



AGENDA

**REGULAR MEETING OF THE BOARD OF DIRECTORS
LA PUENTE VALLEY COUNTY WATER DISTRICT
112 N. FIRST STREET, LA PUENTE, CALIFORNIA
MONDAY, MARCH 24, 2025, AT 4:30 PM**

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL OF BOARD OF DIRECTORS

President Escalera____ Vice President Barajas____ Director Argudo____
Director Hernandez____ Director Rojas____

4. PUBLIC COMMENT

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

5. ADOPTION OF AGENDA

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

6. APPROVAL OF CONSENT CALENDAR

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

A. Approval of Minutes of the Regular Meeting of the Board of Directors held on March 10, 2025.

7. FINANCIAL REPORTS

A. Summary of the District's Cash and Investments as of February 28, 2025.

Recommendation: Receive and File

B. Statement of District's Revenue and Expenses as of February 28, 2025.

Recommendation: Receive and File

- C. Statement of the Industry Public Utilities Water Operations Revenue and Expenses as of February 28, 2025.

Recommendation: Receive and File

8. PRESENTATION – WATER SYSTEM PREPAREDNESS AND RELIABILITY

9. ACTION / DISCUSSION ITEMS

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

Recommendation: Board Discretion

- B. Consideration of Sponsorship Request from La Puente Women's Club.

Recommendation: Board Discretion

- C. Consideration of Sponsorship Request from La Puente Little League – Padres Team.

Recommendation: Board Discretion

- D. Consideration of Maintenance Contract from Wigen Water Technologies for the PVOU-IZ and PVOU-SZ.

Recommendation: Authorize the General Manager to Approve the Quarterly Service Contract Visits for the IZ and SZ Treatment Facilities.

- E. Consideration to Lease 300 Acre-Feet of Main San Gabriel Groundwater Production Rights to the Industry Public Utilities.

Recommendation: Authorize the General Manager to enter into a Lease Agreement with the Industry Public Utilities for 300 Acre-Feet of 2024-25 Main San Gabriel Basin Groundwater Production Rights.

10. GENERAL MANAGER'S REPORT

11. OTHER ITEMS

- A. Upcoming Events
- B. Information Items

12. ATTORNEY'S COMMENTS

13. BOARD MEMBER COMMENTS

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

14. CLOSED SESSION

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION [Government Code Section 54956.9(d)(2)]

Significant Exposure to Litigation Pursuant Subdivision (D)(2) of Government Code Section 54956.9: One Case

B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

[Government Code Section 54956.9(d)(1)]:

IN RE: AQUEOUS FILM-FORMING FOAMS PRODUCTS LIABILITY LITIGATION, U.S.
Multi-District Litigation,

U.S. District for the District of South Carolina, MDL No. 2873

15. CLOSED SESSION REPORT

16. FUTURE AGENDA ITEMS

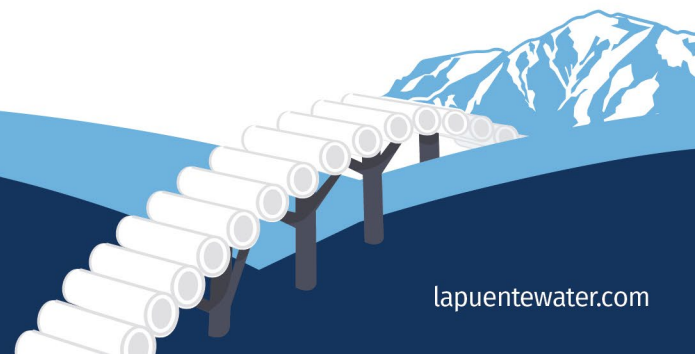
17. ADJOURNMENT

POSTED: Friday, March 21, 2025.

President John P. Escalera, 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

**REGULAR MEETING OF THE BOARD OF DIRECTORS
LA PUENTE VALLEY COUNTY WATER DISTRICT
112 N. FIRST STREET, LA PUENTE, CALIFORNIA
MONDAY, MARCH 10, 2025, AT 4:30 PM**

1. CALL TO ORDER

President Escalera called the meeting to order at 4:30 pm.

2. PLEDGE OF ALLEGIANCE

President Escalera led the Pledge of Allegiance.

3. ROLL CALL OF BOARD OF DIRECTORS

President Escalera	Vice President Barajas	Director Argudo	Director Hernandez	Director Rojas
Present	Present	Present	Present	Present

OTHERS PRESENT

Staff and Counsel: General Manager & Board Secretary, Roy Frausto; Customer Service & Accounting Supervisor, Shaunte Maldonado, HR Coordinator/Admin Assistant, Angelina Padilla; Operations & Treatment Superintendent, Cesar Ortiz; and District Counsel, James Ciampa were present .

4. PUBLIC COMMENT

Resident, Marty Paz, made a comment.

Resident and Kiwanis Member, Georgene Navarrete, invited the Board and Staff to the Kiwanis Spaghetti Dinner.

5. ADOPTION OF AGENDA

Motion: Adopt Agenda

1st: President Escalera

2nd: Director Argudo

	President Escalera	Vice President Barajas	Director Argudo	Director Hernandez	Director Rojas
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: Adopt Consent Calendar

1st: President Escalera

2nd: Director Argudo

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

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

7. ACTION / DISCUSSION ITEMS

A. Consideration of Services from Tri County Pump Company (Tri County) for the Replacement of the Pump and Motor for MZ-1

Mr. Ortiz and Mr. Frausto presented the staff report on this item and were available for any questions.

Motion: Ratify the General Manager’s Authorization to Secure Services from Tri County Pump Company in the Amount of \$37,214.50

1st: Vice President Barajas

2nd: Director Argudo

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

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

8. OPERATIONS AND TREATMENT REPORT

Mr. Ortiz presented his report and was available for any questions.

Motion: Receive and File.

1st: Vice President Barajas

2nd: Director Argudo

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

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

9. ADMINISTRATIVE REPORT

Ms. Padilla went over Board reminders, public communication, and updates to social media and the website and was available for any questions.

10. GENERAL MANAGER’S REPORT

Mr. Frausto presented his report and was available for any questions.

11. OTHER ITEMS

A. Upcoming Events.

Ms. Padilla went over the upcoming events and confirmed the Board’s attendance to these events.

B. Information Items.

None.

12. ATTORNEY'S COMMENTS

Mr. Ciampa gave a brief legislative update and was available for any questions.

13. BOARD MEMBER COMMENTS

A. Report on Events Attended.

President Escalera and Director Hernandez reported on their attendance to the Southern California Water Utilities Association luncheon and the La Puente Little League Parade.

B. Other Comments

None.

14. CLOSED SESSION

The Board recessed into closed session at 4:53 pm to discuss the following item:

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code Section 54956.9(a))

Connie Marie Najera v. Zampielo, La Puente Valley County Water District, et al.; Los Angeles County Superior Court Case No. 25PSCV00482

15. CLOSED SESSION REPORT

Mr. Ciampa gave the following report, the Board was briefed on the facts and circumstances of the matter and no reportable action was taken

16. FUTURE AGENDA ITEMS

None.

17. ADJOURNMENT

President John P. Escalera adjourned the meeting at 4:57 pm.

Attest:

John P. Escalera, Board President

Roy Frausto, Board Secretary



Item 7
Financial Reports



**Summary of Cash and Investments
February 2025**

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	4.620%	\$ 95,892.31	\$ 4,526,000.00	\$ -	\$ 4,621,892.31
California CLASS	4.4125%	\$ 4,576,043.32	\$ 6,730.07	\$ (4,526,000.00)	\$ 56,773.39
Checking Account					
Well Fargo Checking Account (per General Ledger)		\$ 1,419,376.43	\$ 5,427,064.31	\$ 5,118,261.51	\$ 1,728,179.23
District's Total Cash and Investments:					<u>\$ 6,406,844.93</u>

Industry Public Utilities

Checking Account	Beginning Balance	Receipts	Disbursements	Ending Balance
Well Fargo Checking Account (per General Ledger)	\$ 1,906,688.61	\$ 307,597.40	\$ 181,162.57	\$ 2,033,123.44
IPU's Total Cash and Investments:				<u>\$ 2,033,123.44</u>

Puente Valley Operable Unit

Checking Account	Beginning Balance	Receipts	Disbursements	Ending Balance
Well Fargo Checking Account (per General Ledger)	\$ 521,519.68	\$ -	\$ 130,590.99	\$ 390,928.69
PVOU's Total Cash and Investments:				<u>\$ 390,928.69</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

, General Manager

Date: 03/18/2025



**La Puente Valley County Water District
Budget v. Actual Summary (Combined)
For The Period Ending February 28, 2025**

	LPVCWD YTD Actual 2025	BPOU YTD Actual 2025	Total YTD Actual 2025	Total Adopted Budget 2025	Total YTD 16.7%	Total Prior YTD Actual 2024
Revenues						
Rate Revenue	\$ 560,768	\$ -	\$ 560,768	\$ 3,409,400	16.4%	\$ 3,188,568
Non-Rate Revenue	291,596	217,941	509,537	4,193,997	12.1%	4,138,480
Non-Operating Revenue	109,798	-	109,798	701,500	15.7%	994,404
Total Revenue	962,161	217,941	1,180,103	8,304,897	14.2%	8,321,452
Expense						
Supply & Treatment	632,279	130,546	762,826	2,625,482	29.1%	2,650,040
Salaries & Benefits	465,395	58,404	523,799	3,215,000	16.3%	2,716,344
Other Operating Expenses	30,161	28,991	59,153	539,300	11.0%	494,141
General & Administrative	50,518	-	50,518	504,000	10.0%	453,706
Total Expense	1,178,353	217,941	1,396,295	6,883,782	20.3%	6,314,232
Net Income / (Loss) Before Other Items	(216,192)	-	(216,192)	1,421,115	-15.2%	2,007,221
Capital Expenses	(5,700)	-	(5,700)	(2,191,000)	0.3%	(532,259)
Capital Reimbursements	-	-	-	601,000	0.0%	49,867
Loan Payments - Interest	(35,957)	-	(35,957)	(77,900)	46.2%	(75,483)
Loan Payments - Principal	(63,411)	-	(63,411)	(120,600)	52.6%	-
Prepaid Inventory Purchases	-	-	-	(40,000)	0.0%	-
Change in Cash	(321,260)	-	(321,260)	(407,385)	78.9%	1,449,346
Non-Cash Items						
Depreciation Expense	(75,000)	(17,500)	(92,500)	(555,000)	16.7%	(555,000)
Pension Expense	-	-	-	-	NA	-
Other Post-Employment Benefits Exp.	-	-	-	-	NA	-
Total Non-Cash Items	(75,000)	(17,500)	(92,500)	(555,000)	16.7%	(555,000)
Add Back Capitalized Items						
Line 13 Capital Expenses	5,700	-	5,700	2,191,000	0.3%	532,259
Line 14 Capital Reimbursements	-	-	-	(601,000)	0.0%	(49,867)
Line 16 Loan Payments - Principal	63,411	-	63,411	120,600	52.6%	-
Line 17 Prepaid Inventory Purchases	-	-	-	40,000	0.0%	-
Total Add Back Capitalized Items	69,111	-	69,111	1,750,600	3.9%	482,392
Net Income / (Loss)	\$ (327,149)	\$ (17,500)	\$ (344,649)	\$ 788,215		\$ 1,376,738

No assurance is provided on the financial statements. A statement of cash flows and disclosures generally required by GAAP are not included. These statements represent preliminary, unaudited financial results.



La Puente Valley County Water District
Budget v. Actual
For The Period Ending February 28, 2025

	February 2025 Actual	YTD Actual 2025	Adopted Budget 2025	YTD 16.7%	Prior YTD Actual 2024
Rate Revenue					
Water Sales	201,103	320,714	1,953,900	16.4%	1,858,826
Service Charges	103,773	191,683	1,170,000	16.4%	1,049,628
Surplus Sales	5,487	11,336	70,000	16.2%	67,969
Customer Charges	2,835	5,906	40,000	14.8%	41,405
Fire Service	28,898	31,005	175,000	17.7%	169,626
Other Miscellaneous Charges	124	124	500	24.8%	1,116
Total Rate Revenue	342,220	560,768	3,409,400	16.4%	3,188,568
Non-Rate Revenue					
Management Fees	-	-	352,197	0.0%	380,147
IPU Service Fees (Labor)	96,678	195,214	1,149,000	17.0%	1,055,417
BPOU Service Fees (Labor)	25,928	58,404	353,600	16.5%	356,549
PVOU IZ Service Fees (Labor)	22,843	57,291	500,000	11.5%	396,462
PVOU SZ Service Fees (Labor)	19,731	39,090	225,000	17.4%	176,731
Other O&M Fees	-	-	115,000	0.0%	100,177
Total Non-Rate Revenue	165,181	349,999	2,694,797	13.0%	2,465,483
Total Operating Revenue	507,401	910,767	6,104,197	14.9%	5,654,052
Non-Operating Revenue					
Taxes & Assessments	17,873	47,402	322,200	14.7%	385,712
Rental Revenue	3,507	7,014	44,300	15.8%	42,085
Interest Revenue	6,730	23,860	150,000	15.9%	230,688
Market Value Adjustment	-	-	-	N/A	3,971
PVOU Revenue	7,490	19,137	130,000	14.7%	268,214
IPU Vehicle & Equipment Revenue	3,859	7,718	47,500	16.2%	37,853
Miscellaneous Income	290	580	7,500	7.7%	6,520
Developer Fees	-	4,087	-	N/A	19,362
Total Non-Operating Revenue	39,749	109,798	701,500	15.7%	994,404
Total Revenue	547,150	1,020,565	6,805,697	15.0%	6,648,456
Supply & Treatment					
Purchased & Leased Water	413	596,721	635,697	93.9%	610,979
Power	14,215	28,899	212,000	13.6%	210,783
Assessments	-	-	349,885	0.0%	288,221
Treatment	5,975	6,597	80,000	8.2%	55,991
Well & Pump Maintenance	-	62	60,000	0.1%	26,213
Total Supply & Treatment	20,602	632,279	1,337,582	47.3%	\$ 1,192,187
Salaries & Benefits					
Total District Wide Labor	147,237	358,675	2,060,000	17.4%	1,750,467
Directors Fees & Benefits	8,714	14,788	115,000	12.9%	97,718
Benefits	32,103	64,544	415,000	15.6%	363,266
OPEB Payments	9,955	19,910	110,000	18.1%	112,039
OPEB Trust Contributions	-	-	60,000	0.0%	-
Payroll Taxes	11,578	29,666	150,000	19.8%	133,928

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La Puente Valley County Water District
Budget v. Actual
For The Period Ending February 28, 2025

	February 2025 Actual	YTD Actual 2025	Adopted Budget 2025	YTD 16.7%	Prior YTD Actual 2024
CalPERS Retirement (Normal Costs)	14,723	36,215	210,000	17.2%	173,104
CalPERS Unfunded Accrued Liability	-	-	95,000	0.0%	85,821
Total Salaries & Benefits	224,309	523,799	3,215,000	16.3%	2,716,344
Net District-Paid Salaries & Benefits Analysis:					
<i>Total Salaries & Benefits</i>	224,309	523,799	3,215,000	16.3%	2,716,344
<i>Less: Labor Service Revenue</i>	(165,181)	(349,999)	(2,227,600)	15.7%	(1,985,159)
Net District-Paid Salaries & Benefits	59,129	173,799	987,400	17.6%	731,185
Other Operating Expenses					
General Plant	852	4,258	60,000	7.1%	34,026
Transmission & Distribution	1,232	3,628	120,000	3.0%	127,950
Vehicles & Equipment	5,016	9,011	65,000	13.9%	64,174
Field Support & Other Expenses	1,270	12,098	60,000	20.2%	44,494
Regulatory Compliance	549	1,166	45,000	2.6%	37,563
Total Other Operating Expenses	8,920	30,161	350,000	8.6%	308,208
General & Administrative					
District Office Expenses	9,941	15,679	55,000	28.5%	42,392
Customer Accounts	1,446	5,322	32,000	16.6%	33,027
Insurance	-	-	130,000	0.0%	116,889
Professional Services	6,951	16,343	115,000	14.2%	92,783
Training & Certification	3,022	5,312	40,000	13.3%	35,270
Public Outreach & Conservation	660	1,020	30,000	3.4%	66,006
Other Administrative Expenses	3,791	6,842	80,000	8.6%	38,034
Total General & Administrative	25,811	50,518	482,000	10.5%	424,401
Total Expense	279,642	1,236,757	5,384,582	23.0%	4,641,140
Net Income / (Loss) before Other Items	267,507	(216,192)	1,421,115	-15.2%	2,007,316
Capital Expenses					
Nitrate Treatment System	-	-	(20,000)	0.0%	(46,068)
Recycled Water System	(2,099)	(5,700)	(70,000)	8.1%	(52,258)
Hudson Ave Pumping Improvements	-	-	(536,000)	0.0%	-
SCADA Improvements	-	-	(60,000)	0.0%	-
Service Line Replacements	-	-	(50,000)	0.0%	(28,521)
Valve Replacements	-	-	(25,000)	0.0%	(15,221)
Fire Hydrant Repair/Replacements	-	-	(25,000)	0.0%	(17,046)
LP CIWS Interconnection (Ind. Hills)	-	-	(65,000)	0.0%	-
Well 2 Rehabilitation	-	-	-	N/A	(272,250)
Fleet Trucks	-	-	(90,000)	0.0%	(8,040)
Other Field Equipment	-	-	(75,000)	0.0%	(22,473)
Ferrero/Rorimer St. Project	-	-	-	N/A	(43,039)
IT Hardware - Server Replacement	-	-	-	N/A	(27,344)
New Admin Building	-	-	(1,000,000)	0.0%	-
Main St. VFD	-	-	(80,000)	0.0%	-
Dalesford & Bamboo Project	-	-	(80,000)	0.0%	-

No assurance is provided on the financial statements. A statement of cash flows and disclosures generally required by GAAP are not included. These statements represent preliminary, unaudited financial results.



La Puente Valley County Water District
Budget v. Actual
For The Period Ending February 28, 2025

	February 2025 Actual	YTD Actual 2025	Adopted Budget 2025	YTD 16.7%	Prior YTD Actual 2024
IT Hardware - Firewall	-	-	(15,000)	0.0%	-
Total Capital Expenses	(2,099)	(5,700)	(2,191,000)	0.3%	(532,259)
				N/A	
Capital Reimbursements					
Capital Reimbursement (PVOU Projects)	-	-	601,000	0.0%	-
Grant Revenues	-	-	-	N/A	49,867
Total Capital Reimbursements	-	-	601,000	0.0%	49,867
Debt Service Payments					
Loan Payment - Interest	-	(35,957)	(77,900)	46.2%	(75,483)
Loan Payment - Principal	-	(63,411)	(120,600)	52.6%	-
Total Debt Service Payments	-	(99,368)	(198,500)	50.1%	(75,483)
Prepaid Inventory Purchases	-	-	(40,000)	0.0%	-
Change in Cash	265,408	(321,260)	(407,385)	78.9%	1,449,441
Non-Cash Items					
Depreciation Expense	(37,500)	(75,000)	(450,000)	16.7%	(450,000)
Pension Expense	-	-	-	N/A	-
OPEB Expense	-	-	-	N/A	-
Total Non-Cash Items	(37,500)	(75,000)	(450,000)	16.7%	(450,000)
Add Back Capitalized Items					
Line 86 Total Capital Expenses	2,099	5,700	2,191,000	0.3%	532,259
Line 90 Total Capital Reimbursements	-	-	(601,000)	0.0%	(49,867)
Line 93 Loan Payment - Principal	-	63,411	120,600	52.6%	-
Line 95 Prepaid Inventory Purchases	-	-	40,000	0.0%	-
Total Add Back Capitalized Items	2,099	69,111	1,750,600	3.9%	482,392
Net Income / (Loss)	230,007	(327,149)	893,215		1,481,833

No assurance is provided on the financial statements. A statement of cash flows and disclosures generally required by GAAP are not included. These statements represent preliminary, unaudited financial results.



**LPVCWD BPOU Treatment Plant
Budget v. Actual
For The Period Ending February 28, 2025**

	February 2025 Actual	YTD Actual 2025	Adopted Budget 2025	YTD 16.7%	Prior YTD Actual 2024
Reimbursement Revenue					
Reimbursements from CR's	120,066	217,941	1,852,800	11.8%	2,029,546
Total Reimbursement Revenue	120,066	217,941	1,852,800	11.8%	2,029,546
BPOU Treatment Plant Labor ⁽¹⁾	25,928	58,404	353,600	16.5%	356,549
Supply & Treatment					
NDMA, 1,4-Dioxane Treatment	4,850	7,899	240,700	3.3%	297,969
VOC Treatment	6,504	7,433	32,900	22.6%	5,130
Perchlorate Treatment	2,130	4,182	481,800	0.9%	478,043
Other Chemicals	6,832	12,285	104,300	11.8%	107,942
BPOU Plant Power	26,288	55,055	380,200	14.5%	413,183
BPOU Plant Maintenance	25,106	25,938	48,000	54.0%	155,121
Well & Pump Maintenance	17,755	17,755	-	N/A	465
Total Supply & Treatment	89,466	130,546	1,287,900	10.1%	1,457,853
Other Operating Expenses					
Contract Labor	-	-	20,000	0.0%	-
General Plant	1,655	11,398	25,000	45.6%	31,202
Transmission & Distribution	-	-	-	N/A	95
Vehicles & Equipment	885	1,765	14,300	12.3%	10,239
Regulatory Compliance	2,132	15,828	130,000	12.2%	144,398
Total Other Operating Expenses	4,672	28,991	189,300	15.3%	185,933
General & Administrative					
District Office Expenses	-	-	2,500	0.0%	-
Insurance	-	-	12,000	0.0%	21,080
Professional Services	-	-	7,500	0.0%	8,225
Total General & Administrative	-	-	22,000	0.0%	29,305
Total Expense	120,066	217,941	1,852,800	11.8%	2,029,641
Change in Cash	-	-	-	N/A	(95)
Non-Cash Items					
Depreciation Expense	(8,750)	(17,500)	(105,000)	16.7%	(105,000)
Total Non-Cash Items	(8,750)	(17,500)	(105,000)	16.7%	(105,000)
Net Income / (Loss)	\$ (8,750)	\$ (17,500)	\$ (105,000)		\$ (105,095)

(1) The cost of labor on line 4 is billed to the Baldwin Park Operating Unit by La Puente Valley County Water District and recognized as a revenue to the District. The cost of labor on this schedule matches line 12 BPOU Service Fees (Labor) revenue in the La Puente Valley County Water District Budget v. Actual report.

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS

Budget v. Actual Summary

For the Period Ending February 28, 2025

(Unaudited)

	February 2025	FISCAL YTD 2024/25	BUDGET 2024/25	67% OF BUDGET	YEAR END 2023/24
REVENUE					
Operational Revenue	\$ 171,353	\$ 1,956,943	\$ 2,555,300	77%	\$ 2,553,674
Non-Operational Revenue	-	47,330	94,400	50%	87,155
TOTAL REVENUES	171,353	2,004,273	2,649,700	76%	2,640,829
EXPENSE					
Salaries & Benefits	96,678	757,120	1,149,000	66%	826,138
Supply & Treatment	21,597	203,209	881,500	23%	798,539
Other Operating Expense	11,053	174,536	268,000	65%	255,851
General & Administrative	10,857	116,089	189,500	61%	321,261
System Improvements & Miscellaneous	682	17,066	114,000	15%	38,340
TOTAL EXPENSE	140,866	1,268,021	2,602,000	49%	2,240,129
NET INCOME / (LOSS)	30,487	736,252	47,700		400,700

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS

Statement of Revenue and Expenses

For the Period Ending February 28, 2025

(Unaudited)

		FISCAL			
	February	YTD	BUDGET	67% OF	YEAR END
	2025	2024/25	2024/25	BUDGET	2023/24
Water Sales	\$ 92,837	\$ 1,196,438	\$ 1,497,600	80%	\$ 1,483,964
Service Charges	68,215	589,743	837,800	70%	832,021
Customer Charges	2,483	27,354	40,300	68%	42,444
Fire Service	7,818	130,851	179,600	73%	182,255
Developer Fees	-	10,513	-	N/A	7,313
Water Capacity Fee	-	-	-	N/A	5,678
Misc Income	-	2,044	-	N/A	-
<i>Total Operational Revenues</i>	171,353	1,956,943	2,555,300	77%	2,553,674
Contamination Reimbursement	-	47,330	94,400	50%	87,155
<i>Total Non-Operational Revenues</i>	-	47,330	94,400	50%	87,155
TOTAL REVENUES	171,353	2,004,273	2,649,700	76%	2,640,829
Administrative Salaries	33,377	260,594	370,000	70%	287,985
Field Salaries	29,729	238,750	334,000	71%	270,408
Employee Benefits	16,652	128,387	255,000	50%	137,260
Pension Plan	12,208	91,678	132,000	69%	85,486
Payroll Taxes	4,711	34,544	50,000	69%	38,332
Workers Compensation	-	3,168	8,000	40%	6,668
<i>Total Salaries & Benefits</i>	96,678	757,120	1,149,000	66%	826,138
Purchased Water - Leased	-	-	302,900	0%	316,484
Cyclic Water Storage	-	-	-	N/A	-
Cyclic Water Capitalized	-	-	-	N/A	-
Cyclic Water Storage	-	-	-	N/A	-
Purchased Water - Other	1,557	13,346	20,000	67%	15,090
Power	20,039	183,245	240,000	76%	207,313
Assessments	-	6,618	286,600	2%	251,704
Treatment	-	-	7,000	0%	6,976
Well & Pump Maintenance	-	-	25,000	0%	972
<i>Total Supply & Treatment</i>	21,597	203,209	881,500	23%	798,539
General Plant	214	3,891	45,000	9%	7,891
Transmission & Distribution	3,485	83,218	95,000	88%	123,876
Vehicles & Equipment	3,859	30,750	45,000	68%	49,827
Field Support & Other Expenses	1,642	25,491	45,000	57%	40,912
Regulatory Compliance	1,853	31,185	38,000	82%	33,345
<i>Total Other Operating Expenses</i>	11,053	174,536	268,000	65%	255,851

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS

Statement of Revenue and Expenses

For the Period Ending February 28, 2025

(Unaudited)

	February 2025	FISCAL YTD 2024/25	BUDGET 2024/25	67% OF BUDGET	YEAR END 2023/24
Management Fee	-	-	-	N/A	137,377
Office Expenses	5,264	22,747	35,000	65%	59,114
Insurance	-	26,526	22,000	121%	20,756
Professional Services	1,230	38,120	80,000	48%	64,504
Customer Accounts	3,208	25,684	34,000	76%	31,155
Public Outreach & Conservation	-	400	12,000	3%	5,255
Other Administrative Expenses	1,155	2,612	6,500	40%	3,100
<i>Total General & Administrative</i>	10,857	116,089	189,500	61%	321,261
Fire Hydrant Repair/Replace	682	11,392	28,000	41%	3,226
Service Line Replacements	-	5,674	36,000	16%	24,055
Valve Replacements & Installations	-	-	35,000	0%	9,910
SCADA Improvements	-	-	15,000	0%	1,149
Groundwater Treatment Facility Feas. Study	-	-	-	N/A	-
Fence at the Plant	-	-	-	N/A	-
<i>Total Other & System Improvements</i>	682	17,066	114,000	15%	38,340
TOTAL EXPENSES	140,866	1,268,021	2,602,000	49%	2,240,129
NET INCOME / (LOSS)	30,487	736,252	47,700		400,700



Item 9
Action/Discussion
Items

Memo



Date: March 24, 2025
To: Honorable Board of Directors
Subject: Increase in Board of Directors Per Day of Service Compensation

Summary

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 25, 2024. The current rate of compensation is one hundred eighty-eight dollars and fifty-four cents (\$188.54) per day of service. A five percent (5%) increase would raise the compensation to one hundred ninety-seven dollars and ninety-seven cents (\$197.97) per day.

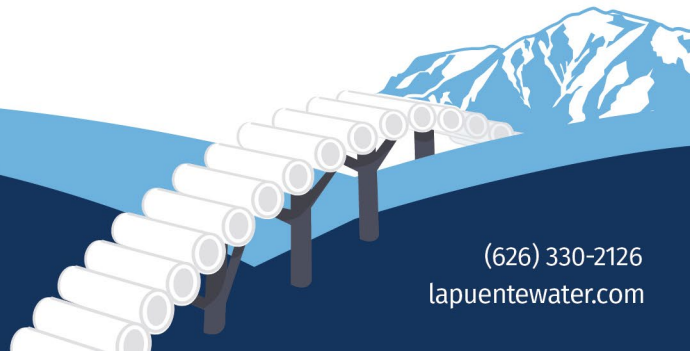
It is at the discretion of the Board to determine whether this increase in the amount of compensation is warranted and appropriate for this coming year. If determined not to be appropriate, by a majority vote of the Board, the five percent (5%) increase shall not go into effect and the compensation per day of service shall remain at its current rate of \$188.54. 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.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "G. Fu", is positioned above the title "General Manager".

General Manager





SPONSORSHIP APPLICATION

Thank you for your interest in the La Puente Valley County Water District (the "District") Sponsorship Program. To be considered for sponsorship, please complete the application below. Applications must comply with the District's Sponsorship Policy and be submitted at least four days before a scheduled Board meeting (held on the 2nd and 4th Monday of each month) to be reviewed at the next available meeting.

Applicant Information	
Organization Name:	
Tax-Exempt Status (501(c)(3), etc.):	
EIN (Employer Identification Number):	
Organization Address:	
Primary Contact Name & Title:	
Phone Number:	
Email Address:	

Sponsorship Request Details	
Type of Sponsorship Requested:	
Date of Event/Program:	
Event/Program Name:	
Event/Program Location:	
Expected Attendance:	
Brief Description of the Event/Program & How It Aligns with the District's Mission:	
How Will the District Be Recognized for Its Sponsorship?	
Submission Date:	
Signature of Authorized Representative:	

Printed Name & Title:	
----------------------------------	--

Internal Use Only	
Date Received::	
Reviewed By:	
Board Approval Date:	
Sponsorship Amount/Type Approved:	
Agreement Required (if applicable)?	
Board Approval:	

La Puente Valley Woman's Club
Presents
Annual Scholarship
Gala

Saturday, March 29, 2025

6:30 PM — 11:30 PM

200 N. First Street, La Puente, Ca.
91744

YOU'RE CORDIALLY INVITED TO OUR COMEDY
DINNER, AND DANCING GALA

Attire Dress to Impress

Please RSVP

For more info: Martha Rodriguez

626-512-1241

LPVWC@YAHOO.COM

SPONSORSHIP LEVELS:

- \$5,000 PLATINUM SPONSORSHIP
- \$2,500 GOLD SPONSOR
- \$1,000 SILVER SPONSOR
- \$500 BRONZE SPONSOR
- \$50 INDIVIDUAL TICKET
of Tickets _____
- \$ _____ I am unable to attend,
but please accept my donation.

MAKE CHECKS PAYABLE TO:

La Puente Valley Women's Club

PAY WITH ZELLE:

LPVWC@yahoo.com

MAIL RESPONSE FORM AND PAYMENT TO:

La Puente Valley Women's Club

Scholarship Gala

Martha Rodriguez

200 N. First Street. | La Puente, CA. 91744

T: 626.512.1241

LPVWC@yahoo.com

NAME _____

TITLE _____

COMPANY _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

OFFICE PHONE (_____) CELL PHONE (_____)

E-MAIL _____

CHECK ENCLOSED

PAID WITH ZELLE

PLEASE INVOICE US FOR THE AMOUNT DUE: \$ _____ (ALL PAYMENTS DUE BY MARCH 24, 2025)

All contributions are tax-deductible to the fullest extent allowed by law.

TABLE GUESTS (7):

HOST NAME: _____



SPONSORSHIP APPLICATION

Thank you for your interest in the La Puente Valley County Water District (the "District") Sponsorship Program. To be considered for sponsorship, please complete the application below. Applications must comply with the District's Sponsorship Policy and be submitted at least four days before a scheduled Board meeting (held on the 2nd and 4th Monday of each month) to be reviewed at the next available meeting.

Applicant Information	
Organization Name:	La puente lil league team padres
Tax-Exempt Status (501(c)(3), etc.):	
EIN (Employer Identification Number):	
Organization Address:	
Primary Contact Name & Title:	Justin Ferrenti manager
Phone Number:	6266918477
Email Address:	justinferrenti@gmail.com

Sponsorship Request Details	
Type of Sponsorship Requested:	Team sponsor to donate \$300
Date of Event/Program:	3/8/2025
Event/Program Name:	La puente lil league
Event/Program Location:	La puente park
Expected Attendance:	Unknown
Brief Description of the Event/Program & How It Aligns with the District's Mission:	Baseball games are held at la puente park every Tuesday and Saturday for our games our team banner is displayed on game days of the team and
How Will the District Be Recognized for Its Sponsorship?	The district will be displayed on the team banner and be given a plaque with the team picture saying
Submission Date:	Asap if possible
Signature of Authorized Representative:	Justin Ferrenti

Printed Name & Title:	Justin Ferrenti
----------------------------------	-----------------

Internal Use Only	
Date Received::	3/19/25
Reviewed By:	Angelina p.
Board Approval Date:	
Sponsorship Amount/Type Approved:	
Agreement Required (if applicable)?	
Board Approval:	

STAFF Report



Date: March 24, 2025

To: Honorable Board of Directors

Subject: Wigen Water Technologies Maintenance Contract

Purpose: *To secure preventive maintenance services and safeguard the Wigen Water Technologies Reverse Osmosis Units at the PVOU-IZ and SZ treatment facilities.*

Recommendation: *Authorize the General Manager to approve the 1-year Maintenance Contracts for the IZ and SZ treatment facilities as proposed by Wigen Water Technologies.*

Fiscal Impact: *The 2025 PVOU-IZ and SZ Budgets appropriate \$55,000 and \$20,000 for RO Performance/Maintenance Contracts, respectively. The cost of \$37,258.42 (IZ) and \$15,967.90 (SZ) for each service contract as proposed by Wigen Water Technologies is within the 2025 Budget appropriation. The cost for this performance contract is a PVOU-IZ and SZ Project expense and shall be 100% funded by the PVOU checking account.*

SUMMARY

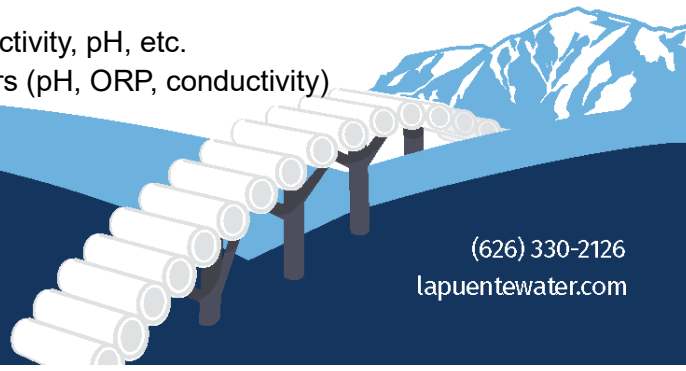
The PVOU Wigen RO Systems were installed at the PVOU Groundwater Treatment Facilities in 2021, to treat groundwater contaminants, specifically TDS and other inorganics. The RO Systems are designed to successfully treat the groundwater contaminants to non-detectable levels (with the exception of Nitrate).

Wigens maintenance contract is a preventive maintenance program offered by Wigen Water Technologies that safeguards the RO system's performance year after year. Regular maintenance using Wigen approved parts is key to ensuring the RO system operates at peak performance and continuously meets treatment requirements. The key benefits of having a preventive maintenance plan in place include the following:

- Lengthen equipment life
- Reduce risk of breakdowns
- Increase equipment efficiency
- Decrease unplanned downtime
- Promote health and safety

In general, the scope of maintenance work includes the following:

- Check performance parameters and adjust operating parameters, as required
- Test start-up/shut-down sequences
- Check operation of pumps
- Basic on-site water tests for chlorine residual, iron, conductivity, pH, etc.
- Review of data logs and verify accuracy of on-skid sensors (pH, ORP, conductivity)



- Provide supplemental training as time allows
- Provide report with recommendations
- Ensure system is operating prior to leaving site
- Ensure service materials are properly disposed of prior to leaving the site.

FISCAL IMPACT

The 2025 PVOU-IZ and SZ Budgets appropriate \$55,000 and \$20,000 for RO Performance/Maintenance Contracts, respectively. The cost of \$37,258.42 (IZ) and \$15,967.90 (SZ) for each service contract as proposed by Wigen Water Technologies is within the 2025 Budget appropriation. The cost for this performance contract is a PVOU-IZ and SZ Project expense and shall be 100% funded by the PVOU checking account.

RECOMMENDATION

Authorize the General Manager to Approve the Quarterly Service Contract Visits from Wigen for the IZ and SZ Treatment Facilities.

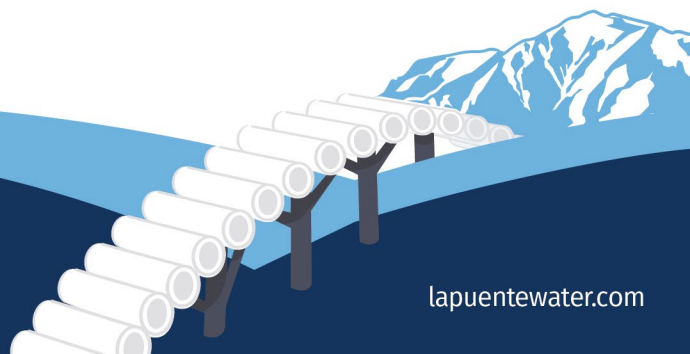
Respectfully Submitted,



Roy Frausto
General Manager

ENCLOSURES

- Wigen Water Technologies Service Quote for PVOU- IZ and SZ





Service Quote

Date	Quote #
3/20/2025	S-2503-0025A

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

Ship To
Northrop Grumman 111 Hudson Ave. City of Industry, CA 91744 USA

QUOTE VALID FOR 30 DAYS

Item	Description	Qty	Terms		FOB	
			Rate	U/M	Origin, PPA	Total
	IZ Quarterly Service Contract					
Labor	Service Labor - Quarterly Service Contract Visits Includes: 17 hours on site time, 7 hours travel time, per visit.	4	6,720.00			26,880.00
Travel Exp-Fixed	Travel Expenses Includes: air fare, ground transportation, lodging, per diem	4	2,369.50			9,478.00T
QUOTATION NOTES: 1. Prices DO NOT include applicable sales tax or freight. 2. System is covered by WWT's standard warranty. 3. Off-loading, placement, installation, piping and electrical materials and labor shall be by others.			Subtotal			
			Sales Tax (9.5%)			
			Total			



Service Quote

Date	Quote #
3/20/2025	S-2503-0025

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

Ship To
Northrop Grumman 111 Hudson Ave. City of Industry, CA 91744 USA

QUOTE VALID FOR 30 DAYS

Item	Description	Qty	Terms	FOB	
			NET 30	U/M	Total
	Each PM Service visit will typically include: - Check performance parameters - Adjust operating parameters, as required - Test start-up/shut-down sequences - Check operation of pumps - Basic on-site water tests for (chlorine residual, iron, conductivity, pH, etc.) - Review of data logs - Verify accuracy of on-skid sensors (pH, ORP, conductivity) - Provide supplemental training as time allows - Report with recommendations -Scope of work can be adjusted if requested and as time allows, based on site needs. Excludes after-hours labor, additional parts/service, unforeseen conditions. Pricing assumes IZ Service Contract visit performed in conjunction with SZ Service Contract visit (excludes extra trip).				
QUOTATION NOTES: 1. Prices DO NOT include applicable sales tax or freight. 2. System is covered by WWT's standard warranty. 3. Off-loading, placement, installation, piping and electrical materials and labor shall be by others.			Subtotal		\$36,358.00
			Sales Tax (9.5%)		\$900.42
			Total		\$37,258.42



Service Quote

Date	Quote #
3/20/2025	S-2503-0037

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

Ship To
Northrop Grumman 111 Hudson Ave. City of Industry, CA 91744 USA

QUOTE VALID FOR 30 DAYS

Terms	FOB
NET 30	Origin, PPA

Item	Description	Qty	Rate	U/M	Total
	SZ Quarterly Service Contract				
Labor	Service Labor - Quarterly Service Contract Visits Includes: 11 hours on site time, 5 hours travel time per visit	4	2,880.00		11,520.00
Travel Exp-Fixed	Travel Expenses Includes: air fare, ground transportation, lodging, per diem	4	1,015.50		4,062.00T

QUOTATION NOTES:
1. Prices DO NOT include applicable sales tax or freight.
2. System is covered by WWT's standard warranty.
3. Off-loading, placement, installation, piping and electrical materials and labor shall be by others.

Subtotal
Sales Tax (9.5%)
Total



Service Quote

Date	Quote #
3/20/2025	S-2503-0037

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

Ship To
Northrop Grumman 111 Hudson Ave. City of Industry, CA 91744 USA

QUOTE VALID FOR 30 DAYS

Item	Description	Qty	Terms		FOB	
			NET 30	U/M	Origin, PPA	Total
	Each PM Service visit will typically include: - Check performance parameters - Adjust operating parameters, as required - Test start-up/shut-down sequences - Check operation of pumps - Basic on-site water tests for (chlorine residual, iron, conductivity, pH, etc.) - Review of data logs - Verify accuracy of on-skid sensors (pH, ORP, conductivity) - Provide supplemental training as time allows - Report with recommendations -Scope of work can be adjusted if requested and as time allows, based on site needs. Excludes after-hours labor, additional parts/service, unforeseen conditions. Pricing assumes SZ Service Contract visit performed in conjunction with IZ Service Contract visit (excludes separate trip).					
QUOTATION NOTES: 1. Prices DO NOT include applicable sales tax or freight. 2. System is covered by WWT's standard warranty. 3. Off-loading, placement, installation, piping and electrical materials and labor shall be by others.			Subtotal		\$15,582.00	
			Sales Tax (9.5%)		\$385.90	
			Total		\$15,967.90	

STAFF Report



Meeting Date: March 24, 2025

To: Honorable Board of Directors

Subject: Groundwater Production Rights Lease with La Puente Valley County Water District

Purpose: *Secure additional Main San Gabriel Basin (Basin) Groundwater Production Rights for the Industry Public Utilities Waterworks System to minimize the impacts of rising cost of replenishment water.*

Recommendation: *Approve the lease of 300 acre-feet of Groundwater Production Rights from the La Puente Valley County Water District's (District) at a rate of \$923.65 per acre-foot.*

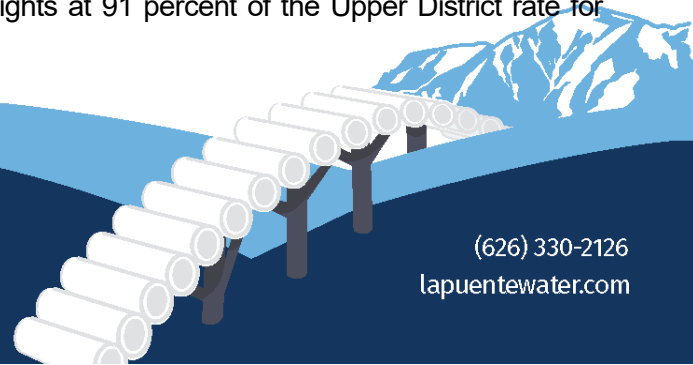
Fiscal Impact: *The IPU Water Operations 2024-25 Fiscal Year (FY) Budget appropriates \$302,923 for the lease of groundwater production rights, of which \$0.00 has been expended to date. The estimated cost of leasing 300 acre-feet from the District at 91 percent of Upper District's replenishment rate is \$277,095, which is within the 2024-25 FY Budget. This lease transaction will result in \$27,405 savings in the cost of replenishment water as compared to the estimated cost for the same 300 acre-feet at the full replenishment rate of \$1,015 per acre-foot, which would have amounted to \$304,500.*

SUMMARY

The IPU Waterworks System, also referred to as the CIWS, has 1,103 acre-feet (AF) of adjudicated prescriptive pumping rights in the Basin. These rights equal a 0.5581% Pumper's Share of available pumping rights annually. These pumping rights allow the CIWS to produce water from the basin on an annual basis in accordance with the rules and regulations of the Basin's Watermaster. The Watermaster Board of Directors annually establishes an Operating Safe Yield for the Basin, which is the amount of water that can be pumped annually from the Basin that is anticipated to be replenished by local precipitation within its watershed. For the current 2024-25 production year, the Operating Safe Yield was set at 160,000 AF. This results in the City having 892.96 AF of pumping rights for the 24-25 year.

The CIWS's five-year average annual water production is approximately 1,228 AF, which is greater than its annual production rights in the Basin. This results in the CIWS having to lease groundwater production rights or purchase replenishment water to replace the water produced over its production rights. When needed, replenishment water is purchased from the Upper San Gabriel Valley Municipal Water District (Upper District). Upper District's rate for replenishment water is \$1,015 per AF.

To avoid purchasing water at this cost, District staff actively pursue leases of water production rights in the Basin to offset the amount of purchased replenishment water. Leases are preferred by District staff when the cost per AF to lease rights provides a savings to the CIWS's customers as compared to the purchase of replenishment water. District staff has been successful in the past in leasing water production rights at 91 percent of the Upper District rate for replenishment water.



For this fiscal year, District staff has secured a lease of groundwater production rights at 91 percent of Upper District's replenishment rate. A Production Rights Lease Agreement is enclosed for your review and approval. Provided below is a calculation of the production rights lease rate for the current year:

$$\begin{aligned} \$1,015 \times 91\% &= \$923.65 \text{ per AF} \\ 300 \text{ AF} \times \$923.65 &= \$277,095 \end{aligned}$$

FISCAL IMPACT

The IPU Water Operations 2024-25 Fiscal Year (FY) Budget appropriates \$302,923 for the lease of groundwater production rights, of which \$0.00 has been expended to date. The estimated cost of leasing 300 acre-feet from the District at 91 percent of Upper District's replenishment rate is \$277,095, which is within the 2024-25 FY Budget. This lease transaction will result in \$27,405 savings in the cost of replenishment water as compared to the estimated cost for the same 300 acre-feet at the full replenishment rate of \$1,015 per acre-foot, which would have amounted to \$304,500.

RECOMMENDATION

Approve the lease of 300 acre-feet of Groundwater Production Rights from the La Puente Valley County Water District's (District) at a rate of \$923.65 per acre-foot.

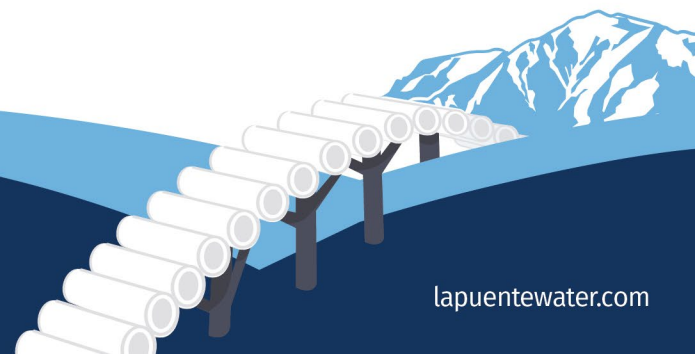
Respectfully Submitted,



General Manager

ENCLOSURES

- Agreement to Lease 300 Acre-Feet of Main San Gabriel Basin Water Production Rights from La Puente Valley County Water District



LEASE OF WATER RIGHTS

PRODUCTION RIGHT

THIS LEASE OF WATER RIGHTS (the “Lease”) is entered into on this ___ day of April 10, 2025 (“Effective Date”), by and between La Puente Valley County Water District, a County Water District (“Lessor”), and the Industry Public Utilities, a public agency (“Lessee”), with respect to the following:

RECITALS

WHEREAS, both Lessor and Lessee were parties in that certain action that adjudicated groundwater rights in the Main San Gabriel Groundwater Basin (Upper San Gabriel Valley Municipal Water District v. City of Alhambra, et al., Los Angeles County Superior Court Case No. 924128) and has resulted in the Amended Judgment dated August 24, 1989 (the “Amended Judgment”); and

WHEREAS, pursuant to the Amended Judgment, both Lessor and Lessee hold certain adjudicated rights to pump groundwater from the Main San Gabriel Groundwater Basin (“Main Basin”) on an annual basis which are further described in the Amended Judgment and referred to for purposes of this Agreement as “Annual Production Rights”; and

WHEREAS, pursuant to the Amended Judgment, including but not limited to Section 55 thereof, parties to the Amended Judgment are authorized to assign, transfer, license or lease all or any portion of their Annual Production Rights to other entities, including but not limited to other parties to the Amended Judgment, provided that appropriate notice procedures established by the Main San Gabriel Basin Watermaster (“Watermaster”) are followed; and

WHEREAS, as of the date hereof, Lessor has 300 acre-feet of Annual Production Rights for the 2024-2025 water year available for lease; and

WHEREAS, Lessor and Lessee desire to enter into this Lease for the 300 acre-feet of Annual Production Rights for the 2024-2025 water year.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises set forth herein, Lessor and Lessee agree as follows:

1. Leasing of Production Rights. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, Three Hundred (300) acre-feet of Annual Production Rights (the “Leased Production Rights”) for the term and upon the terms and conditions set forth in this Lease.

2. Term. The term of this Lease shall be for a period commencing July 1, 2024 and ending June 30, 2025.

3. Lease Rate, Payment and Adjustment.

The lease rate under this Lease shall be ninety-one percent (91%) of the prevailing Pre-purchased Supplemental Water Rate (the “Pre-purchased SWR”) set by the Upper San Gabriel Valley Municipal Water District’s Board of Directors (“USGVMWD”) on October 9, 2024. That Pre-purchased SWR is \$1,015 per acre foot for the current production year.

Thus, the gross rental amount payable for the lease of the Leased Production Rights under this Lease for the term as listed in paragraph 2 above shall be Two Hundred Seventy-Seven Thousand Ninety Five (\$277,095), which is calculated on the basis of 91% of the Pre-purchased SWR of \$1,015 per acre foot. If the Pre-purchased SWR set by USGVMWD is revised or otherwise changed and made effective prior to June 30, 2025, a reconciling payment adjustment will be made by the Lessee or the Lessor, as the case may be, to the other party within 30 days from the date the revised Pre-purchased SWR is approved by USGVMWD.

Upon execution of this Lease, Lessor will send an invoice for, and Lessee will make the full payment of \$277,095 within 15 days of Watermaster’s acknowledgement of the Lease.

All payments due Lessor pursuant to this Lease shall be made and sent as follows:

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

4. Agreement Regarding Main San Gabriel Basin Watermaster.

(a) Lessor agrees to execute and deliver to Lessee all documents which, from time to time, may be required by the Watermaster to reflect the lease to Lessee of the Leased Production Rights which are the subject of this Lease. All such documents shall be in such form and substance as shall be reasonably satisfactory to Lessor, Lessee and the Watermaster. If for any reason, the Watermaster elects not to acknowledge this Lease, Lessor agrees to refund prior payments to Lessee within 30 days from the date of a refund request by Lessee and substantiation of said refusal by Watermaster.

- (b) Lessee shall, at its expense, prepare and submit all reports required by the Watermaster in connection with the exercise by Lessee of the Leased Production Rights.
- (c) Lessee shall pay all assessments required by Watermaster and the San Gabriel Valley Water Association in connection with the exercise by Lessee of the Leased Production Rights.
- (d) This Lease entitles Lessee to the use only of the Leased Production Rights (i.e., lease of water rights) associated with Lessor's Production Rights. Lessor retains and does not convey to Lessee any other rights associated with said Production Rights.
- (e) The parties shall execute and file with the Watermaster all documents required under the Amended Judgment.
- (f) The parties agree to comply and be bound by all terms and conditions of the Amendment judgment and any and all other orders or determinations of the court and Watermaster.

5. Indemnification.

- (a) Lessor shall indemnify, hold harmless and defend Lessee and each of its officers, officials, employees, agents and authorized volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by the Lessee, Lessor, or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising directly or indirectly, are a consequence of, or are in any way attributable to, in whole or in part, the performance of the Agreement from the negligent or intentional acts or omissions of Lessor or any of its officers, officials, employees, agents or authorized volunteers in the performance of this Lease; provided nothing herein shall constitute a waiver by Lessor of governmental immunities including California Government Code Section 810 et seq.
- (b) Lessee shall indemnify, hold harmless and defend Lessor and each of its officers, officials, employees, agents and authorized volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by Lessor, Lessee or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising directly or indirectly, are a consequence of, or are in any way attributable to, in whole or in part, the performance of the Lease from negligence or intentional acts or omissions of Lessee or any of its officers, officials, employees, agents or authorized volunteers in the performance of this Lease; provided

nothing herein shall constitute a waiver by Lessee of governmental immunities including California Government Code Section 810 et seq.

6. Other Provisions.

- (a) All communications, notices and demands (collectively “Notices”) of any kind shall be made in writing and personally served or sent by registered or certified mail, postage prepaid to the following:

Lessor: Roy Frausto
La Puente Valley County Water District
112 N. First Street
La Puente, CA 91744

Lessee: Josh Nelson
Industry Public Utilities
15625 East Stafford Street #100
City of Industry, California 91744

Any Notice personally served shall be effective upon service. Any Notice sent by mail, and properly addressed, shall be effective upon date of receipt, or refusal as indicated on the return receipt. Either party may change its address for Notices by notice to the other given in a manner provided in this subparagraph.

- (b) This Lease shall inure to the benefit of and be binding upon the heirs, successors and assigns of both parties hereto.
- (c) Each party shall, upon request of the other party, take such further actions and execute and deliver such further instruments as shall be reasonably required to carry out the purpose and intent of this Lease.
- (d) This Lease is executed in the State of California and shall be governed by and construed in accordance with California law. Venue for any action arising out of or related to the Lease shall be placed in any court of the State of California with appropriate jurisdiction and located in the County of Los Angeles, with service of process to be in accordance with the then provisions of the California Code of Civil Procedure.
- (e) This Lease may be executed in two or more counterparts, each of which shall be an original but all of which, together, shall constitute a single instrument. It shall not be necessary for both parties to execute the same counterpart(s) of this Lease for this Lease to become effective.
- (f) This Lease constitutes the entire agreement of Lessor and Lessee with respect to the subject matter hereof. This Lease supersedes all prior

discussions and understandings with respect to the subject matter hereof. There are no representations, warranties, promises or covenants as to the subject matter hereof except as expressly set forth in this Lease.

- (g) This Lease may be amended only by a written instrument executed by both parties.
- (h) The paragraph headings contained in this Lease are for convenience only and shall not be considered in the construction or interpretation of any provision hereof.
- (i) Lessor represents and acknowledges that it is executing this Lease as the owner of the Production Rights that are the subject of this Lease, and that said rights are not encumbered in any way that would interfere with Lessee's rights as set forth herein.
- (j) Neither party shall assign, let or sublet the whole or any part of its interest in this Agreement without the prior written consent of the other party.
- (k) This Lease does not create, and shall not be construed to create, any rights enforceable by any person, partnership, corporation, joint venture, limited liability company, public entity, or other form of organization or association of any kind that is not a party to this Lease.
- (l) In the event of any action between the parties hereto seeking enforcement or interpretation of any of the provisions of this Lease, the prevailing party in such action shall be entitled to an award, in addition to any damages, for its reasonable costs and expenses, including without limitation, actual costs and attorneys' fees, consultants' fees and experts' fees, as ordered by the trier of fact.
- (m) Any waiver of the provisions of this Lease by the party entitled to the benefits thereof as to any instance must be in writing and shall in no event be deemed a waiver of the same provision with respect to any other instance or a waiver of any other provision of this Lease.

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Lease as of the Effective Date.

LESSOR

La Puente Valley County Water District

Roy Frausto
General Manager

LESSEE

Industry Public Utilities

Josh Nelson
Public Utilities Director

ATTEST:

Julie Gutierrez Robles, Secretary

APPROVED AS TO FORM:

James M. Casso, General Counsel

Upcoming Events



Date: March 24, 2025

To: Honorable Board of Directors

RE: Upcoming Meetings and Conferences for 2025

Day/Date	Event	<u>Argudo</u>	<u>Barajas</u>	<u>Escalera</u>	<u>Hernandez</u>	<u>Rojas</u>
April 7-10, 2025	Water Conference of the West (WCW); Disneyland Hotel, Anaheim			X	X	
May 13-15, 2025	ACWA 2025 Spring Conference; Monterey, CA					
June 9-11, 2025	AWWA CA/NV 2025 Annual Conference ACE 25; Denver, CO					
October 7-9, 2025	Watersmart Innovations Conference 2025; Reno, NV					
December 2-4, 2025	ACWA 2025 Fall Conference; San Diego, CA					

