 | 67% OF BUDGET | YEAR END FY 2021/22 |
|-------------------------------------|------------------|--------------------------|-------------------|------------------|------------------------|
| REVENUE | | | | | |
| Operational Revenue | \$ 125,723 | \$ 1,454,052 | \$ 2,378,000 | 61% | \$ 2,059,133 |
| Non-Operational Revenue | - | 37,400 | 60,000 | 62% | 73,841 |
| TOTAL REVENUES | 125,723 | 1,491,452 | 2,438,000 | 61% | 2,132,974 |
| EXPENSE | | | | | |
| Salaries & Benefits | 68,726 | 527,113 | 767,000 | 69% | 716,877 |
| Supply & Treatment | 3,893 | 152,870 | 965,500 | 16% | 800,308 |
| Other Operating Expense | 8,417 | 154,074 | 254,000 | 61% | 186,549 |
| General & Administrative | 6,092 | 164,408 | 359,100 | 46% | 317,138 |
| System Improvements & Miscellaneous | - | 38,912 | 84,000 | 46% | 94,726 |
| TOTAL EXPENSE | 87,128 | 1,037,378 | 2,429,600 | 43% | 2,115,598 |
| NET INCOME / (LOSS) | 38,595 | 454,074 | 8,400 | 5406% | 17,376 |

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS

Statement of Revenue and Expenses

For the Period Ending February 28, 2023

(Unaudited)

| | February 2023 | FISCAL YTD 2022/23 | BUDGET 2022/23 | 67% OF BUDGET | YEAR END FY 2021/22 |
|---------------------------------------|------------------|--------------------------|-------------------|------------------|------------------------|
| Operational Revenues | | | | | |
| Water Sales | \$ 60,078 | \$ 867,068 | \$ 1,457,000 | 60% | \$ 1,257,106 |
| Service Charges | 55,831 | 453,238 | 740,000 | 61% | 654,144 |
| Customer Charges | 3,232 | 31,401 | 15,000 | 209% | 15,090 |
| Fire Service | 6,582 | 102,346 | 166,000 | 62% | 130,302 |
| Misc Income | - | - | - | N/A | 2,491 |
| <i>Total Operational Revenues</i> | 125,723 | 1,454,052 | 2,378,000 | 61% | 2,059,133 |
| Non-Operational Revenues | | | | | |
| Contamination Reimbursement | - | 37,400 | 60,000 | 62% | 65,975 |
| Developer Fees | - | - | - | N/A | 7,866 |
| <i>Total Non-Operational Revenues</i> | - | 37,400 | 60,000 | 62% | 73,841 |
| TOTAL REVENUES | 125,723 | 1,491,452 | 2,438,000 | 61% | 2,132,974 |
| Salaries & Benefits | | | | | |
| Administrative Salaries | 23,648 | 178,779 | 239,000 | 75% | 243,902 |
| Field Salaries | 23,552 | 180,158 | 267,000 | 67% | 233,608 |
| Employee Benefits | 11,688 | 91,728 | 145,000 | 63% | 134,912 |
| Pension Plan | 6,637 | 49,785 | 75,000 | 66% | 67,303 |
| Payroll Taxes | 3,201 | 24,271 | 35,000 | 69% | 32,594 |
| Workers Compensation | - | 2,393 | 6,000 | 40% | 4,558 |
| <i>Total Salaries & Benefits</i> | 68,726 | 527,113 | 767,000 | 69% | 716,877 |
| Supply & Treatment | | | | | |
| Purchased Water - Leased | - | - | 452,600 | 0% | 330,917 |
| Purchased Water - Other | 1,086 | 9,482 | 20,000 | 47% | 13,897 |
| Power | 2,807 | 126,303 | 185,000 | 68% | 166,934 |
| Assessments | - | 13,236 | 280,900 | 5% | 264,164 |
| Treatment | - | - | 7,000 | 0% | 4,943 |
| Well & Pump Maintenance | - | 3,849 | 20,000 | 19% | 19,453 |
| <i>Total Supply & Treatment</i> | 3,893 | 152,870 | 965,500 | 16% | 800,308 |
| Other Operating Expenses | | | | | |
| General Plant | 1,215 | 5,080 | 55,000 | 9% | 6,315 |
| Transmission & Distribution | 1,553 | 70,967 | 85,000 | 83% | 82,260 |
| Vehicles & Equipment | - | 23,883 | 36,000 | 66% | 33,967 |
| Field Support & Other Expenses | 4,847 | 30,764 | 40,000 | 77% | 33,277 |
| Regulatory Compliance | 801 | 23,380 | 38,000 | 62% | 30,729 |
| <i>Total Other Operating Expenses</i> | 8,417 | 154,074 | 254,000 | 61% | 186,549 |

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS

Statement of Revenue and Expenses

For the Period Ending February 28, 2023

(Unaudited)

| | February 2023 | FISCAL YTD 2022/23 | BUDGET 2022/23 | 67% OF BUDGET | YEAR END FY 2021/22 |
|--|------------------|--------------------------|-------------------|------------------|------------------------|
| General & Administrative | | | | | |
| Management Fee | - | 100,510 | 203,100 | 49% | 199,049 |
| Office Expenses | 1,543 | 19,065 | 27,000 | 71% | 27,560 |
| Insurance | - | 13,792 | 17,500 | 79% | 14,264 |
| Professional Services | - | 5,350 | 60,000 | 9% | 26,308 |
| Customer Accounts | 2,958 | 19,980 | 30,000 | 67% | 27,045 |
| Public Outreach & Conservation | - | 3,137 | 15,000 | 21% | 16,603 |
| Other Administrative Expenses | 1,591 | 2,574 | 6,500 | 40% | 6,308 |
| <i>Total General & Administrative</i> | 6,092 | 164,408 | 359,100 | 46% | 317,138 |
| Other Exp. & System Improvements (Water Ops Fund) | | | | | |
| Fire Hydrant Repair/Replace | - | 6,851 | 20,000 | 34% | 27,425 |
| Service Line Replacements | - | 11,550 | 30,000 | 39% | 23,025 |
| Valve Replacements & Installations | - | 17,606 | 24,000 | 73% | 15,970 |
| SCADA Improvements | - | 325 | 10,000 | 3% | 19,499 |
| Water Rate Study | - | - | - | N/A | 6,088 |
| Groundwater Treatment Facility Feas. Study | - | 2,581 | - | N/A | 2,720 |
| <i>Total Other & System Improvements</i> | - | 38,912 | 84,000 | 46% | 94,726 |
| TOTAL EXPENSES | 87,128 | 1,037,378 | 2,429,600 | 43% | 2,115,598 |
| NET INCOME / (LOSS) | 38,595 | 454,074 | 8,400 | 5406% | 17,376 |



Item 8A Consideration of Increase in the Board of Directors' Per Day of Service Compensation

Memo



To: Honorable Board of Directors

From: Roy Frausto, General Manager

Date: March 27, 2023

Re: Increase in Board of Directors' Per Day of Service Compensation

As allowed by Ordinance No. 2007-01 of the La Puente Valley County Water District and pursuant to Division 10 of the California Water Code, compensation payable to members of the District's Board of Directors, for attendance at meetings of the Board and for each day of service rendered as a member of the Board, may be increased by five percent (5%) above the prior year's rate of compensation.

The last compensation increase for the Board of Directors was on March 28, 2022. The current rate of compensation is one hundred seventy-one dollars and one cent (\$171.01) per day of service. A five percent (5%) increase would raise the compensation to one hundred seventy-nine dollars and fifty-six cents (\$179.56) per day.

It is at the discretion of the Board to determine whether this increase in the amount of compensation is warranted and appropriate for this coming year. If determined not to be appropriate, by a majority vote of the Board, the five percent (5%) increase shall not go into effect and the compensation per day of service shall remain at its current rate of \$171.01. Otherwise, the per diem compensation increase allowed by Ordinance No. 2007-01 shall automatically become effective.

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



Item 8B Consideration of Lease of Main San Gabriel Basin Production Rights from Canyon Water Company

STAFF REPORT



Meeting Date: March 27, 2023

To: Honorable Board of Directors

Subject: Lease of 615 Acre-Feet of 2022-23 Main San Gabriel Basin Groundwater Production Rights

Purpose - *To secure 615 acre-feet of Main San Gabriel Basin Water Production Rights for the 2022-23 production year.*

Recommendation - *Authorize the General Manager to lease 615 acre-feet of 2022-23 Main San Gabriel Basin Production Rights from Canyon Water Company for an amount of \$536,144.70.*

Fiscal Impact - *This action will result in committing the District to expend approximately \$536,144.70 in July of 2023. This expense will be offset by revenue from leasing a portion of these rights to other producers. The District's net annual average cost for this lease is estimated at \$261,534 depending on actual production. This action reduces the District's water supply cost by an average of \$86.22 per acre-foot for water produced over its base annual production rights, an estimated annual average savings of \$25,866.00.*

Summary

Each year, District staff pursues groundwater production rights leases in the Main San Gabriel Basin (Basin). In years past, the rate for these leases has been 91% of the rate for replenishment water or the replacement water assessment set by Watermaster. As shown in **Table 1** below, the cost for Cyclic Storage (UD Tier 1 Untreated imported water) increases yearly. As the price escalates, the cost differential between purchased and leased water also increases.

Table 1: Cyclic Storage Rate vs. Lease Rate at 91%

| Year | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Cyclic Storage Rate (UD Tier 1 Untreated) | \$ 769.00 | \$ 798.00 | \$ 858.00 | \$ 880.00 | \$ 880.00 | \$ 902.00 | \$ 958.00 |
| Lease Rate at 91% | \$ 699.79 | \$ 726.18 | \$ 780.78 | \$ 800.80 | \$ 800.80 | \$ 820.82 | \$ 871.78 |

The groundwater production rights lease market in the Basin is complex. Many of the leases are a result of longstanding relationship type arrangements and with others being leased under multi-year agreements. Over the years, it has been difficult to procure leases other than our longstanding relationship with two parties. In recent years, District Staff has been successful at securing multi-year lease agreements with these parties. District Staff continues to pursue opportunities in the groundwater rights lease market.

Of the 615 acre-feet, the District needs a portion to cover its projected overproduction for the current production year. The remaining acre-feet can be subleased to the City of Industry Waterworks System or other producers if necessary. A copy of the draft letter to Canyon Water Company is attached for your reference.

Fiscal Impact

This action will result in committing the District to expend approximately \$536,144.70 in July of 2023. This expense will be offset by revenue from leasing a portion of these rights to other producers. The District's net annual average cost for these leases is estimated at \$261,534.00 depending on actual production. This action reduces the District's water supply cost by an average of \$86.22 per acre-foot for water produced over its base annual production rights, an estimated annual average savings of \$25,866.00.

Recommendation

Staff recommends the Board authorize the authorize the General Manager to lease 615 acre-feet of 2022-23 Main San Gabriel Basin Production Rights from Canyon Water Company for the amount of \$536,144.70.

Respectfully Submitted,



Roy Frausto
General Manager

Enclosures

- *Letter to Canyon Water Company Regarding 2022-23 Main San Gabriel Basin Production Rights Lease.*

Henry P. Hernandez
President

William R. Rojas
Vice President

David E. Argudo
Director



Cesar J. Barajas
Director

John P. Escalera
Director

Roy Frausto
General Manager

112 N First St. / P.O. Box 3136
La Puente, CA 91744
(626) 330-2126 – Fax (626) 330-2679
www.lapuentewater.com

March 23, 2023

Canyon Water Company
370 E Rowland St
Covina CA 91723

In accordance with the three-year Agreement for the Lease of Main San Gabriel Basin Production Rights (Agreement), between Canyon Water Company and the La Puente Valley County Water District (District), I hereby submit the Main San Gabriel Basin Temporary Assignment or Lease of Water Right document for the lease of 615 acre feet (AF) of 2022-23 Main San Gabriel Basin Production Rights for you to sign, notarize and return to the District. Upon receipt the District will execute and submit to the Main San Gabriel Basin Watermaster and provide you with a fully executed copy.

As provided in the Agreement the lease rate for each AF of production right shall be Ninety-One Percent (91%) of the Tier 1 Untreated Water Rate charges set by Upper San Gabriel Valley Municipal Water District. The Upper San Gabriel Valley Municipal Water District's Tier 1 Untreated Water Rate for CY 2023 as set forth in their Resolution No. 5-22-642 is \$958.00/AF. I have provided a copy of this resolution for your reference. Therefore, the lease rate and required payment for this year's transaction is calculated as follows:

Lease Rate: $\$958.00/\text{AF} \times 91\% = \$871.78/\text{AF}$
Payment: $615 \text{ AF} \times \$871.78/\text{AF} = \$536,144.70$

In accordance with the Agreement, payment for this year's lease will be made by our District to Canyon Water Company by July 30, 2023.

If you have any questions about this year's lease transaction, please contact me at (626) 330-2126.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Frausto".

Roy Frausto
General Manager

Enclosures (1)

CC: LPVCWD Board of Directors

RESOLUTION NO. 5-22-642

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT REPEALING
RESOLUTION NO. 8-21-623 AND ADOPTING WATER RATES AND CHARGES
FOR CALENDAR YEAR 2023**

WHEREAS, the Metropolitan Water District of Southern California ("MWD" herein) has adopted water rates and charges for its classes and conditions of service effective January 1, 2023 and the Upper San Gabriel Valley Municipal Water District ("Upper District" herein) wishes to reflect MWD's new rates and charges in the water rates and charges of the Upper District; and

WHEREAS, MWD has established charges in their rate structure including a Readiness-to-Serve Charge, Capacity Charge, Tier 1 and 2 Commodity Charges; and

WHEREAS, Upper District requested that MWD continue its standby charge in Upper District's service area with the intention that the above referenced Readiness-to-Serve Charge be paid from the funds generated from said standby charge for Calendar Year 2023; and

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT as follows:

Section 1. Resolution No. 8-21-623, adopted on August 11, 2021, is hereby repealed.

Section 2. The following water rates are established and will remain effective for Calendar Year 2023:

Normal Supply Rates

| | Rate per Acre Foot |
|--|--------------------------------|
| Class of Service | |
| Full Service – Treated (Tier 1) | \$1,312 |
| Full Service – Treated (Tier 2) | \$1,521 |
| Groundwater Replenishment Service | Not Available |
| Full Service – Untreated (Tier 1) | \$958 |
| Full Service – Untreated (Tier 2) | \$1,167 |
| Recycled Water Service | By Contract |
| Capacity Charge | \$10,600 per CFS |
| Minimum Service Connection Charge (per year) | \$1,060 |
| Groundwater Replenishment Ready-to-Serve | \$42 per CFS/\$6,300 per month |

Section 3. Description of Service Classes:

Full Service Treated (Tier 1)

For Calendar Year 2023, the Upper District may purchase up to 67,228 acre feet per year, which will be sold at the Tier 1 rate of \$1,312 per acre foot (subject to alternative pricing imposed under MWD's Water Supply Allocation during droughts).

Full Service Treated (Tier 2)

For Calendar Year 2023, the Upper District will have an unlimited amount (subject to MWD's Water Supply Allocation Plan) of Full Service Tier 2 supply. Once the Tier 1 Limit is utilized, all treated water sold will be subject to the Tier 2 rate of \$1,521 per acre foot effective January 1, 2023.

Annual Capacity Charges

The Full Service Tier 1 rate per acre foot as well as the Full Service Tier 2 rate per acre foot assumes a reasonable and normal annual maximum daily average capacity usage per acre foot of water deliveries. Upper District will pass through MWD's capacity charge on use of the imported water distribution system during the May through September time period, as determined by MWD. For Calendar Year 2023, MWD's capacity charge will be calculated at \$10,600 for each CFS of peak capacity utilized during the period of May through September period for the three calendar years ending 2021.

Full Service Untreated (Tier 1)

The Upper District's Tier 1 Limit includes both treated and untreated Tier 1 deliveries. Full Service untreated deliveries will be billed at the Tier 1 rate of \$958 per acre foot effective January 1, 2023 only if there is sufficient Tier 1 Limit remaining after all Full Service treated deliveries have been accounted for (subject to alternative pricing imposed under MWD's Water Supply Allocation during droughts). In the event that the Upper District Tier 1 Limit is exceeded, all Full Service untreated deliveries will be subject to Tier 2 rate.

Full Service Untreated (Tier 2)

For Calendar Year 2023, the Upper District will have an unlimited allocation (subject to MWD's Water Supply Allocation Plan), of Full Service Tier 2 supply. Once the total allocation of Tier 1 supply is utilized, all untreated water sold will be subject to the Tier 2 rate of \$1,167 per acre foot effective January 1, 2023.

Section 4. Each groundwater replenishment customer shall pay a monthly ready-to-serve charge in addition to the water rate for groundwater replenishment service. This monthly ready-to-serve charge will be \$42 for each cubic foot per second of groundwater replenishment service connection capacity, at an amount not-to-exceed \$6,300 per month, payable in advance.

Section 5. A minimum charge, equivalent to ten percent (10%) or one-tenth (1/10) of the value of one CFS of capacity (\$10,600) and amounting to \$1,060 per year effective January 1, 2023, will be billed to the sub-agencies prorated on a monthly basis irrespective of the amount of water used.

Section 6. All sales, deliveries and availability of water at the rates established herein shall be subject to the ability of the Upper District to sell, deliver and make available such water under operating conditions determined by the General Manager of Upper District and of MWD, and subject to the water service regulations of Upper District and of MWD. All agencies that purchase treated or untreated water must comply with all rules, requirements, and regulations of Upper District's Urban Water Management Plan adopted on or about June 2020 and any amendments or supplements thereto.

Section 7. The Board of Directors finds the rates, fees, and charges set forth herein are for the purpose of meeting operating expenses, including employee wages and benefits; purchasing or leasing of supplies, equipment or materials; meeting financial reserve needs and requirements; obtaining funds for capital projects necessary to maintain service within existing service areas, and obtaining funds to meet long-term debt costs. None of the rates, fees, and charges described above exceed the reasonable cost of providing the service for which the rate, fee, or charge is levied.

Section 8. The Board of Directors recognizes that Southern California is facing water supply challenges arising from both reoccurring droughts and environmental factors. These factors have created uncertainty regarding the reliability of all sources of water for the foreseeable future. As such, the Board reserves the authority to modify, alter, or suspend any or all sections of this resolution as determined prudent to properly respond to new developments in water supply circumstances.

Section 9. The Secretary of Upper District shall cause a copy of this Resolution to be mailed to all current purchasers of water from Upper District including the users of water replenishment service connections.

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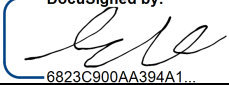
PASSED, APPROVED, AND ADOPTED this 25th day of May, 2022.

AYES: FELLOW, TREVIÑO, GARCIA, SANTANA, CHAVEZ

NOES:

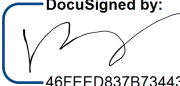
ABSTAIN:

ABSENT:

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Ed Chavez, President

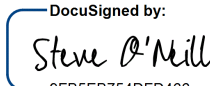
ATTEST:

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Katarina Garcia, Secretary

(SEAL)

APPROVED AS TO FORM:

DocuSigned by:

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Steven P. O'Neill, District Counsel



Item 8C – Consideration of Lease of Main San Gabriel Basin Production Rights from Sieglinde A. Tate

STAFF REPORT



Meeting Date: March 27, 2023

To: Honorable Board of Directors

Subject: Lease of 43.89 Acre-Feet of 2022-23 Main San Gabriel Basin Groundwater Production Rights

Purpose - *To secure 43.89 acre-feet a year of Main San Gabriel Basin Water Production Rights for the 2022-23 production year.*

Recommendation - *Authorize the General Manager to lease 43.89 acre-feet of 2022-23 Main San Gabriel Basin Production Rights from Mrs. Sieglinde Tate for the amount of \$38,262.42.*

Fiscal Impact - *The District's 2023 Budget appropriates \$495,655 for the purchase of water and the lease of groundwater production rights. The cost for this lease is within the budget appropriation and will result in a savings of \$3,784.20 in the cost of water produced over the District's base annual production rights.*

Summary

Each year, District staff pursues groundwater production rights leases in the Main San Gabriel Basin (Basin). In years past, the rate for these leases has been 91% of the rate for replenishment water or the replacement water assessment set by Watermaster. As shown in **Table 1** below, the cost for Cyclic Storage (UD Tier 1 Untreated imported water) increases yearly. As the price escalates, the cost differential between purchased and leased water also increases.

Table 1: Cyclic Storage Rate vs. Lease Rate at 91%

| Year | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Cyclic Storage Rate (UD Tier 1 Untreated) | \$ 769.00 | \$ 798.00 | \$ 858.00 | \$ 880.00 | \$ 880.00 | \$ 902.00 | \$ 958.00 |
| Lease Rate at 91% | \$ 699.79 | \$ 726.18 | \$ 780.78 | \$ 800.80 | \$ 800.80 | \$ 820.82 | \$ 871.78 |

The groundwater production rights lease market in the Basin is complex. Many of the leases are a result of longstanding relationship type arrangements and with others being leased under multi-year agreements. The District has leased production rights from Mrs. Tate for several years, which has provided savings to the District in the cost of groundwater. To remain competitive with other parties interested in leasing production rights, the offer from the District is 91% of the current rate per acre-foot that the District can purchase replenishment water from Upper San Gabriel Valley Municipal Water District. A copy of the draft letter to Mrs. Tate is attached for your reference.

Fiscal Impact

The District's 2023 Budget appropriates \$495,655 for the purchase of water and the lease of groundwater production rights. The cost for this lease is within the budget appropriation and will result in a savings of \$3,784.20 in the cost of water produced over the District's base annual production rights.

Recommendation

Authorize the General Manager to lease 43.89 acre-feet of 2022-23 Main San Gabriel Basin Production Rights from Mr. Phillip Tate and Mrs. Sieglinde Tate for the amount of \$38,262.42

Respectfully Submitted,



General Manager

Enclosures

- Letter to Mrs. Sieglinde Tate Regarding 2022-23 Main San Gabriel Basin Production Rights Lease.

Henry P. Hernandez
President

William R. Rojas
Vice President

David E. Argudo
Director



Cesar J. Barajas
Director

John P. Escalera
Director

Roy Frausto
General Manager

112 N First St. / P.O. Box 3136
La Puente, CA 91744
(626) 330-2126 – Fax (626) 330-2679
www.lapuentewater.com

March 27, 2023

Mrs. Sieglinde Tate
P.O. Box 2369
Nipomo, CA 93444

RE: LEASE OF WATER PRODUCTION RIGHTS FOR PRODUCTION YEAR 2022-23

Dear Mrs. Tate,

This letter serves to confirm the La Puente Valley County Water District's (District) interest in leasing Main San Gabriel Basin water production rights for production year 2022-2023. The District understands that you possess 57.83 acre-feet (AF) of Prescriptive Pumping Rights in the Main San Gabriel Basin. Based upon the 22-23 Safe Yield of 150,000 AF set by Watermaster, you have **43.89 AF** of water rights available for lease for production year 2022-23.

It is my understanding that at this time you wish to lease all **43.89 AF** of your production rights. The District is prepared to lease these rights for 91% of Upper San Gabriel Valley Municipal Water District's (Upper District) replenishment water rate for 2023. This rate was set by Upper District's Board of Directors at \$958.00 per AF set forth in their Resolution No. 5-22-642. Therefore, this year's lease rate is calculated as follows: ($\$958/\text{AF} \times 91\% = \$871.78/\text{AF}$). The District will lease the 43.89 AF at the rate of \$871.78 per AF for a total cost of \$38,262.42.

If you are agreeable to this transaction, please sign and notarize the enclosed Temporary Assignment or Lease of Water Right document and mail back to the District. The District will submit the document to Watermaster as soon as it is received. Along with these documents, please provide instructions to the District of how you wish payment to be made. Payment will be sent to you upon Watermaster's acceptance of the lease.

If you have any questions regarding our offer, please contact me at (626) 330-2126.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Frausto", written over a light blue circular stamp.

Roy Frausto
General Manager

Cc: Board of Directors



Item 8D – Creation of New Position Customer Service & Accounting Supervisor

STAFF REPORT



Meeting Date: March 27, 2023
To: Honorable Board of Directors
Subject: Creation of the Customer Service & Accounting Supervisor Position

Purpose - *To create a new Customer Service & Accounting Supervisor Position and adopt a job description and salary range for the new position.*

Recommendation - *Approve the job description and salary range for the Customer Service & Accounting Supervisor position, effective April 1, 2023.*

Fiscal Impact - *The new position will have a minimal fiscal impact, since the expense for the new position will be offset by the retirement and vacancy of the Office Manager position.*

Summary

As the Board is aware, our Office Manager made us aware approximately a year ago that she would be retiring from the District, with her last day being April 30, 2023.

Upon receiving news of this change in staffing, I assessed the current and future needs of the District to determine how best to fill the vacancy. I determined that the creation of a Customer Service & Accounting Supervisor position would best meet our needs and would also promote internal growth within our District. A job description for this position is enclosed herein for your reference. As the District transitions from our current organizational structure to a new structure, I will be more involved with Human Resources and Board related activities and less involved with daily operations and maintenance items.

At the upcoming Board meeting, I look forward to discussing this matter with you and answering questions you might have regarding my recommendation.

Fiscal Impact

The new position will have a minimal fiscal impact, since the expense for the new position will be offset by the retirement and vacancy of the Office Manager position.

Recommendation

Staff recommends that the Board of Directors approve the job description and salary range for the Customer Service & Accounting Supervisor position, effective April 1, 2023.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'Roy Frausto', with a stylized, cursive script.

Roy Frausto
General Manager

Enclosure(s)

- Proposed Job Description for the Customer Service & Accounting Supervisor
- Proposed District Salary Schedule with the New Position Included
- New Organizational Chart with the Proposed Changes in Staffing



JOB DESCRIPTION

CUSTOMER SERVICE AND ACCOUNTING SUPERVISOR

Effective Date: April 1, 2023

Reports to: General Manager

Salary Range: CS/AS

FLSA: Non-Exempt

DEFINITION

Under general/administrative direction, the Customer Service and Accounting Supervisor plans, organizes, and directs the customer service and accounting functions of the District and performs varied and complex customer service and financial analysis work in computerized billing and accounting systems; assists the General Manager with the protection of District assets and the maintenance of budget controls.

EXAMPLES OF ESSENTIAL DUTIES

The following are duties performed by employees in this class. Duties listed are not meant to be all-inclusive. Other duties may be required as assigned.

- Plan, prioritize and supervise accounting, billing, data processing, and office customer service and collection activities.
- Supervises the maintenance of customer account records and files; participates in handling the more difficult technical or sensitive public contacts.
- Supervises and participates in processing customer accounts, preparing and recording changes in service, closing of customer accounts, completing new customer account information and closing of customer accounts.
- Oversees the preparing of accurate and timely billings associated with retail water, wholesale water and the District's reimbursable activities, in accordance with approved agreements and contracts.
- Supervises the cashiers and the staff who prepare the daily deposits.
- Answer questions and provide information to the public; investigate complaints and recommend corrective action as necessary to resolve complaints.
- Performs the District's accounting functions for revenues, expenditures, capital, and reserves. Maintains cash receipts, cash disbursements journal, and the general ledger. Tracks the District's checking account and investment account activities.
- Maintains the District's accounting system (currently in QuickBooks) in accordance with approved accounting standards, policies and procedures.
- Accounts Receivable - Prepares accurate and timely billings to the District's wholesale municipal and industrial customers, and the District's retail customers in accordance with approved District Ordinances and contracts.
- Accounts Payable - Prepares and processes payments to District creditors in accordance with approved policies and procedures.

- Performs purchasing and contract functions.
- Prepares monthly financial reports which track actual revenues and expenditures versus the approved annual budget.
- Assists in the preparation of the annual budget.
- Maintains a system of internal controls in accordance with generally accepted accounting standards and in accordance with recommendations from the District's auditors.
- Develops and maintains a procedure manual for accounting and financial reporting functions.
- Reviews, verifies and processes employee time reports; calculates and processes payroll; prepares payroll register, payments, and processes related reports.
- Ensures accuracy and compliance with District policies and procedures.
- Responsible for the development, preparation, and presentation of financial reports and statements.
- Establish and maintain cooperative working relationships with co-workers, outside agencies, and the public.
- Assists in the preparation of staff reports, personnel policies and procedures, and other policies of the District and special projects as assigned.
- Administers procedures for filing Statements of Economic Interest and campaign financing statements and reporting; notifies affected parties of FPPC requirements and deadlines and answers questions regarding filing issues from the Board, covered District employees, lobbyists, candidates, the media and the public.

OTHER DUTIES

- Attends Board of Director meetings as directed by General Manager.
- Serves as a liaison with vendors, contractors, and debtors.
- Coordinates details of outside audits of District financial records.
- Provides advice and consultation on the development of District financial resources, programs, and policies.
- Communicates with customers, face-to-face and via the telephone, to discuss and resolve problems and concerns.
- Performs other duties as assigned.

JOB STANDARDS / SPECIFICATIONS

Knowledge of:

- Principles and practices of budgeting, accounting, finance, and the development and maintenance of fiscal controls.
- Laws, rules, ordinances, and legislative processes controlling District financial functions and operations.
- Principles and practices of auditing.
- Computerized management information and fiscal systems.
- Cost estimating and contract administration.
- Theory and methods of data processing systems.

- Proper supervisory methods and techniques.
- Modern office practices and procedures and the operation of standard office equipment.
- Proper work safety standards.

Ability to:

- Plan, coordinate, and perform professional accounting work related to the maintenance and development of District financial, accounting, budgeting, and management information systems.
- Assist with District budget development and fiscal controls.
- Maintain and update ledgers and journals.
- Supervise, train and evaluate staff.
- Operate PCs, business office machines and data entry terminals.
- Deal tactfully and courteously with customer inquiries.
- Prepare financial reports.
- Establish and maintain cooperative relationships with those contacted during the course of work.

TYPICAL PHYSICAL ACTIVITIES

- Work at a desk for an extended period of time.
- May include but not limited to standing, climbing, walking, lifting, bending, pulling and/or pushing, grasping, reaching, stooping and crouching, sitting, typing, walking, reading, writing, color determination, speaking and listening for extended periods of time..
- Travels by automobile in conducting District business.
- Work in an office environment, lift and move objects up to 15 pounds such as large binders, books, and small office equipment.
- Sufficient finger/hand coordination and dexterity to operate and adjust office equipment.
- Regularly uses a telephone for communication.
- Use office equipment such as computers, copiers, and FAX machines.
- Sits for extended time periods.
- Hearing and vision within normal ranges with or without correction.

ENVIRONMENTAL FACTORS

- Exposure to the sun: 10% or less work time spent outside a building and exposed to the sun.
- Irregular or extended work hours: Occasionally required to change working hours or work overtime.

DESIRABLE QUALIFICATIONS

Any combination of education and experience that would likely provide the necessary knowledge and abilities is qualifying.

A typical way to obtain the knowledge and abilities would be:

Experience: Five years of increasingly responsible experience in accounting, financial analysis, budgeting and utility customer services utilizing computerized customer file systems, including at least two years in a management or supervisory capacity.

Education: High school diploma or equivalent with college level course work relevant to the position. A Bachelor's degree in Business Administration, Finance, Accounting, or closely related field from an accredited college or university is highly desirable; bilingual (English – Spanish) is also desirable.

LICENSE CERTIFICATE REGISTRATION REQUIREMENTS

Driver License: Possession of a valid California Class C Driver License is required at the time of appointment.

I have reviewed this Job Description for the CUSTOMER SERVICE AND ACCOUNTING SUPERVISOR with the General Manager and agree with its contents.

Employee Signature

Date

General Manager Signature

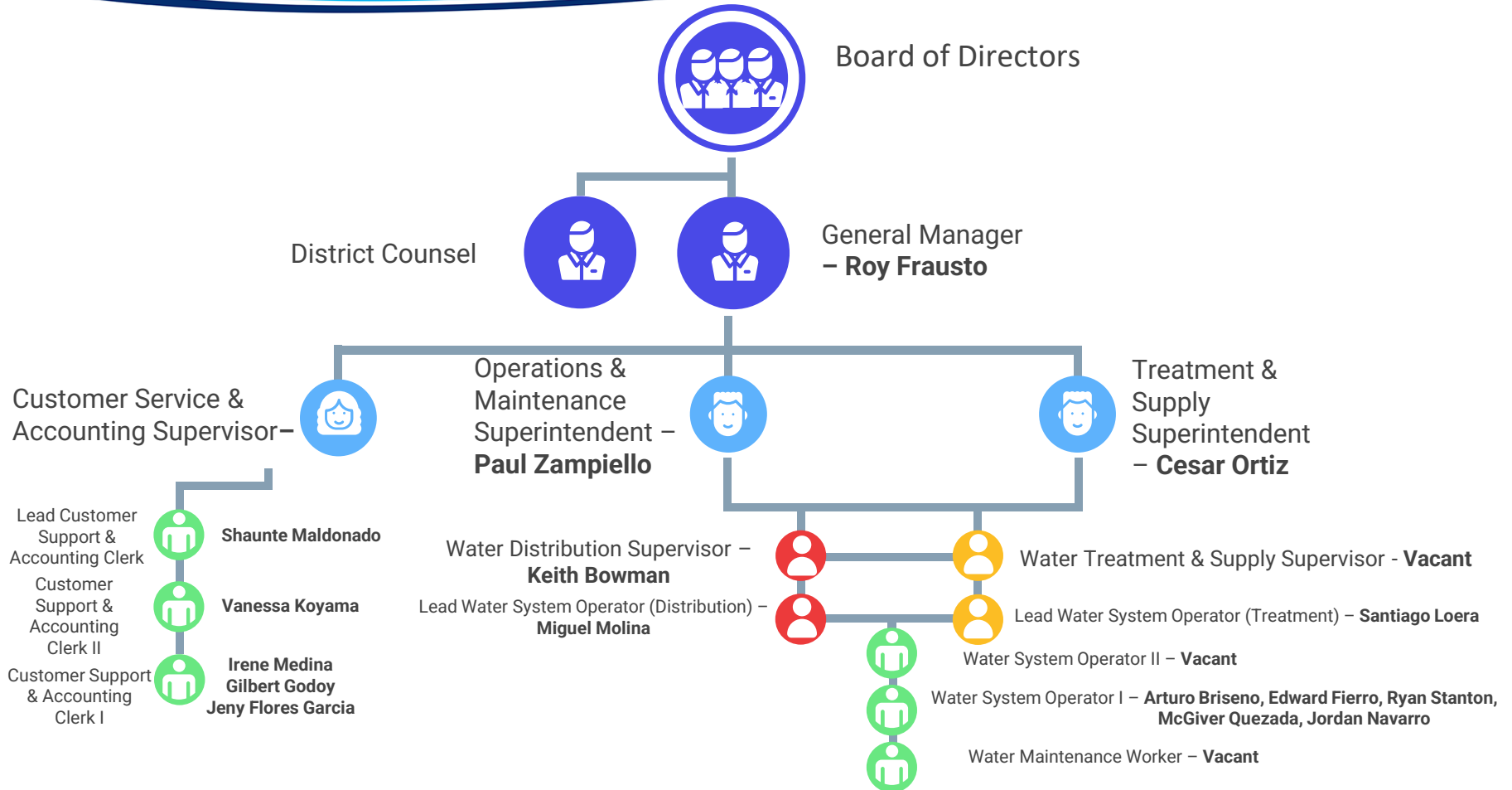
Date

The specific statements shown in each section of this job description are not intended to be all-inclusive. They represent typical elements and criteria necessary to successfully perform the job.

La Puente Valley County Water District
Proposed Salary Schedule - To Be Effective April 1, 2023

| Range | Position | Time | Proposed Salary Range | | |
|-------|---|--------|-----------------------|---------------|---------------|
| | | | Begin | Mid | End |
| GM | General Manager | Annual | \$ 173,400 | \$ 197,653.29 | \$ 221,906.57 |
| | | Month | \$ 14,450 | \$ 16,471 | \$ 18,492 |
| | | Hour | \$ 83.37 | \$ 95.03 | \$ 106.69 |
| OM | Office Manager | Annual | \$ 84,966 | \$ 117,812.60 | \$ 150,659.20 |
| | | Month | \$ 7,081 | \$ 9,818 | \$ 12,555 |
| | | Hour | \$ 40.85 | \$ 56.64 | \$ 72.43 |
| OMS | Operation and Maintenance Superintendent | Annual | \$ 84,966 | \$ 116,651.75 | \$ 148,337.50 |
| | | Month | \$ 7,081 | \$ 9,721 | \$ 12,361 |
| | | Hour | \$ 40.85 | \$ 56.08 | \$ 71.32 |
| WTSS | Water Treatment & Supply Superintendent | Annual | \$ 84,966 | \$ 116,651.75 | \$ 148,337.50 |
| | | Month | \$ 7,081 | \$ 9,721 | \$ 12,361 |
| | | Hour | \$ 40.85 | \$ 56.08 | \$ 71.32 |
| WTS | Water Treatment & Supply Supervisor | Annual | \$ 75,999 | \$ 97,239.36 | \$ 118,479.72 |
| | | Month | \$ 6,333 | \$ 8,103 | \$ 9,873 |
| | | Hour | \$ 36.54 | \$ 46.75 | \$ 56.96 |
| WDS | Water Distribution Supervisor | Annual | \$ 75,999 | \$ 97,239.36 | \$ 118,479.72 |
| | | Month | \$ 6,333 | \$ 8,103 | \$ 9,873 |
| | | Hour | \$ 36.54 | \$ 46.75 | \$ 56.96 |
| LWT | Lead Water System Operator (Treatment) | Annual | \$ 65,752 | \$ 82,143.89 | \$ 98,535.77 |
| | | Month | \$ 5,479 | \$ 6,845 | \$ 8,211 |
| | | Hour | \$ 31.61 | \$ 39.49 | \$ 47.37 |
| LWD | Lead Water System Operator (Distribution) | Annual | \$ 65,752 | \$ 82,143.89 | \$ 98,535.77 |
| | | Month | \$ 5,479 | \$ 6,845 | \$ 8,211 |
| | | Hour | \$ 31.61 | \$ 39.49 | \$ 47.37 |
| WSOII | Water System Operator II | Annual | \$ 61,483 | \$ 75,126.61 | \$ 88,770.21 |
| | | Month | \$ 5,124 | \$ 6,261 | \$ 7,398 |
| | | Hour | \$ 29.56 | \$ 36.12 | \$ 42.68 |
| WSOI | Water System Operator I | Annual | \$ 56,359 | \$ 66,936.40 | \$ 77,513.79 |
| | | Month | \$ 4,697 | \$ 5,578 | \$ 6,459 |
| | | Hour | \$ 27.10 | \$ 32.18 | \$ 37.27 |
| WMW | Water System Maintenance Worker | Annual | \$ 50,382 | \$ 59,813.05 | \$ 69,244.10 |
| | | Month | \$ 4,199 | \$ 4,984 | \$ 5,770 |
| | | Hour | \$ 24.22 | \$ 28.76 | \$ 33.29 |
| CSAS | Customer Service & Accounting Supervisor | Annual | \$ 88,980 | \$ 104,094.00 | \$ 119,208.00 |
| | | Month | \$ 7,415 | \$ 8,675 | \$ 9,934 |
| | | Hour | \$ 42.78 | \$ 50.05 | \$ 57.31 |
| LCSA | Lead Customer Support & Accounting Clerk | Annual | \$ 53,798 | \$ 70,707.76 | \$ 87,617.51 |
| | | Month | \$ 4,483 | \$ 5,892 | \$ 7,301 |
| | | Hour | \$ 25.86 | \$ 33.99 | \$ 42.12 |
| CSAII | Customer Support & Accounting Clerk II | Annual | \$ 48,673 | \$ 62,553.09 | \$ 76,433.17 |
| | | Month | \$ 4,056 | \$ 5,213 | \$ 6,369 |
| | | Hour | \$ 23.40 | \$ 30.07 | \$ 36.75 |
| CSAI | Customer Support & Accounting Clerk I | Annual | \$ 38,854 | \$ 53,034.96 | \$ 67,215.92 |
| | | Month | \$ 3,238 | \$ 4,420 | \$ 5,601 |
| | | Hour | \$ 18.68 | \$ 25.50 | \$ 32.32 |

ORGANIZATIONAL CHART – Proposed May 2023





Item 10A – Upcoming Events

Upcoming Events

To: Honorable Board of Directors

Date: 03/27/2023

Re: Upcoming Board Approved Meetings and Conferences for 2023



| Day/Date | Event | <u>Argudo</u> | <u>Barajas</u> | <u>Escalera</u> | <u>Hernandez</u> | <u>Rojas</u> |
|--|--|---------------|----------------|-----------------|------------------|--------------|
| Monday & Tuesday April 3 & 4 2023 | AWWA CA/NV Spring Conference 2023 Town & Country, San Diego | | | X | X | X |
| Tuesday & Wednesday May 9 & 10 2023 | ACWA 2023 Spring Conference & Expo Monterey, CA | | | X | X | X |
| October 3-5 2023 | AWWA WaterSmart Innovations Conference 2023 | | | | | |
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Board Meetings typically held on the 2nd and the 4th Monday of each Month.



Item 10B – Gina Herrera's Retirement Memo

Memo



To: Honorable Board of Directors

From: Gina Herrera, Office Manager

Date: March 27, 2023

Re: District Retirement

It is with both sadness and excitement that I formally announce my Retirement from the La Puente Valley County Water District. My last official day will be April 30, 2023.

I am proud and thankful to have been part of the LVPCWD team for the past 20 years, as I look back and remember all of the changes, challenges and accomplishments all I can think is "Wow, we did all of this!"

It is not often that you can call work – home, and call your coworkers - family; I did.

I would like to thank Staff and Board of Director's for making my time with the District a memorable experience. I hope our paths continue to cross in the future.