AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS
LA PUENTE VALLEY COUNTY WATER DISTRICT
112 N. FIRST STREET, LA PUENTE, CALIFORNIA
MONDAY, JULY 27, 2026, AT 4:30 PM

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL OF BOARD OF DIRECTORS

President Barajas____ Vice President Hernandez____ Director Rojas____

Director Argudo____ 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 July 13, 2026.

7. FINANCIAL REPORTS

A. Summary of the District's Cash and Investments as of June 30, 2026.

Recommendation: Receive and File.

B. Statement of District's Revenue and Expenses as of June 30, 2026

Recommendation: Receive and File.

C. Statement of the Industry Public Utilities Water Operations Revenue and Expenses as of June 30, 2026.

Recommendation: Receive and File.

8. PRESENTATION BY C.J BROWN & COMPANY, CPA'S OF THE DISTRICT'S 2025 AUDITED FINANCIAL REPORT

9. ACTION / DISCUSSION ITEMS

A. Acceptance of the District's 2025 Audited Financial Report.

Recommendation: Receive and File.

B. Consideration of Creation of New Full-Time Position.

Recommendation: Approve the Job Description and Salary Range for the Customer Service & Field Operations Representative Position.

C. Consideration of Purchase of UV Lamps to Replace Lamps on the BPOU Trojan UV Treatment System.

Recommendation: Authorize the General Manager to Purchase UV Lamps from Trojan Technologies for a price of $64,920.96.

D. PVOU Intermediate Zone System – Bituminous Coal LGAC Media Replacement.

Recommendation: Authorize the General Manager to enter into an Agreement with Calgon Carbon Corporation for the PVOU Intermediate Zone LGAC Replacement Project and Take All Actions Necessary to Complete the Project.

E. PVOU Treatment Systems SOP Development Project – Change Request No. 1.

Recommendation: Authorize the General Manager to Execute Change Request No. 1 with Kennedy Jenks in the amount of $43,638 and take all Actions Necessary to Complete the Project.

10. ENGINEERING & COMPLIANCE REPORT

Recommendation: Receive and File.

11. GENERAL MANAGER'S REPORT

12. OTHER ITEMS

A. Upcoming Events.

B. Information Items.

13. ATTORNEY'S COMMENTS

14. BOARD MEMBER COMMENTS

A. Report on Events Attended.

B. Other Comments.

15. FUTURE AGENDA ITEMS

16. ADJOURNMENT

POSTED: Friday July 24, 2026.

President Cesar J. Barajas, 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.

MINUTES

REGULAR MEETING OF THE BOARD OF DIRECTORS
LA PUENTE VALLEY COUNTY WATER DISTRICT
112 N. FIRST STREET, LA PUENTE, CALIFORNIA
MONDAY, JULY 13, 2026, AT 4:30 PM

1. CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE

President Barajas led the Pledge of Allegiance.

3. ROLL CALL OF BOARD OF DIRECTORS

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

Pursuant to Government Code Section 54953.8.3 Director Argudo attended the meeting via Zoom, due to a caregiving family obligation that constitutes just cause. He was not present during roll call but joined the meeting via Zoom at 4:32pm.

OTHERS PRESENT

Staff and Counsel: General Manager & Board Secretary, Roy Frausto; HR Coordinator/Admin Assistant, Angelina Padilla; Customer Service & Accounting Supervisor, Shaunte Maldonado; Compliance/Project Engineer, Alyssa Arana; Operations and Treatment Superintendent, Cesar Ortiz, Distribution Supervisor, Miguel Molina and District Counsel, Jim Ciampa were present.

4. PUBLIC COMMENT

Resident, Georgene Navarrete, was in attendance but did not make a comment.

5. ADOPTION OF AGENDA

Motion: Adopt the Agenda.
1st: Barajas
2nd: Rojas

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

Motion carried by a vote of: 4 Yes, 0 No, 0 Abstain, 1 Absent.

6. APPROVAL OF CONSENT CALENDAR

Motion: Adopt the Consent Calendar.
1st: Barajas

2nd: Hernandez

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

Motion carried by a vote of: 4 Yes, 0 No, 0 Abstain, 1 Absent.

7. FINANCIAL REPORTS

A. **Summary of the District's Cash and Investments as of May 31, 2026.**

Mr. Frausto provided a summary of the balances in each account and was available for any questions**.**

Motion: Receive and File.
1st: Rojas
2nd: Escalera

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

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

B. **Statement of District's Revenue and Expenses as of May 31, 2026.**

Ms. Maldonado provided a summary of the District's revenues and expenses and was available for any questions.

Motion: Receive and File.
1st: Barajas
2nd: Hernandez

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

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

C. **Statement of the Industry Public Utilities Water System Revenue and Expenses as of May 31, 2026.**

Ms. Maldonado provided a summary of the IPU revenues and expenses and was available for any questions.

Motion: Receive and File.
1st: Escalera
2nd: Rojas

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

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

8. ACTION / DISCUSSION ITEMS

A. **Architect Consideration of Award of Contract for a Site Plan Assessment & Conceptual Planning Study for the Proposed District Headquarters and Operations/Maintenance Yard.**

Mr. Frausto presented the staff report on this item and was available for questions. Director

Argudo made a motion to bring the item back for further discussion; however, the motion failed for lack of a second.

Motion: Authorize the General Manger to enter into an agreement with Practice for Professional Architectural Services Related to the Proposed District Headquarters and Operations/Maintenance Yard, in a not-to-exceed amount of $44,300.00.
1st: Rojas
2nd: Escalera

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

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

B. **Formation of Ad Hoc Committee to Support New Office.**

Mr. Frausto presented this item to the Board. Following discussion, the Board approved the formation of an ad hoc committee consisting of Director Argudo and Director Rojas, with Director Escalera serving as the alternate.

Motion: To Form the ad hoc committee to support new office items with Director Argudo, Director Rojas and Director Escalera as the alternate.
1st: Barajas
2nd: Rojas

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

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

C. **Amendment to CalPERS Pension Contract.**

Ms. Padilla presented the staff report on this item and was available for any questions.

Motion: Approve the Resolution of Intention from CalPERS.
1st: Rojas
2nd: Hernandez

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

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

D. **Industry Public Utilities Waterworks System CLASS Account.**

Ms. Maldonado presented the staff report on this item and was available for any questions.

Motion: Ratify the General Manager's Authorization to Establish and Fund the Industry Public Utilities Waterworks CLASS account with an Initial Deposit of $1,000,000.00.
1st: Argudo
2nd: Barajas

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

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

E. **Pipeline Assessment and Leak Detection of Mainline along Old Valley Blvd.**

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

Motion: Authorize the General Manager to Proceed with Echologics and Southwest Valve & Equipment (SVE) for a Pipeline Assessment and Leak Detection of Mainline along Old Valley Blvd to Determine the Recommended Timeframe for Replacement.
1st: Barajas
2nd: Rojas

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

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

F. **PVOU Intermediate Zone System – Analyzer Replacement Phase II.**

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

Motion: Authorize the General Manager to Proceed with Procurement of the Remaining HACH Water Quality Analyzers and the Associated Electrical Installation, Programming, Startup, and Commissioning Services for the PVOU IZ System.
1st: Barajas
2nd: Rojas

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

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

G. **PVOU Shallow Zone-South System – Process Pipe Repair.**

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

Motion: Authorize the General Manager to Execute an Agreement with RC Foster Corporation for the PVOU Shallow Zone South Process Pipe Repair Project.
1st: Rojas
2nd: Escalera

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

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

9. OPERATIONS AND TREATMENT REPORT

Mr. Ortiz presented the treatment activities and Mr. Molina presented the distribution activities for the month of June. They were both available for questions.

Motion: Receive and File.
1st: Barajas
2nd: Rojas

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

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

10. ADMINISTRATIVE REPORT

Ms. Padilla went over her report and was available for any questions.

11. GENERAL MANAGER'S REPORT

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

12. OTHER ITEMS

A. **Upcoming Events.**

Ms. Padilla went over the upcoming conferences with the Board.

B. **Information Items.**

Included in the Board Packet.

13. ATTORNEY'S COMMENTS

Mr. Ciampa provided a brief update on BPOU matters and recent legislative developments. He was available for any questions.

14. BOARD MEMBER COMMENTS

A. **Report on Events Attended.**

None.

B. **Other Comments.**

None.

The board recessed into closed session at 5:25pm to discuss the following item:

15. CLOSED SESSION

A. PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE – Government Code section 54957(b)(1)

16. CLOSED SESSION REPORT

Mr. Ciampa gave the following report; the Board was briefed on the matter, no reportable action taken.

17. FUTURE AGENDA ITEMS

None.

18. ADJOURNMENT

President Barajas adjourned the meeting at 5:28 pm.

Attest:

Cesar J. Barajas, Board President	Roy Frausto, Board Secretary

Summary of Cash and Investments
June 2026

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	3.920%	$ 24,942.45	$ -	$ -	$ 24,942.45
California CLASS	3.6996%	$ 8,006,023.82	$ 24,341.52	$ -	$ 8,030,365.34
Checking Account		.			
Rize Credit Union (Per General Ledger)		$ 1,063,405.10	$ 805,980.14	$ 856,892.31	$ 1,012,492.93
				District's Total Cash and Investments:	**$ 9,067,800.72**

Industry Public Utilities

Checking Account	Beginning Balance	Receipts	Disbursements	Ending Balance
Rize Credit Union (Per General Ledger)	$ 1,928,923.91	$ 318,527.61	$ 141,745.39	$ 2,105,706.13
			IPU's Total Cash and Investments:	**$ 2,105,706.13**

Puente Valley Operable Unit - Intermediate Zone

Checking Account	Beginning Balance	Receipts	Disbursements	Ending Balance
Rize Credit Union (Per General Ledger)	$ 618,698.32	$ 609,054.63	$ 84,646.19	$ 1,143,106.76
			PVOU-IZ's Total Cash and Investments:	**$ 1,143,106.76**

Puente Valley Operable Unit - Shallow Zone

Checking Account	Beginning Balance	Receipts	Disbursements	Ending Balance
Rize Credit Union (per General Ledger)	$ 61,542.62	$ 244,012.03	$ 48,568.68	$ 256,985.97
			PVOU-SZ's Total Cash and Investments:	**$ 256,985.97**

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: 07/24/2026

La Puente Valley County Water District
Budget v. Actual Summary (Combined)
For The Period Ending June 30, 2026

	LPVCWD YTD Actual 2026	BPOU YTD Actual 2026	Total YTD Actual 2026	Total Adopted Budget 2026	Total YTD 50.0%	Total Prior Year Actual 2025
Revenues						
Rate Revenue	$ 1,886,356	$ -	$ 1,886,356	$ 4,056,729	46.5%	$ 3,654,597
Non-Rate Revenue	1,250,693	938,868	2,189,561	4,274,649	51.2%	4,002,389
Non-Operating Revenue	495,441	-	495,441	852,700	58.1%	1,108,281
Total Revenue	**3,632,490**	**938,868**	**4,571,358**	**9,184,078**	**49.8%**	**8,765,267**
Expense						
Supply & Treatment	765,485	621,675	1,387,160	2,553,909	54.3%	1,924,565
Salaries & Benefits	1,273,101	198,947	1,472,048	3,295,000	44.7%	3,102,838
Total Expense	**2,487,944**	**938,868**	**3,426,812**	**6,981,709**	**49.1%**	**6,204,630**
Capital Expenses	(138,731)	-	(138,731)	(2,240,000)	6.2%	(348,395)
Capital Reimbursements	55,000	-	55,000	215,000	25.6%	61,023
Loan Payments - Interest	(34,081)	-	(34,081)	(77,900)	43.7%	(70,317)
Loan Payments - Principal	(65,270)	-	(65,270)	(120,600)	54.1%	-
Prepaid Inventory Purchases	-	-	-	(40,000)	0.0%	-
Change in Cash	**961,464**	**-**	**961,464**	**(61,131)**		**2,202,947**
Depreciation Expense	-	(52,500)	(52,500)	(105,000)	50.0%	(769,828)
Transfer to Capital	-	-	-	-	NA	338,883
Loss on Asset Disposals	-	-	-	-	NA	-
Pension Expense	-	-	-	-	NA	(35,106)
Other Post-Employment Benefits Exp.	-	-	-	-	NA	251
Total Non-Cash Items	**-**	**(52,500)**	**(52,500)**	**(105,000)**	**50.0%**	**(465,800)**
Net Income / (Loss)	**$ 961,464**	**$ (52,500)**	**$ 908,964**	**$ (166,131)**		**$ 1,737,147**

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 June 30, 2026

	June 2026 Actual	YTD Actual 2026	Adopted Budget 2026	YTD 50.0%	Prior Year Actual 2025
Rate Revenue					
Water Sales	279,360	1,068,474	2,456,074	43.5%	2,188,191
Service Charges	117,130	647,624	1,282,371	50.5%	1,172,271
Surplus Sales	7,083	47,843	60,000	79.7%	62,767
Customer Charges	3,190	18,004	40,000	45.0%	40,147
Fire Service	32,275	103,542	217,484	47.6%	190,230
Other Miscellaneous Charges	-	868	800	108.5%	992
Total Rate Revenue	**439,039**	**1,886,356**	**4,056,729**	**46.5%**	**3,654,597**
IPU Service Fees (Labor)	100,863	601,770	1,205,000	49.9%	1,190,763
PVOU SZ Service Fees (Labor)	21,399	102,684	294,375	34.9%	228,521
Other O&M Fees	-	110,000	110,000	100.0%	110,000
Total Non-Rate Revenue	**265,370**	**1,449,640**	**2,821,949**	**51.4%**	**2,631,958**
Total Operating Revenue	**704,409**	**3,335,997**	**6,878,678**	**48.5%**	**6,286,556**
Non-Operating Revenue					
Taxes & Assessments	1,100	240,602	425,000	56.6%	398,477
Rental Revenue	3,832	22,659	45,000	50.4%	45,270
Interest Revenue	24,342	146,721	150,000	97.8%	253,780
Market Value Adjustment	-	-	-	N/A	89
PVOU Revenue	5,347	32,710	180,000	18.2%	180,489
IPU Vehicle & Equipment Revenue	4,052	29,413	49,200	59.8%	47,463
Miscellaneous Income	6,347	23,335	3,500	666.7%	107,809
Developer Fees	-	-	-	N/A	74,904
Total Non-Operating Revenue	**45,019**	**495,441**	**852,700**	**58.1%**	**1,108,281**
Total Revenue	**749,428**	**3,831,437**	**7,731,378**	**49.6%**	**7,394,836**
Supply & Treatment					
Purchased & Leased Water	294,561	653,074	663,374	98.4%	418,397
Power	19,007	89,572	220,000	40.7%	205,228
Assessments	-	-	313,635	0.0%	251,014
Treatment	7,008	22,838	80,000	28.5%	55,781
Well & Pump Maintenance	-	-	60,000	0.0%	62
Total Supply & Treatment	**320,577**	**765,485**	**1,337,009**	**57.3%**	**$ 930,481**
Salaries & Benefits					
Total District Wide Labor	159,643	914,595	2,115,000	43.2%	1,994,039
Directors Fees & Benefits	7,431	52,898	115,000	46.0%	99,019
Benefits	35,870	228,394	430,000	53.1%	396,711
OPEB Payments	10,761	64,563	110,000	58.7%	120,176
OPEB Trust Contributions	15,000	30,000	45,000	66.7%	60,000
Payroll Taxes	12,281	84,348	165,000	51.1%	150,205
CalPERS Retirement (Normal Costs)	14,808	97,251	200,000	48.6%	176,310
CalPERS Unfunded Accrued Liability	-	-	115,000	0.0%	106,378
Total Salaries & Benefits	**255,793**	**1,472,048**	**3,295,000**	**44.7%**	**3,102,838**

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 June 30, 2026

	June 2026 Actual	YTD Actual 2026	Adopted Budget 2026	YTD 50.0%	Prior Year Actual 2025
Net District-Paid Salaries & Benefits Analysis:					
Total Salaries & Benefits	*255,793*	*1,472,048*	*3,295,000*	*44.7%*	*3,102,838*
Less: Labor Service Revenue	*(197,529)*	*(1,116,083)*	*(2,356,121)*	*47.4%*	*(2,169,762)*
Net District-Paid Salaries & Benefits	***58,265***	***355,965***	***938,879***	***37.9%***	***933,076***
Other Operating Expenses					
General Plant	1,999	18,944	60,000	31.6%	30,428
Transmission & Distribution	26,358	85,702	140,000	61.2%	251,817
Vehicles & Equipment	5,609	35,071	65,000	54.0%	53,937
Field Support & Other Expenses	8,540	41,059	60,000	68.4%	43,120
Regulatory Compliance	3,212	12,177	40,000	30.4%	40,727
Total Other Operating Expenses	**45,718**	**192,952**	**365,000**	**52.9%**	**420,028**
General & Administrative					
District Office Expenses	4,031	34,599	55,000	62.9%	55,249
Customer Accounts	2,707	15,395	32,000	48.1%	33,718
Insurance	8,149	61,434	140,000	43.9%	137,447
Professional Services	13,093	90,797	160,000	56.7%	101,574
Training & Certification	5,315	21,799	40,000	54.5%	36,408
Public Outreach & Conservation	2,987	15,548	25,000	62.2%	13,191
Other Administrative Expenses	5,066	16,834	80,000	21.0%	41,909
Total General & Administrative	**41,348**	**256,406**	**532,000**	**48.2%**	**419,495**
Total Expense	**663,436**	**2,686,891**	**5,529,009**	**48.6%**	**4,872,843**
Net Income / (Loss) before Other Items	**85,992**	**1,144,546**	**2,202,369**	**52.0%**	**2,521,993**
Capital Expenses					
Nitrate Treatment System	-	-	-	N/A	(19,684)
Recycled Water System	(447)	(7,676)	(40,000)	19.2%	-
Service Line Replacements	(13,177)	(27,154)	(50,000)	54.3%	(79,759)
Valve Replacements	-	(1,486)	(30,000)	5.0%	(41,392)
Fire Hydrant Repair/Replacements	(2,142)	(12,292)	(30,000)	41.0%	(46,047)
Backhoe	-	(61,263)	-	N/A	-
5th Street Waterline Project	-	-	-	N/A	-
Fleet Trucks	-	-	-	N/A	(115,692)
Ferrero Ln & Rorimer St Improve	(6,871)	(14,629)	-	N/A	-
New Admin Building	(1,235)	(2,235)	(500,000)	0.4%	-
Main St. VFD	-	-	(80,000)	0.0%	-
Dalesford & Bamboo Project	(41)	(5,835)	(15,000)	38.9%	(27,867)
IT Hardware - Firewall	-	-	(215,000)	0.0%	(17,955)
Main St Reservoir Reline/Recoat	(4,960)	(6,160)	(1,200,000)	0.5%	-
PLC Upgrades	-	-	(80,000)	0.0%	-
Total Capital Expenses	**(28,873)**	**(138,731)**	**(2,240,000)**	**6.2%**	**(348,395)**
Capital Reimbursements					
Capital Reimbursement (PVOU Projects)	-	-	-	N/A	-
Grant Revenues	50,000	55,000	215,000	25.6%	-

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 June 30, 2026

	June 2026 Actual	YTD Actual 2026	Adopted Budget 2026	YTD 50.0%	Prior Year Actual 2025
Capital Contributions	-	-	-	N/A	61,023
Total Capital Reimbursements	**50,000**	**55,000**	**215,000**	**25.6%**	**61,023**
Debt Service Payments					
Loan Payment - Interest	-	(34,081)	(77,900)	43.7%	(70,317)
Loan Payment - Principal	-	(65,270)	(120,600)	54.1%	-
Total Debt Service Payments	**-**	**(99,351)**	**(198,500)**	**50.1%**	**(70,317)**
Prepaid Inventory Purchases	**-**	**-**	**(40,000)**	**0.0%**	**-**
Change in Cash	**107,119**	**961,464**	**(61,131)**		**2,164,303**
Non-Cash Items					
GASB 87 Interest Value	-	-	-	N/A	-
GASB 87 Amortization	-	-	-	N/A	-
Depreciation Expense	-	-	-	N/A	(555,793)
Transfer to Capital	-	-	-	N/A	338,883
Loss on Asset Disposal	-	-	-	N/A	-
Pension Expense	-	-	-	N/A	(35,106)
OPEB Expense	-	-	-	N/A	251
Total Non-Cash Items	**-**	**-**	**-**	**N/A**	**(251,765)**
Net Income / (Loss)	**107,119**	**961,464**	**(61,131)**		**1,912,538**

LPVCWD BPOU Treatment Plant
Budget v. Actual
For The Period Ending June 30, 2026

	June 2026 Actual	YTD Actual 2026	Adopted Budget 2026	YTD 50.0%	Prior Year Actual 2025
Reimbursement Revenue					
Reimbursements from CR's	248,616	938,868	1,816,700	51.7%	1,736,827
Total Reimbursement Revenue	**248,616**	**938,868**	**1,816,700**	**51.7%**	**1,736,827**
BPOU Treatment Plant Labor (1)	39,794	198,947	364,000	54.7%	366,396
Supply & Treatment					
NDMA, 1,4-Dioxane Treatment	6,308	67,510	284,700	23.7%	163,062
VOC Treatment	8,086	11,671	34,300	34.0%	92,964
Perchlorate Treatment	133,357	287,208	341,800	84.0%	185,679
Other Chemicals	6,584	42,294	111,700	37.9%	99,542
BPOU Plant Power	35,260	190,337	396,400	48.0%	330,213
BPOU Plant Maintenance	2,660	20,905	48,000	43.6%	68,976
Well & Pump Maintenance	-	1,750	-	N/A	53,647
Total Supply & Treatment	**192,256**	**621,675**	**1,216,900**	**51.1%**	**994,083**
Other Operating Expenses					
Contract Labor	-	-	20,000	0.0%	-
General Plant	1,806	19,110	25,000	76.4%	30,873
Transmission & Distribution	-	115	-	N/A	4,379
Regulatory Compliance	13,629	68,879	145,000	47.5%	251,944
Total Other Operating Expenses	**16,567**	**95,048**	**204,300**	**46.5%**	**299,934**
General & Administrative					
Insurance	-	16,543	24,000	68.9%	29,294
Professional Services	-	6,655	7,500	88.7%	8,475
Total General & Administrative	**-**	**23,198**	**31,500**	**73.6%**	**37,769**
Total Expense	**248,616**	**938,868**	**1,816,700**	**51.7%**	**1,698,183**
Change in Cash	**-**	**-**	**-**	**N/A**	**38,644**
Non-Cash Items					
Depreciation Expense	(8,750)	(52,500)	(105,000)	50.0%	(214,035)
Total Non-Cash Items	**(8,750)**	**(52,500)**	**(105,000)**	**50.0%**	**(214,035)**
Net Income / (Loss)	**$ (8,750)**	**$ (52,500)**	**$ (105,000)**		**$ (175,391)**

(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.

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.

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS
Budget v. Actual Summary
For The Period Ending June 30, 2026
(Unaudited)

	June 2026	FISCAL YTD 2025/26	BUDGET 2025/26	100% OF BUDGET	YEAR END 2024/25
REVENUE					
Operational Revenue	$ 188,624	$ 3,022,793	$ 3,071,300	98%	$ 2,952,504
Non-Operational Revenue	14,974	45,348	101,286	45%	89,469
TOTAL REVENUES	**203,597**	**3,068,141**	**3,172,586**	**97%**	**3,041,974**
EXPENSE					
Salaries & Benefits	95,029	1,165,340	1,134,100	103%	1,129,694
Supply & Treatment	25,107	513,430	999,050	51%	821,191
Other Operating Expense	47,715	340,270	395,250	86%	248,537
General & Administrative	8,224	142,538	190,500	75%	174,728
System Improvements & Miscellaneous	27,165	154,309	174,000	89%	82,035
TOTAL EXPENSE	**203,240**	**2,315,887**	**2,892,900**	**80%**	**2,456,186**
NET INCOME / (LOSS)	**358**	**752,254**	**279,686**		**585,787**

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS
Statement of Revenue and Expenses
For The Period Ending June 30, 2026
(Unaudited)

	June 2026	FISCAL YTD 2025/26	BUDGET 2025/26	100% OF BUDGET	YEAR END 2024/25
Water Sales	$ 102,906	$ 1,695,538	$ 1,890,000	90%	$ 1,763,781
Service Charges	74,510	982,682	921,800	107%	926,513
Customer Charges	2,529	37,595	39,500	95%	38,949
Fire Service	8,678	213,548	220,000	97%	201,079
Developer Fees	-	93,430	-	N/A	15,614
Connection	-	-	-	N/A	1,483
Capacity	-	-	-	N/A	1,498
Misc Income	-	-	-	N/A	3,589
Total Operational Revenues	**188,624**	**3,022,793**	**3,071,300**	**98%**	**2,952,504**
Contamination Reimbursement	14,974	45,348	101,286	45%	89,469
Total Non-Operational Revenues	**14,974**	**45,348**	**101,286**	**45%**	**89,469**
TOTAL REVENUES	**203,597**	**3,068,141**	**3,172,586**	**97%**	**3,041,974**
Administrative Salaries	36,193	415,770	391,400	106%	394,487
Field Salaries	25,436	348,599	339,900	103%	338,560
Employee Benefits	14,089	186,584	206,000	91%	193,663
Pension Plan	12,323	147,961	136,000	109%	142,138
Payroll Taxes	4,951	58,260	53,600	109%	54,032
Workers Compensation	2,037	8,167	7,200	113%	6,815
Total Salaries & Benefits	**95,029**	**1,165,340**	**1,134,100**	**103%**	**1,129,694**
Purchased Water - Leased	-	-	285,408	0%	300,110
Purchased Water - Other	1,640	22,213	20,000	111%	20,739
Cyclic Storage Water Used	-	-	-	N/A	4,754
Power	22,698	160,087	150,000	107%	218,450
Assessments	-	6,618	286,642	2%	259,133
Treatment	-	-	7,000	0%	9,090
Well & Pump Maintenance	769	324,513	250,000	130%	8,916
Total Supply & Treatment	**25,107**	**513,430**	**999,050**	**51%**	**821,191**
General Plant	2,316	53,400	150,000	36%	6,489
Transmission & Distribution	37,157	154,173	115,000	134%	121,227

INDUSTRY PUBLIC UTILITIES - WATER OPERATIONS
Statement of Revenue and Expenses
For The Period Ending June 30, 2026
(Unaudited)

	June 2026	FISCAL YTD 2025/26	BUDGET 2025/26	100% OF BUDGET	YEAR END 2024/25
Vehicles & Equipment	4,052	48,639	47,250	103%	46,198
Field Support & Other Expenses	2,102	39,216	45,000	87%	37,128
Regulatory Compliance	2,088	44,842	38,000	118%	37,495
Total Other Operating Expenses	**47,715**	**340,270**	**395,250**	**86%**	**248,537**
Office Expenses	2,644	31,936	35,000	91%	30,504
Insurance	-	48,461	43,000	113%	26,865
Professional Services	905	10,466	60,000	17%	73,764
Customer Accounts	4,513	38,827	34,000	114%	38,878
Public Outreach & Conservation	-	9,418	12,000	78%	460
Other Administrative Expenses	162	3,429	6,500	53%	4,257
Total General & Administrative	**8,224**	**142,538**	**190,500**	**75%**	**174,728**
Fire Hydrant Repair/Replace	244	59,120	70,000	84%	32,244
Service Line Replacements	12,529	53,410	47,000	114%	15,726
Valve Replacements & Installations	14,392	41,779	42,000	99%	34,065
SCADA Improvements	-	-	15,000	0%	-
Total Other & System Improvements	**27,165**	**154,309**	**174,000**	**89%**	**82,035**
TOTAL EXPENSES	**203,240**	**2,315,887**	**2,892,900**	**80%**	**2,456,186**
NET INCOME / (LOSS)	**358**	**752,254**	**279,686**		**585,787**

La Puente Valley County Water District

Annual Financial Report

For the Fiscal Years Ended December 31, 2025 and 2024

Mission Statement

The mission of the La Puente Valley County Water District is to provide its customers with high quality water for residential, commercial, industrial and fire protection uses that meets or exceeds all local, state and federal standards and to provide courteous and responsive service at the most reasonable cost.

Board of Directors as of December 31, 2025

Name	Title	Elected/ Appointed	Current Term
John P. Escalera	President	Elected	November 2026
Cesar J. Barajas	Vice President	Elected	November 2026
David Argudo	Director	Elected	November 2028
Henry P. Hernandez	Director	Elected	November 2026
William R. Rojas	Director	Elected	November 2028

La Puente Valley County Water District
Roy Frausto, General Manager
112 N. First Street
La Puente, California 91744
(626) 330-2126 – www.lapuentewater.com

La Puente Valley County Water District

Annual Financial Report

For the Fiscal Years Ended December 31, 2025 and 2024

La Puente Valley County Water District
Annual Financial Report
For the Fiscal Years Ended December 31, 2025 and 2024

Table of Contents

Financial Section

Independent Auditor's Report

Board of Directors
La Puente Valley County Water District
La Puente, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the La Puente Valley County Water District (District) for the years ended December 31, 2025 and 2024, and the related statements of revenues, expenses, and changes in net position for the fiscal years then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the La Puente Valley County Water District, as of December 31, 2025 and 2024, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform our audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District 's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control–related matters that we identified during the audits.

Other-Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9 and required supplementary information on pages 51 through 54 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance. This report can be found on pages 55 and 56.

C.J. Brown & Company, CPAs
Cypress, California
July 27, 2026

La Puente Valley County Water District
Management's Discussion and Analysis
For the Fiscal Years Ended December 31, 2025 and 2024

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the La Puente Valley County Water District (District) provides an introduction to the financial statements of the District for the fiscal years ended December 31, 2025 and 2024. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

Financial Highlights

- In fiscal year 2025, the District's net position increased 11.54% or $1,737,147 to $16,793,007 as a result of ongoing operations. In fiscal year 2024, the District's net position increased 6.87% or $967,336 to $15,055,860 as a result of ongoing operations.
- In fiscal year 2025, the District's total revenues increased 1.73% or $147,508 to $8,690,361. In fiscal year 2024, the District's total revenues increased 25.93% or $1,759,084 to $8,542,853.
- In fiscal year 2025, the District's total expenses decreased 7.77% or $597,507 to $7,089,141. In fiscal year 2024, the District's total expenses increased 16.17% or $1,069,728 to $7,686,648.
- In fiscal year 2025, the District's capital contributions increased 22.31% or $24,796 to $135,927. In fiscal year 2024, the District's capital contributions decreased 91.83% or $1,248,680 to $111,131.

Required Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the District's investments in resources (assets), deferred outflows of resources, the obligations to creditors (liabilities), deferred inflows of resources, and net position. They also provide the basis for computing a rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District. All of the current and prior years' revenue and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. These statements measure the success of the District's operations over the past years and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. These statements can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provide information about the District's cash receipts and cash payments during the reporting periods. The Statement of Cash Flows report cash receipts, cash payments and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities, and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Financial Analysis of the District

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the District in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

Financial Analysis of the District, continued

These two statements report the District's *net position* and changes in them. You can think of the District's net position (assets and deferred outflows of resources, less liabilities and deferred inflows of resources), as one way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation, such as changes in Federal and State water quality standards.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements can be found on pages 16 through 50.

Statements of Net Position

Condensed Statements of Net Position

	2025	2024	Change	As Restated 2023	Change
Assets:					
Current assets	$ 10,307,885	8,974,937	1,332,948	7,043,293	1,931,644
Non-current assets	367,529	308,746	58,783	282,297	26,449
Capital assets, net	11,601,652	11,979,801	(378,149)	12,193,598	(213,797)
Total assets	22,277,066	21,263,484	1,013,582	19,519,188	1,744,296
Deferred outflows of resources	918,745	1,128,407	(209,662)	1,603,918	(475,511)
Liabilities:					
Current liabilities	1,011,490	1,647,598	(636,108)	996,509	651,089
Non-current liabilities	4,947,926	5,310,092	(362,166)	5,656,276	(346,184)
Total liabilities	5,959,416	6,957,690	(998,274)	6,652,785	304,905
Deferred inflows of resources	443,388	378,341	65,047	381,797	(3,456)
Net position:					
Investment in capital assets	11,601,652	11,979,801	(378,149)	12,193,598	(213,797)
Unrestricted	5,191,355	3,076,059	2,115,296	1,894,926	1,181,133
Total net position	$ 16,793,007	15,055,860	1,737,147	14,088,524	967,336

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by $16,793,007 and $15,055,860 as of December 31, 2025 and 2024, respectively.

A portion of the District's net position, 69.09% and 79.57% as of December 31, 2025 and 2024, respectively, reflects the District's investment in capital assets net of accumulated depreciation. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are *not* available for future spending.

At the end of the fiscal years 2025 and 2024, the District showed a positive balance in its unrestricted net position of $5,191,355 and $3,076,059, respectively. See Note 11 for further information.

Statements of Revenues, Expenses, and Changes in Net Position

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	2025	2024	Change	As Restated 2023	Change
Revenues:					
Operating revenues	$ 7,837,476	7,617,810	219,666	6,169,754	1,448,056
Non-operating revenues	852,885	925,043	(72,158)	614,015	311,028
Total revenues	8,690,361	8,542,853	147,508	6,783,769	1,759,084
Expenses:					
Operating expenses	6,248,996	6,793,144	(544,148)	6,026,663	766,481
Non-operating expense	70,317	229,575	(159,258)	78,843	150,732
Depreciation expense	769,828	663,929	105,899	511,414	152,515
Total expenses	7,089,141	7,686,648	(597,507)	6,616,920	1,069,728
Net income before capital contributions	1,601,220	856,205	745,015	166,849	689,356
Capital contributions	135,927	111,131	24,796	1,359,811	(1,248,680)
Change in net position	1,737,147	967,336	769,811	1,526,660	(559,324)
Net position, beginning of year, as restated	15,055,860	14,088,524	967,336	12,561,864	1,526,660
Net position, end of year	$ 16,793,007	15,055,860	1,737,147	14,088,524	967,336

The Statements of Revenues, Expenses, and Changes in Net Position show how the District's net position changed during the year. In the case of the District, net position increased 11.54% or $1,737,147 to $16,793,007 due to an increase of $1,601,220 from ongoing operations and $135,927 in capital contributions for the current year. In fiscal year 2024, the District's net position increased 6.87% or $967,336 to $15,055,860 due to an increase of $856,205 from ongoing operations and $111,131 in capital contributions.

A closer examination of the sources of changes in net position reveals that:

The District's total revenues increased 1.73% or $147,508 to $8,690,361. In fiscal year 2024, the District's total revenues increased 25.93% or $1,759,084 to $8,542,853.

The District's operating revenues increased 2.88% or $219,666 to $7,837,476, due primarily to increases of $310,851 in water consumption sales, $135,346 in retail water distribution system contracted labor – City of Industry, $118,678 in bi-monthly service charges, $39,410 in project contracted labor (PVOU IZ), $19,207 in fire services, offset by decreases of $302,566 in water treatment services – Baldwin Park Operable Unit (BPOU), $86,982 in project administrative services (PVOU IZ), and $34,857 in retail water distribution system management fee – City of Industry as compared to prior year.

Statements of Revenues, Expenses, and Changes in Net Position, continued

In fiscal year 2024, the District's operating revenues increased 23.47% or $1,448,056 to $7,617,810, due primarily to increases of $399,048 in water treatment services – Baldwin Park Operable Unit (BPOU), $314,943 in retail water distribution system contracted labor – City of Industry, $279,204 in water consumption sales, $159,104 in project administrative services (PVOU IZ), $140,702 in project contracted labor (PVOU IZ), $120,939 in bi-monthly service charges, $87,326 in water treatment and other charges (BPOU), $71,155 in fire services, $43,434 in water treatment operations and maintenance fees (BPOU), which were offset by a decrease of $170,183 in retail water distribution system management fee – City of Industry as compared to prior year.

The District's non-operating revenues decreased 7.80% or $72,158 to $852,885, due primarily to decreases of $100,586 in insurance loss reimbursement, $83,908 in payroll tax liability write-off, and $16,764 in property taxes, offset by increases of $85,226 in legal settlement, $19,211 in investment earnings, and $10,309 in other non-operating revenues as compared to the prior year. In fiscal year 2024, the District's non-operating revenues increased 50.65% or $311,028 to $925,043, due primarily to increases of $104,741 in insurance loss reimbursement, $83,923 in payroll tax liability write-off, $55,802 in investment earnings, $33,142 in other non-operating revenues, and $30,460 in property taxes as compared to the prior year.

The District's total expenses decreased 7.77% or $597,507 to $7,089,141. In fiscal year 2024, the District's total expenses increased 16.17% or $1,069,728 to $7,686,648.

The District's operating expenses decreased 8.01% or $544,148 to $6,248,996, due primarily to decreases of $532,147 in water treatment service costs for the Baldwin Park Operable Unit (BPOU), $156,621 in source of supply, $134,686 in salaries and benefits, and $105,427 in general and administrative expenses, which were offset by increases of $240,884 in transmission and distribution expenses, $135,346 in retail water distribution system contracted costs for the City of Industry, $39,410 in project contracted labor costs for the Puente Valley Operable Unit (PVOU IZ), and $36,131 in pumping costs as compared to the prior year. In fiscal year 2024, the District's operating expenses increased 12.72% or $766,481 to $6,793,144, due primarily to increases of $371,547 in water treatment service costs for the Baldwin Park Operable Unit (BPOU), $314,943 in retail water distribution system contracted costs for the City of Industry, $140,702 in project contracted labor costs for the Puente Valley Operable Unit (PVOU IZ), $105,272 in general and administrative expenses, $43,434 in water treatment contracted labor costs (BPOU), $40,566 in water treatment, and $19,939 in assessments, which were offset by decreases of $236,852 in salaries and benefits and $37,678 in source of supply as compared to the prior year.

The District's non-operating expenses decreased 69.37% or $159,258 to $70,317, primarily due to a decrease of $155,311 in loss disposition of capital assets reported in the prior year. In fiscal year 2024, the District's non-operating expenses increased 191.18% or $150,732 to $229,575, primarily due to an increase of $154,162 in loss on the disposition of capital assets as compared to the prior year.

The District's depreciation expense increased 15.95% or $105,899 to $769,828 due primarily to the District's additions to depreciable assets in the prior year. In fiscal year 2024, the District's depreciation expense increased 29.82% or $152,515 to $663,929 due primarily to the District's additions to depreciable assets in the prior year.

The District's capital contributions increased 22.31% or $24,796 to $135,927, due primarily to increases of $48,235 in capital contributions sourcing from developer fees and $26,428 in contributions sourcing from developers, offset by a decrease of $49,867 in capital contributions sourcing from the San Gabriel Valley Water Quality Authority (SGVWQA) as compared to the prior year. In fiscal year 2024, the District's capital contributions decreased 91.83% or $1,248,680 to $111,131, due primarily to decreases of $1,225,133 in capital contributions sourcing from the SGVWQA as compared to the prior year.

Capital Asset Administration

At the end of fiscal years 2025 and 2024, the District's investment in capital assets amounted to $11,601,652 and $11,979,801 (net of accumulated depreciation), respectively. This investment in capital assets includes land, construction-in-process, water treatment plant, transmission and distribution, pumps and reservoirs, buildings and structures, equipment, vehicles, and software. See Note 6 for further information.

Changes in capital asset amounts for 2025, were as follows:

	Balance 2024	Transfers/ Additions	Transfers/ Deletions	Balance 2025
Capital assets:				
Non-depreciable assets	$ 184,600	430,317	(368,192)	246,725
Depreciable assets	31,200,996	329,554	(179,429)	31,351,121
Accumulated depreciation	(19,405,795)	(769,828)	179,429	(19,996,194)
Total capital assets, net	$ 11,979,801	(9,957)	(368,192)	11,601,652

Changes in capital asset amounts for 2024, were as follows:

	Balance 2023	Transfers/ Additions	Transfers/ Deletions	Balance 2024
Capital assets:				
Non-depreciable assets	$ 5,195,460	678,776	(5,689,636)	184,600
Depreciable assets	26,230,350	5,616,303	(645,657)	31,200,996
Accumulated depreciation	(19,232,212)	(663,929)	490,346	(19,405,795)
Total capital assets, net	$ 12,193,598	5,631,150	(5,844,947)	11,979,801

Debt Administration

Changes in long-term debt amounts for 2025, were as follows:

Long-term debt:	**Balance 2024**	**Additions**	**Payments**	**Balance 2025**
Loans payable:				
Installment loan	$ 2,461,764	-	(127,745)	2,334,019

In 2025, long-term debt decreased by $127,745 due to scheduled principal payments. See Note 8 for further information.

Changes in long-term debt amounts for 2024, were as follows:

Long-term debt:	**Balance 2023**	**Additions**	**Payments**	**Balance 2024**
Loans payable:				
Installment loan	$ 2,585,871	-	(124,107)	2,461,764

In 2024, long-term debt decreased by $124,107 due to scheduled principal payments. See Note 8 for further information.

Conditions Affecting Current Financial Position

Management is unaware of any conditions which could have a significant impact on the District's current financial position, net position or operating results in terms of past, present, and future events.

Requests for Information

This financial report is designed to provide the District's funding sources, customers, stakeholders and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact: Roy Frausto, General Manager of La Puente Valley County Water District at 112 N. First Street, La Puente, CA 91744 or by phone (626) 330-2126.

Basic Financial Statements

La Puente Valley County Water District
Statements of Net Position
December 31, 2025 and 2024

		2025	2024
Current assets:			
Cash and cash equivalents (note 2)	$	8,675,897	6,579,231
Accrued interest receivable		258	1,102
Accounts receivable – water sales and services		608,361	608,172
Accounts receivable – other (note 3)		646,410	846,691
Accounts receivable – property taxes		54,096	83,556
Materials and supplies inventory		180,135	194,171
Prepaid expenses		142,728	66,496
Prepaid water rights (note 5)		-	595,518
Total current assets		10,307,885	8,974,937
Non-current assets:			
Prepaid water rights (note 5)		367,529	308,746
Capital assets – not being depreciated (note 6)		246,725	184,600
Capital assets – being depreciated, net (note 6)		11,354,927	11,795,201
Total non-current assets		11,969,181	12,288,547
Total assets		22,277,066	21,263,484
Deferred outflows of resources:			
Deferred other post-employment benefits outflows (note 9)		587,334	702,782
Deferred pension outflows (note 10)		331,411	425,625
Total deferred outflows of resources		918,745	1,128,407

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See accompanying notes to the basic financial statements.

La Puente Valley County Water District
Statements of Net Position, continued
December 31, 2025 and 2024

	2025	2024
Current liabilities:		
Accounts payable and accrued expenses	654,317	1,368,225
Developer deposits	91,502	21,369
Customer deposits	4,100	8,100
Interest payable	22,783	24,038
Long-term liabilities – due in one year:		
Compensated absences (note 7)	107,299	98,121
Loan payable (note 8)	131,489	127,745
Total current liabilities	1,011,490	1,647,598
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (note 7)	107,299	98,122
Loan payable (note 8)	2,202,530	2,334,019
Net other post-employment benefits liability (note 9)	1,625,502	1,700,132
Net pension liability (note 10)	1,012,595	1,177,819
Total non-current liabilities	4,947,926	5,310,092
Total liabilities	5,959,416	6,957,690
Deferred inflows of resources:		
Deferred other post-employment benefits inflows (note 9)	303,063	344,132
Deferred pension inflows (note 10)	140,325	34,209
Total deferred inflows of resources	443,388	378,341
Net position: (note 11)		
Net investment in capital assets	11,601,652	11,979,801
Unrestricted	5,191,355	3,076,059
Total net position	$ 16,793,007	15,055,860

See accompanying notes to the basic financial statements.

La Puente Valley County Water District
Statements of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years Ended December 31, 2025 and 2024

		2025	2024
Operating revenues:			
Water operation revenues:			
Water consumption sales	$	2,188,396	1,877,545
Bi-monthly service charges		1,172,271	1,053,593
Other water service charges		39,942	39,994
Fire services		191,222	172,015
Water surplus sales		62,767	67,969
Total water service charges		3,654,598	3,211,116
Facility and service contract revenue: (note 12)			
Water treatment services – BPOU		1,370,431	1,672,997
Water treatment operations and maintenance fees – BPOU		86,151	84,462
Water treatment contracted labor – BPOU		366,396	356,549
Water treatment other charges – BPOU		110,000	100,177
Retail water distribution system management fee – City of Industry		-	34,857
Retail water distribution system contracted labor – City of Industry		1,190,763	1,055,417
Project management fee – PVOU IZ		228,160	223,686
Project administrative services – PVOU IZ		218,374	305,356
Project contracted labor – PVOU IZ		612,603	573,193
Total facility and service contract revenue		4,182,878	4,406,694
Total operating revenues		7,837,476	7,617,810
Operating expenses:			
Water operation expenses:			
Source of supply		427,909	584,530
Transmission and distribution		739,677	498,793
Pumping		189,270	153,139
Assessments		251,014	328,343
Water treatment		55,781	56,028
Customer accounts		33,718	33,027
General and administrative		411,266	516,693
Salaries and benefits		967,931	1,102,617
Total water operation expenses		3,076,566	3,273,170
Facility and service contract expenses: (note 12)			
Water treatment service costs – BPOU		1,002,668	1,534,815
Water treatment contracted labor costs – BPOU		366,396	356,549
Retail water distribution system contracted labor costs – City of Industry		1,190,763	1,055,417
Project contracted labor costs – PVOU IZ		612,603	573,193
Total facility and service contract expenses		3,172,430	3,519,974
Total operating expenses		6,248,996	6,793,144
Operating income before depreciation expense		1,588,480	824,666
Depreciation expense		(769,828)	(663,929)
Operating income	$	818,652	160,737

Continued on next page

See accompanying notes to the basic financial statements.

La Puente Valley County Water District

Statements of Revenues, Expenses, and Changes in Net Position, continued

For the Fiscal Years Ended December 31, 2025 and 2024

		2025	2024
Non-operating revenue(expense):			
Property taxes	$	398,477	415,241
Investment earnings, net of fair value		253,870	234,659
Rental revenue		45,270	40,934
Lease interest		-	52
Interest expense		(70,317)	(74,264)
Insurance loss reimbursement		4,155	104,741
Legal Settlement		85,756	530
Payroll tax liability write-off		15	83,923
Gain(loss) from disposition of capital assets		10,070	(155,311)
Other non-operating revenues		55,272	44,963
Total non-operating, net		782,568	695,468
Net income before capital contributions		1,601,220	856,205
Capital contributions:			
Capital contributions – developer		61,023	34,595
Capital contribution – Water Quality Authority		-	49,867
Developer fees		74,904	26,669
Total capital contributions		135,927	111,131
Change in net position		1,737,147	967,336
Net position, beginning of year		15,055,860	14,088,524
Net position, end of year	$	16,793,007	15,055,860

See accompanying notes to the basic financial statements.

La Puente Valley County Water District
Statements of Cash Flows
For the Fiscal Years Ended December 31, 2025 and 2024

		2025	2024
Cash flows from operating activities:			
Cash receipts from customers for water sales and services	$	3,277,060	3,094,996
Cash receipts from facility and service contract revenue		2,622,346	2,091,853
Cash receipts from others		274,561	274,031
Cash paid to vendors and suppliers for materials and services		(3,316,030)	(3,365,857)
Cash paid to employees for salaries and wages		(1,099,324)	(811,831)
Net cash provided by operating activities		1,758,613	1,283,192
Cash flows from non-capital financing activities:			
Proceeds from property taxes		444,701	406,648
Net cash provided by non-capital financing activities		444,701	406,648
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets		(326,888)	(708,504)
Proceeds from capital contributions		135,927	111,131
Proceeds from the insurance reimbursement		4,155	104,741
Principal payments on loan payable		(127,745)	(124,107)
Interest payments on loan payable		(75,519)	(75,482)
Net cash used in capital and related financing activities		(390,070)	(692,221)
Cash flows from investing activities:			
Proceeds from sale of investments		-	541,681
Interest and investment earnings		283,422	225,468
Net cash provided by investing activities		283,422	767,149
Net increase in cash and cash equivalents		2,096,666	1,764,768
Cash and cash equivalents:			
Beginning of year		6,579,231	4,814,463
End of year	$	8,675,897	6,579,231

Continued on next page

See accompanying notes to the basic financial statements.

La Puente Valley County Water District
Statements of Cash Flows, continued
For the Fiscal Years Ended December 31, 2025 and 2024

	2025	2024
Reconciliation of operating loss to net cash provided by operating activities:		
Operating income	$ 818,652	160,737
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation expense	769,828	663,929
Rental revenue	40,934	40,934
Insurance loss reimbursement	4,155	104,741
Payroll tax liability write-off	15	83,923
Other non-operating revenues	44,963	44,963
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
(Increase)Decrease in assets:		
Accounts receivable – water sales and services	(189)	(98,873)
Accounts receivable – other	200,281	(330,212)
Materials and supplies inventory	14,036	36,069
Prepaid expenses	(76,232)	(8,309)
Prepaid water rights	536,735	(326,367)
(Increase)Decrease in deferred outflows of resources:		
Deferred other post-employment benefits outflows	115,448	334,657
Deferred pension outflows	94,214	140,854
Increase(Decrease) in liabilities:		
Accounts payable and accrued expenses	(713,908)	638,118
Developer deposits	70,133	(12,947)
Customer deposits	(4,000)	(4,300)
Compensated absences	18,355	55,596
Net other post-employment benefits liability	(74,630)	(241,412)
Net pension liability	(165,224)	(4,825)
Increase(Decrease) in deferred inflows of resources:		
Deferred other post-employment benefits inflows	(41,069)	33,555
Deferred pension inflows	106,116	(27,639)
Total adjustments	939,961	1,122,455
Net cash provided by operating activities	$ 1,758,613	1,283,192

See accompanying notes to the basic financial statements.

(1) Reporting Entity and Summary of Significant Accounting Policies

A. Organization and Operations of the Reporting Entity

The La Puente Valley County Water District (District) was incorporated in August 1924, an independent special district, which operates under the authority of Division 12 of the California Water Code. On April 28, 1925, voters approved a general obligation bond issue for $135,000. Proceeds of the Bonds were used to purchase the Puente City Water Company for $35,000 and pay for construction of almost five miles of fourteen and sixteen inch water mains extending from Puente Avenue and Francisquito Avenue to the Hudson Street booster plant and from there to the reservoir on the easterly end of Main Street in La Puente. The last of the bonds were retired in 1964. Since inception, the District has grown to encompass some 1,600 acres in Los Angeles County. The District provides water for residential and commercial purposes, as well as operates and maintains the water distribution system for the City of Industry, and the operation and maintenance of groundwater treatment for the Baldwin Park Operable Unit area. The District is governed by a five-member board of directors elected within the District's service area.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Statements No. 61, *The Financial Reporting Entity*. The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable for a component unit that has substantively the same governing body, and additionally (1) the primary government and the component unit have a financial benefit or burden relationship or (2) management (below the level of the elected officials) of the primary government have operational responsibility for the activities of the component unit.

B. Basis of Accounting and Measurement Focus

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs of providing water to its service area on a continuing basis be financed or recovered primarily through user charges (water sales), water treatment services, and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses, such as water sales and water purchases, result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Management, administration and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

The District recognizes revenue from water and service charges based on cycle billings performed bi-monthly. The District accrues revenues with respect to water and service sold but not billed at the end of a fiscal period.

C. Financial Reporting

The District's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the District's proprietary fund.

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

C. Financial Reporting, continued

The District has adopted the following GASB pronouncement in the current year:

Governmental Accounting Standards Board Statement No. 102

In December 2023, the GASB issued Statement No. 102 – *Certain Risk Disclosures*. The primary objective of this Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

1. Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosures of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported changes in net position during the reporting period. Actual results could differ from those estimates.

2. Cash and Cash Equivalents

Substantially all of the District's cash is invested in interest bearing accounts. The District considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

3. Investments and Investment Policy

The District has adopted an investment policy directing management to deposit funds in financial institutions.

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

4. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset, as follows:

- **Level 1 –** Valuation level is based on quoted prices in active markets for identical assets. The District does not currently hold any investments valued at this level.
- **Level 2 –** Valuation level is based on directly observable and indirectly observable inputs. These inputs are derived principally from or corroborated by observable market data through correlation or market-corroborated inputs. The concept of market-corroborated inputs incorporates observable market data such as interest rates and yield curves that are observable at commonly quoted intervals. The District currently holds certificates of deposit investments valued at this level.

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

4. Fair Value Measurements, continued

- **Level 3** – Valuation level is based on unobservable inputs where assumptions are made based on factors such as prepayment rates, probability of defaults, loss severity and other assumptions that are internally generated and cannot be observed in the market. The District does not currently hold any investments valued at this level.

5. Accounts Receivable

The District extends credit to customers in the normal course of operations. When management deems customer accounts uncollectible, the District uses the direct write-off method for those accounts based on individual customer evaluation and specific circumstances.

6. Lease Receivables

Lease receivables are measured at the present value of payments expected to be received during the lease term.

7. Materials and Supplies Inventory

Materials and supplies inventory consist primarily of water pipe and pipefittings for construction and repair to the District's water treatment and distribution system. Materials and supplies are valued at cost using a weighted average method. Material and supply items are charged to expense at the time the items are withdrawn from inventory or consumed.

8. Prepaid Expenses and Prepaid Water Rights

Certain payments to vendors reflect costs or deposits applicable to future accounting periods are recorded as prepaid items in the basic financial statements. The cost of prepaid items are recorded as expenditures/expenses when consumed rather than when purchased.

9. Capital Assets

Capital assets acquired and/or constructed are capitalized at historical cost. District policy has set the capitalization threshold for reporting capital assets as follows: (1) $10,000 for land, plant, buildings, and related improvements, (2) $5,000 for infrastructure, and (3) $2,000 for vehicles and equipment. Donated assets are recorded at estimated fair market value at the date of donation. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Water treatment plant	25 years
Transmission and distribution	20-50 years
Pumps and reservoirs	10-33 years
Buildings and structures	10 years
Tools and equipment	10-30 years
Automotive equipment	5-7 years
Office equipment and fixtures	5-10 years
Radio equipment	10 years
Software	10 years

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

10. Deferred Outflows of Resources

The statement of net position reports a separate section for deferred outflows of resources. This financial statement element, *deferred outflows of resources*, represents a consumption of resources applicable to future periods and therefore will *not* be recognized as an outflow of resources (expenditure) until that time.

The District has the following items that qualify for reporting in this category:

Post-Employment Benefits Other Than Pensions (OPEB)

- Deferred outflow which is equal to the employer contributions made after the measurement date of the net OPEB liability. This amount will be amortized-in-full against the net OPEB liability in the next fiscal year.
- Deferred outflow for the net difference between the actual and expected experience which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB benefits through the Plan.
- Deferred outflow for the net difference in projected and actual earnings on investments of the OPEB Plans' fiduciary net position. This amount is amortized over a 5-year period. In the prior year, this item was reported as a deferred inflow.

Pensions

- Deferred outflow which is equal to the employer contributions made after the measurement date of the net pension liability. This amount will be amortized-in-full against the net pension liability in the next fiscal year.
- Deferred outflow for the net difference between the actual and expected experience which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net change in assumptions which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net change in proportions of the net pension liability which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net difference in projected and actual earnings on investments of the pension Plans' fiduciary net position. This amount is amortized over a 5-year period.

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

11. Compensated Absences

The District follows the provisions of GASB Statement No. 101. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The Project has determined that the accrued vested sick liability meets the provisions, as reported above, of GASB Statement No. 101 for reporting. Therefore, a liability for the vested and accrued value of sick leave that will be settled in the future by employees as time off is included in the liability for compensated absences.

The District's personnel policies provide for accumulation of vacation and sick leave. Liabilities for vacation and sick leave are recorded when benefits are earned. Cash payment of unused vacation is available to those qualified employees when retired or terminated.

12. Post-Employment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB plan (Plan) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

GASB 75 requires that the reported results must pertain to liability and asset information within certain defined timeframes. At December 31, 2025 and 2024, the following timeframes were used:

- Valuation date: June 30, 2024
- Measurement dates: June 30, 2025 and June 30, 2024
- Measurement periods: July 1, 2024 to June 30, 2025 and July 1, 2023 to June 30, 2024

13. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans (Plans) and addition to/deduction from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. At December 31, 2025 and 2024, the following timeframes were used:

- Valuation dates: June 30, 2023 and June 30, 2022
- Measurement Dates: June 30, 2024 and June 30, 2023
- Measurement Periods: July 1, 2023 to June 30, 2024 and July 1, 2022 to June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

14. Deferred Inflows of Resources

The statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This financial statement element, *deferred inflows of resources*, represents an acquisition of resources applicable to future periods and therefore will *not* be recognized as an inflow of resources (revenue) until that time.

The District has the following items that qualify for reporting in this category:

Post-Employment Benefits Other Than Pensions (OPEB)

- Deferred inflow for the net change in assumptions which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB benefits through the Plan.

Pensions

- Deferred inflow for the net difference in actual and proportionate share of employer contribution and net changes in proportion which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred inflow for the net difference in projected and actual earnings on investments of the pension Plans' fiduciary net position. This amount is amortized over a 5-year period.

15. Net Position

The financial statements utilize a net position presentation. Net position is categorized as follows:

- **Net investment in capital assets** – consists of capital assets, net of accumulated depreciation and reduced by any debt outstanding against the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- **Restricted –** consists of restricted assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources related to those assets.
- **Unrestricted –** the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the net investment in capital assets or restricted components of net position.

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

16. Property Taxes and Assessments

The County of Los Angeles Assessor's Office assesses all real and personal property within the County each year. The County of Los Angeles Collector's Office bills and collects the District's share of property taxes and assessments. The County of Los Angeles Treasurer's Office remits current and delinquent property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article 13A of the State Constitution at one percent (1%) of countywide assessed valuations.

Property taxes receivable at year-end are related to property taxes collected by the County of Los Angeles, which have not been credited to the District's cash balance as of December 31. The property tax calendar is as follows:

Lien date	January 1
Levy date	June 30
Due dates	November 1 and February 1
Collection dates	December 10 and April 10

17. Water Service Charges

The District recognizes water services charges based on cycle billings rendered to the customers on a bi-monthly basis.

18. Capital Contributions

Capital contributions represent cash and capital asset additions contributed to the District by property owners or real estate developers desiring services that require capital expenditures or capacity commitment.

19. Budgetary Policies

The District adopts an annual non-appropriated budget for planning, control, and evaluation purposes. Budgetary control and evaluation are affected by comparisons of actual revenues and expenses with planned revenues and expenses for the period. Encumbrance accounting is not used to account for commitments related to unperformed contracts for construction and services.

20. Reclassification

Certain prior year amounts have been reclassified to conform with the current year presentation.

(2) Cash and Investments

Cash and cash equivalents as of December 31 are classified in the Statements of Net Position as follows:

	2025	2024
Cash and cash equivalents	$ 8,675,897	6,579,231
Total cash and cash equivalents	$ 8,675,897	6,579,231

(2) Cash and Investments, continued

Cash and investments as of December 31 consisted of the following:

		2025	2024
Cash on hand	$	300	300
Deposits with financial institutions		767,215	1,925,263
California Local Agency Investment Fund		24,495	94,754
California Cooperative Liquid Assets Securities System (CLASS)		7,883,887	4,558,914
Total cash and investments	$	8,675,897	6,579,231

Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized by the District in accordance with the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio *	Maximum Investment in One Issuer
State and Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years**	None	None
U.S. Agency Securities	5 years**	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Non-negotiable Certificates of Deposit	1 year	30%	None
Negotiable Certificates of Deposit	5 years	30%	None
Medium-Term Notes	5 years	30%	None
Repurchase agreements	1 year	20%	None
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
Supranational Obligations	N/A	30%	None
County Pooled Investment Funds	N/A	0%	None
California Local Agency Investment Fund (LAIF)	N/A	None	None
Beneficial Interest of a Joint Power Authority	N/A	None	$75 Million

* Excluding amounts held by bond trustee that are not subject to California Government Code.

** Except when authorized by the District's legislative body in accordance with Government Code Section 53601

N/A – Not Applicable

(2) Cash and Investments, continued

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which is recorded on an amortized cost basis.

The pool portfolio is invested in a manner that meets the maturity, quality, diversification, and liquidity requirements set forth by GASB 79 for external investments pools that elect to measure, for financial reporting purposes, investments at amortized cost. LAIF does not have any legally binding guarantees of share values. LAIF does not impose liquidity fees or redemption gates on participant withdrawals.

Investment in the California Cooperative Liquid Assets Securities System

The District is a participant in the California Cooperative Liquid Assets Securities System (CLASS). California CLASS is a Joint Powers Authority investment pool that provides public agencies the opportunity to invest funds on a cooperative basis in rated pools that are managed in accordance with state law with the primary objectives of offering participants safety, daily and next-day liquidity, and optimized returns.

California CLASS is managed as stable value NAV pool but does not meet all of the specific criteria outlined in GASB 79 Paragraph 4, therefore California CLASS Participants should report their investments in the pool at fair value.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits.

The California Government Code requires that a financial institution, secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Of the bank balances, up to $250,000 held at each institution were federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the District's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF and the Pool).

(2) Cash and Investments, continued

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio matures, or comes close to maturity evenly over time, as necessary to provide requirements for cash flow and liquidity needed for operations.

The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Of the bank balances, up to $250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity date:

As of December 31, 2025 and 2024, the District did not hold any investments which required investment maturity disclosure, respectively.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Per the District's investment policy, credit risk is mitigated by investing in safe securities, and diversifying the investment portfolio so the failure of one issuer would not materially affect the District's cash flow. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

As of December 31, 2025 and 2024, the District did not hold any investments which required credit rating disclosure, respectively.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There were no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District's investments at December 31, 2025 and 2024, respectively.

(2) Cash and Investments, continued

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

As of December 31, 2025 and 2024, the District did not hold any investments which required measurement at fair value on a recurring and non-recurring basis, respectively.

(3) Accounts Receivable – Other

At December 31 accounts receivable – other was comprised of the following balances by vendor:

		2025	2024
San Gabriel Basin Water Quality Authority	$	362,638	563,037
Industry Public Utilities		117,472	136,567
Northrop Grumman Systems Corporation		127,374	144,471
Suburban Water Systems		18,325	-
Southern California Edison		-	925
City of Industry		18,381	579
Other miscellaneous		2,220	1,112
Total accounts receivable – other	$	646,410	846,691

(4) Lease Receivable

At December 31, 2025, the District did not have any reportable lease receivables or related deferred inflows of resources.

Changes in lease receivable for the year ended December 31, 2024, were as follows:

	Balance 2023	Additions	Principal Payments	Balance 2024	Current Portion	Long-term Portion	Deferred Inflows
Lease receivable:							
Mancilla building lease	$ 10,470	-	(10,470)	-	-	-	-

Mancilla Building Lease

On April 8, 2004, the District entered into a lease agreement with Mancilla's Quality Printing (Mancilla). On March 19, 2014, the District extended the lease term through March 31, 2024. Mancilla has agreed to pay the District for the purpose of leasing building space at 108 First Street, 15841 Main Street, 15843 Main Street, and 15845 Main Street. The terms of the agreement require Mancilla to pay the District in monthly installments through March 2024 and is adjusted annually by a rate of 3.00%.

Following the provisions set forth by *GASB Statement No. 87*, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 0.25%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of December 31, 2025 and 2024, deferred inflows were reported at $0, respectively.

During the year ended December 31, 2024, the District converted the building lease to an annual lease. Under the provisions of GASB 87, leases which are 12 months and under do not require reporting.

(5) Prepaid Water Rights

Prepaid water rights as of December 31, 2025, were as follows:

	Balance 2024	Additions	Deletions	Balance 2025	Current Portion	Long-term Portion
$	904,264	101,500	(638,235)	367,529	-	367,529

Prepaid water rights as of December 31, 2024, were as follows:

	Balance 2023	Additions	Deletions	Balance 2024	Current Portion	Long-term Portion
$	577,897	621,966	(295,599)	904,264	595,518	308,746

On December 22, 2025, the District purchased 100 acre feet of untreated cyclic storage water from the Main San Gabriel Basin Watermaster at a cost of $1,015 per acre-foot. The balance is expected to be utilized in the future fiscal years and therefore is classified as current. At December 31, 2025, the remaining available water from the initial purchase amounted to $101,500.

On July 21, 2022, the District purchased 265 acre feet of untreated cyclic storage water from the Main San Gabriel Basin Watermaster at a cost of $902 per acre-foot. The balance is expected to be utilized in the future fiscal years and therefore is classified as current. At December 31, 2025 and 2024, the remaining available water from the initial purchase amounted to $239,030, respectively.

On May 7, 2009, the District purchased 2,000 acre feet of untreated cyclic storage water from the Main San Gabriel Basin Watermaster at a cost of $251.90 per acre-foot. The balance is expected to be utilized in the future fiscal years and therefore is classified as current. At December 31, 2025 and 2024, the remaining available water from the initial purchase amounted to $26,999 and $69,716, respectively.

On December 19, 2024, the District purchased 375 acre feet of untreated cyclic storage water from the Main San Gabriel Basin Watermaster at a cost of $907.28 per acre-foot. The balance is expected to be utilized in the future fiscal years and therefore is classified as current. At December 31, 2025 and 2024, the remaining available water from the initial purchase amounted to $0 and $323,898, respectively.

On December 19, 2024, the District purchased 300 acre feet of untreated cyclic storage water from the Main San Gabriel Basin Watermaster at a cost of $905.40 per acre-foot. The balance is expected to be utilized in the future fiscal years and therefore is classified as current. At December 31, 2025 and 2024, the remaining available water from the initial purchase amounted to $0 and $271,620, respectively.

(6) Capital Assets

Changes in capital assets for December 31 were as follows:

	Balance 2024	Additions/ Transfers	Deletions/ Transfers	Balance 2025
Non-depreciable assets:				
Land	$ 183,228	-	-	183,228
Construction-in-process	1,372	430,317	(368,192)	63,497
Total non-depreciable assets	184,600	430,317	(368,192)	246,725
Depreciable assets:				
Water treatment plant	10,759,605	-	-	10,759,605
Transmission and distribution	12,943,594	193,962	(100,658)	13,036,898
Pumps and reservoirs	2,622,708	-	-	2,622,708
Buildings and structures	525,875	-	-	525,875
Tools and equipment	3,651,698	11,933	-	3,663,631
Automotive equipment	626,288	115,692	(78,771)	663,209
Office equipment and fixtures	49,194	7,967	-	57,161
Radio equipment	12,944	-	-	12,944
Software	9,090	-	-	9,090
Total depreciable assets	31,200,996	329,554	(179,429)	31,351,121
Accumulated depreciation:				
Water treatment plant	(9,753,208)	(96,669)	-	(9,849,877)
Transmission and distribution	(6,678,859)	(387,378)	100,658	(6,965,579)
Pumps and reservoirs	(1,698,524)	(70,233)	-	(1,768,757)
Buildings and structures	(494,018)	(2,936)	-	(496,954)
Tools and equipment	(400,420)	(147,941)	-	(548,361)
Automotive equipment	(339,603)	(59,110)	78,771	(319,942)
Office equipment and fixtures	(21,719)	(4,266)	-	(25,985)
Radio equipment	(10,355)	(1,295)	-	(11,650)
Software	(9,089)	-	-	(9,089)
Total accumulated depreciation	(19,405,795)	(769,828)	179,429	(19,996,194)
Total depreciable assets, net	11,795,201	(440,274)	-	11,354,927
Total capital assets, net	$ 11,979,801	(9,957)	(368,192)	11,601,652

(6) Capital Assets, continued

Changes in capital assets for December 31 were as follows:

	Balance 2023	Additions/ Transfers	Deletions/ Transfers	Balance 2024
Non-depreciable assets:				
Land	$ 183,228	-	-	183,228
Construction-in-process	5,012,232	678,776	(5,689,636)	1,372
Total non-depreciable assets	5,195,460	678,776	(5,689,636)	184,600
Depreciable assets:				
Water treatment plant	10,763,909	-	(4,304)	10,759,605
Transmission and distribution	10,815,322	2,547,022	(418,750)	12,943,594
Pumps and reservoirs	2,622,708	-	-	2,622,708
Buildings and structures	525,875	-	-	525,875
Tools and equipment	862,431	2,929,846	(140,579)	3,651,698
Automotive equipment	575,825	112,091	(61,628)	626,288
Office equipment and fixtures	42,246	27,344	(20,396)	49,194
Radio equipment	12,944	-	-	12,944
Software	9,090	-	-	9,090
Total depreciable assets	26,230,350	5,616,303	(645,657)	31,200,996
Accumulated depreciation:				
Water treatment plant	(9,660,843)	(96,669)	4,304	(9,753,208)
Transmission and distribution	(6,635,442)	(345,267)	301,850	(6,678,859)
Pumps and reservoirs	(1,627,439)	(71,085)	-	(1,698,524)
Buildings and structures	(489,763)	(4,255)	-	(494,018)
Tools and equipment	(452,007)	(88,992)	140,579	(400,420)
Automotive equipment	(314,918)	(54,094)	29,409	(339,603)
Office equipment and fixtures	(33,802)	(2,121)	14,204	(21,719)
Radio equipment	(9,061)	(1,294)	-	(10,355)
Software	(8,937)	(152)	-	(9,089)
Total accumulated depreciation	(19,232,212)	(663,929)	490,346	(19,405,795)
Total depreciable assets, net	6,998,138	4,952,374	(155,311)	11,795,201
Total capital assets, net	$ 12,193,598	5,631,150	(5,844,947)	11,979,801

(6) Capital Assets, continued

Construction-In-Progress

The District has been involved in various construction projects throughout the year. The balances of the various construction projects that comprise the construction-in-progress balances at December 31 were as follows:

		2025	2024
CLA VAL Piping and Vault Dalesford and Bamboo	$	27,867	-
Developer jobs		35,630	-
Various jobs under $50,000		-	1,372
Total construction-in-process	$	63,497	1,372

(7) Compensated Absences

The Project recognizes a liability for compensated absences in accordance with GASB Statement No. 101, "Compensated Absences". Compensated absences comprise unpaid vacation leave that accrue when benefits are fully vested and are determined annually. Compensated absences for proprietary fund will generally be liquidated through the Project's general fund.

As of June 30 2025, the liability for compensated absences was calculated based on employees' pay rates at the fiscal year end and historical usage data, considering employment policies. The liability represents amounts that are more likely than not to used or paid out. The liability is reported in the Statement of Net Position.

The net change in the compensated absence liability for the fiscal years ended December 31, 2025 and 2024, decreased and increased by $18,355 and $55,596, respectively.

The change in compensated absences for December 31, 2025, was as follows:

	As Restated 2024	Change		Balance 2024	Current Portion	Long-term Portion
$	196,243	18,355	*	214,598	107,299	107,299

*The changes in the compensated absence liabilities are presented as a net change.

The change in compensated absences for December 31, 2024, was as follows:

	As Restated 2023	Change		Balance 2024	Current Portion	Long-term Portion
$	140,647	55,596	*	196,243	98,121	98,122

*The changes in the compensated absence liabilities are presented as a net change.

(8) Loan Payable

Changes in loan payable for December 31, 2025, were as follows:

Long-term debt:		Balance 2024	Additions	Payments	Balance 2025	Current Portion	Long-term Portion
Loans payable:							
Installment loan	$	2,461,764	-	(127,745)	2,334,019	131,489	2,202,530

Changes in loan payable for December 31, 2024, were as follows:

Long-term debt:		Balance 2023	Additions	Payments	Balance 2024	Current Portion	Long-term Portion
Loans payable:							
Installment loan	$	2,585,871	-	(124,107)	2,461,764	127,745	2,334,019

Pacific Premier Bank Installment Loan – 2020

On March 31, 2020, the District entered into an installment loan agreement with Opus Bank in the amount of $3,000,000, to provide funds for the purpose of financing the construction of the recycled water system and nitrate removal system. On June 1, 2020, Pacific Premier Bank acquired Opus Bank. The interest rate on the loan is 3.00% per year. Principal and interest on the loan is payable in semi-annual installments due each September 1st and March 1st. The loan is expected to mature on March 1, 2040.

Future remaining debt service payments are as follows:

Year		Principal	Interest	Total
2026	$	131,489	66,970	198,459
2027		135,343	63,116	198,459
2028		139,310	59,149	198,459
2029		143,394	55,066	198,460
2030		147,596	50,862	198,458
2031-2035		805,471	186,824	992,295
2036-2040		831,416	61,652	893,068
Total		2,334,019	543,639	2,877,658
Current		(131,489)		
Long-term	$	2,202,530		

(9) Other Post-Employment Benefits (OPEB) Plan

General Information about the OPEB Plan

Plan Description

The District provides other post-employment benefits (OPEB) to qualified employees who retire from the District and meet the District's vesting requirements. The District participates in CalPERS California Employer's Retiree Benefit Trust Program (CERBT), a Prefunding Plan trust fund intended to perform an essential government function within the meaning of Section 115 of the Internal Revenue Code. Copies of CalPERS CERBT audited financial report may be obtained from their executive Office: 400 P Street, Sacramento, CA 95814. The new reporting requirements for these benefit programs as they pertain to the District are set forth below.

Benefits Provided

The District provides post-retirement benefits for certain retired members of the Board of Directors and two retired employees. Effective December 31, 1991, the District began providing these benefits to eligible retired Directors or employees, at age 50 and with at least ten years of continuous service to the District. The benefits include medical, dental and vision insurance coverage. Effective January 9, 2012, the District modified the post-employment benefits for employees hired after November 1, 2011. These employees are eligible for post-employment benefits at age 55 and with at least twenty years of continuous service to the District.

Spouses and surviving spouses are also eligible to receive benefits. Retirees may enroll in any plan available through the ACWA-JPIA medical, dental and vision programs. The contribution requirements of Plan members and the District are established and may be amended by the Board of Directors.

Employees Covered by Benefit Terms

Membership in the OPEB plan consisted of the following members as of December 31:

	2025	2024
Active plan members	16	16
Retirees and beneficiaries receiving benefits	8	8
Separated plan members entitled to but not yet receiving benefits	-	-
Total Plan membership	24	24

Contributions

The Plan and its contribution requirements for eligible retired employees of the District are established and may be amended by the Board of Directors. The District pays 100% of the cost of health insurance for retirees under any group plan offered by CalPERS, subject to certain restrictions as determined by the District. The annual contribution is based on the actuarially determined contribution.

As of the fiscal years ended December 31, the contributions were as follows:

	2025	2024
Contributions – employer	$ 89,729	55,661

As of December 31, 2025 and 2024, the employer pension contributions were reported as deferred outflows of resources related to contributions subsequent to the measurement date will be and were recognized as a reduction of net OPEB liability in the fiscal years ended December 31, 2026 and 2025, respectively.

(9) Other Post-Employment Benefits (OPEB) Plan, continued

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2024, and the total net liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2025 and June 30, 2024, respectively. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Actuarial Assumptions

The net OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50 percent
Salary increases	2.75 percent, per annum, in aggregate
Discount rate	5.75 percent, per annum, The discount rate assumes the District continues to fully fund for its retiree health benefits under its current investment strategy.
Healthcare cost trend rates	4.00% HMO & 4.50% PPO decreasing to 3.00% HMO & 3.00% PPO over future periods

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

At the measurement date June 30, 2025, the target allocation, and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class - CERBT	Target Allocation	Long-term Expected Real Return
Global Equity	22.0%	7.55%
Global Fixed Income	49.0%	4.25%
TIPS	16.0%	3.00%
REITS	8.0%	7.25%
Commodities	5.0%	7.55%
Total	100.0%	

(9) Other Post-Employment Benefits (OPEB) Plan, continued

At the measurement date June 30, 2024, the target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class - CERBT	Target Allocation	Long-term Expected Real Return
Global Equity	22.0%	7.55%
Global Fixed Income	49.0%	4.25%
TIPS	16.0%	3.00%
Commodities	8.0%	7.25%
REITS	5.0%	7.55%
Total	100.0%	

Discount Rate

At June 30, 2025 and 2024, the discount rate used to measure the net OPEB liability was 5.75 percent, respectively. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates.

Changes in the Net OPEB Liability

Changes in the net OPEB liability as of June 30, 2025, were as follows:

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2024	$ 3,261,799	1,561,667	1,700,132
Changes for the year:			
Service cost	66,048	-	66,048
Interest on TOL / Return on FNP	185,112	-	185,112
Expected investment income	-	90,644	(90,644)
Investment gains/(losses)	-	54,662	(54,662)
Employer contributions to trust	-	30,000	(30,000)
Employer contributions as benefit payments	-	150,970	(150,970)
Administrative expenses	-	(486)	486
Expected benefit payments	(150,970)	(150,970)	-
Net changes	100,190	174,820	(74,630)
Balance at June 30, 2025	$ 3,361,989	1,736,487	1,625,502

(9) Other Post-Employment Benefits (OPEB) Plan, continued

Changes in the Net OPEB Liability, continued

Changes in the net OPEB liability as of June 30, 2024, were as follows:

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2023	$ 3,411,287	1,469,743	1,941,544
Changes for the year:			
Service cost	75,542	-	75,542
Interest on TOL / Return on FNP	194,793	-	194,793
Expected investment income	-	84,497	(84,497)
Changes in assumptions	(74,624)	-	(74,624)
Investment gains/(losses)	-	7,896	(7,896)
Employer contributions as benefit payments	-	122,693	(122,693)
Administrative expenses	-	(469)	469
Expected benefit payments	(122,693)	(122,693)	-
Net changes	(149,488)	91,924	(241,412)
Balance at June 30, 2024	$ 3,261,799	1,561,667	1,700,132

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

At the measurement date June 30, 2025, the discount rate comparison was the following:

	1% Decrease (4.75%)	Current Discount Rate (5.75%)	1% Increase (6.75%)
District's net OPEB liability	$ 2,079,507	1,625,502	1,254,022

At the measurement date June 30, 2024, the discount rate comparison was the following:

	1% Decrease (4.75%)	Current Discount Rate (5.75%)	1% Increase (6.75%)
District's net OPEB liability	$ 2,143,689	1,700,132	1,337,199

(9) Other Post-Employment Benefits (OPEB) Plan, continued

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

At the measurement date June 30, 2025, the healthcare cost trend rate comparison was the following:

	1% Decrease (3.00%HMO/ 3.50%PPO decreasing to 2.00%HMO/ 2.00%PPO)	Current Healthcare Cost Trend Rates (4.00%HMO/ 4.50%PPO decreasing to 3.00%HMO/ 3.00%PPO)	1% Increase (5.00%HMO/ 5.50%PPO decreasing to 4.00%HMO/ 4.00%PPO)
District's net OPEB liability	$ 1,173,524	1,625,502	2,198,255

At the measurement date June 30, 2024, the healthcare cost trend rate comparison was the following:

	1% Decrease (3.00%HMO/ 3.50%PPO decreasing to 2.00%HMO/ 2.00%PPO)	Current Healthcare Cost Trend Rates (4.00%HMO/ 4.50%PPO decreasing to 3.00%HMO/ 3.00%PPO)	1% Increase (5.00%HMO/ 5.50%PPO decreasing to 4.00%HMO/ 4.00%PPO)
District's net OPEB liability	$ 1,289,260	1,700,132	2,218,519

For the fiscal years December 31, 2025 and 2024, the District recognized OPEB expense of $89,478 and $182,461, respectively.

(9) Other Post-Employment Benefits (OPEB) Plan, continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, the District reported no deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2025		2024	
Description	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
OPEB contributions subsequent to the measurement date	$ 89,729	-	55,661	-
Experience gains and losses	472,850	-	537,038	-
Changes in assumptions	-	(303,063)	-	(344,132)
Differences between expected and actual return on investments	24,755	-	110,083	-
Total	$ 587,334	(303,063)	702,782	(344,132)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Actuarially Determined Deferred Outflows and (Inflows) - OPEB Plan

Fiscal Year Ending June 30:	Experience Gains and Losses	Changes in Assumptions	Net, Differences between Projected and Actual Return on Investments	Net, Deferred Outflows/ (Inflows) of Resources
2026	$ 64,188	(41,069)	49,093	72,212
2027	64,188	(41,069)	(899)	22,220
2028	64,188	(41,069)	(12,509)	10,610
2029	64,188	(41,069)	(10,930)	12,189
2030	64,188	(41,069)	-	23,119
Thereafter	151,910	(97,718)	-	54,192
Total	$ 472,850	(303,063)	24,755	194,542

OPEB Plan Fiduciary Net Position and Schedule of OPEB Plan Contributions

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CalPERS financial reports. See pages 51 and 52 for the Required Supplementary Information.

(10) Defined Benefit Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of a miscellaneous risk pool and a safety risk pool, which are comprised of individual employer miscellaneous and safety plans, respectively. Benefit provisions under the Plan are established by State statute and the District's resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website or may be obtained from their executive office at 400 P Street, Sacramento, California 95814.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect January 1, 2013. The new legislation closed the District's CalPERS 2.0% at 60 Risk Pool Retirement Plan to new employee entrants effective December 31, 2012. For employees hired prior to January 1, 2013, who are current members of CalPERS or a reciprocal agency as of December 31, 2012, and have not been separated from service from such agency for more than six months, the retirement benefit is 2.0% @ 60 years of age; highest single year of compensation. All other employees hired after January 1, 2013, are eligible for the District's CalPERS 2.0% at 62 Retirement Plan under PEPRA.

The District participates in the Plan's miscellaneous risk pool. The provisions and benefits for the Plan's miscellaneous pool in effect at fiscal year December 31 are summarized as follows:

	Miscellaneous Plan			
	2025		**2024**	
Hire date	Prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.0% @ 60	2.0% @ 62	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50 - 63	52 - 67	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.0% to 2.5%	2.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates				
Six months ended June 30	6.930%	7.750%	6.930%	7.750%
Six months ended December 31	7.000%	7.750%	6.930%	7.750%
Required employer contribution rates				
Six months ended June 30	10.150%	7.870%	10.100%	7.680%
Six months ended December 31	10.190%	7.960%	10.150%	7.870%

(10) Defined Benefit Pension Plan, continued

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1, following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30, by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

As of the fiscal year December 31, the contributions recognized as part of pension expense for the Plan was as follows:

		Miscellaneous Plan	
		2025	2024
Contributions – employer	$	214,926	191,142
Contributions – employee (paid by employer)		35,382	41,313
Total employer paid contributions	$	250,308	232,455

Net Pension Liability

As of the fiscal year December 31, the District reported net pension liabilities for its proportionate share of the net pension liability of the Plan as follows:

		Miscellaneous Plan	
		2025	2024
Proportionate share of net pension liability	$	1,012,595	1,177,819

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability for the miscellaneous risk pool. As of the fiscal years ended December 31, 2025 and 2024, the net pension liability of the Plan is measured as of June 30, 2025 and June 30, 2024 (the measurement dates), respectively. The total pension liability for the Plan's miscellaneous risk pool used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024 and June 30, 2023 (the valuation dates), rolled forward to June 30, 2025 and 2024, respectively, using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability for the Plan's miscellaneous risk pool as of the measurement dates June 30, were as follows:

Proportional Share	Miscellaneous Plan
Measurement Date of June 30, 2024	
for the year ended December 31, 2024	0.02435%
Measurement Date of June 30, 2025	
for the year ended December 31, 2025	0.02538%
Change – Increase (Decrease)	0.00103%

(10) Defined Benefit Pension Plan, continued

Net Pension Liability, continued

The District's proportionate share of the net pension liability for the Plan's miscellaneous risk pool as of the measurement dates June 30, were as follows:

Proportional Share	Miscellaneous Plan
Measurement Date of June 30, 2023 for the year ended December 31, 2023	0.02365%
Measurement Date of June 30, 2024 for the year ended December 31, 2024	0.02435%
Change – Increase (Decrease)	0.00070%

Deferred Outflows/Inflows of Resources Related to Pensions

For the fiscal years ended December 31, 2025 and 2024, the District recognized pension expense of $188,117 and $254,901, respectively.

As of December 31, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2025		2024	
Description	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Pension contributions subsequent to the measurement date	$ 153,011	-	146,511	-
Net differences between actual and expected experience	121,332	-	97,859	-
Net changes in assumptions	-	-	30,272	-
Net differences between actual contribution and proportionate share of contribution	-	(3,311)	-	(34,209)
Net adjustment due to differences in proportions of the net pension liability	57,068	-	83,178	-
Net differences between projected and actual earnings on plan investments	-	(137,014)	67,805	-
Total	$ 331,411	(140,325)	425,625	(34,209)

As of December 31, 2025 and 2024, the District reported $153,011 and $146,511, as deferred outflows of resources related to pension contributions subsequent to the measurement dates June 30, 2025 and 2024, and will be/were recognized as a reduction of the net pension liability for the fiscal years ended December 31, 2026 and 2025, respectively.

(10) Defined Benefit Pension Plan, continued

Deferred Outflows/Inflows of Resources Related to Pensions

As of December 31, 2025 other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending December 31,	Deferred Net Outflows/ (Inflows) of Resources
2026	$ 121,406
2027	3,349
2028	(39,151)
2029	(47,529)
2030	-
Thereafter	-

Actuarial Assumptions

The total pension liabilities in the actuarial valuations dated June 30, 2023 and 2022, were determined using the following actuarial assumptions and methods:

Valuation dates	June 30, 2023 and 2022
Measurement dates	June 30, 2024 and 2023
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial assumptions:	
Discount rate	2023 and 2022 - 6.90%
Inflation	2023 and 2022 - 2.30%
Salary increases	Varies by Entry Age and Service
Investment rate of return	6.90% Net of Pension Plan Investment and Administrative Expenses; includes inflation
Mortality Rate Table*	Derived using CalPERS' Membership Data for all Funds
Period upon which actuarial Experience Survey assumption were based	2023 and 2022 – 2021
Post Retirement Benefit	2023 and 2022 – Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies.

* The mortality table was developed based on CalPERS specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study that can be found on the CalPERS website.

(10) Defined Benefit Pension Plan, continued

Discount Rate

At the measurement dates, June 30, 2024 and 2023, the discount rate used to measure the total pension liability was 6.90% for the Plan, respectively. The discount rate reflects the long-term expected rate of return for the Plan net of investment expenses and without reduction for administrative expenses. For the Plan, the crossover test was performed for a miscellaneous agent plan and a safety agent plan selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investments. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for PERF C. The crossover test results can be found on CalPERS' website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set to equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

As of the measurement dates June 30, 2024 and 2023, the target allocation and the long-term expected real rate of return by asset class were as follows:

Asset Class	Target Allocation	Real Return Years 1-10
Global equity - cap-weighted	30.0%	4.54%
Global equity non-cap-weighted	12.0	3.84%
Private Equity	13.0	7.28%
Treasury	5.0	0.27
Mortgage-backed securities	5.0	0.50
Investment grade corporates	10.0	1.56
High yield	5.0	2.27
Emerging market debt	5.0	2.48
Private debt	5.0	3.57
Real assets	15.0	3.21
Leverage	-5.0	(0.59)
Total	100.0%	

(10) Defined Benefit Pension Plan, continued

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower or one-percentage point higher than the current rate.

As of fiscal year ended December 31, 2025, the District's net pension liability at the current discount rate, using a discount rate that is one-percentage point lower, and using a discount rate that is one-percentage point higher, is as follows:

	Discount Rate - 1% 5.90%	Current Discount Rate 6.90%	Discount Rate + 1% 7.90%
District's net pension liability	$ 1,874,329	1,012,595	303,397

As of fiscal year ended December 31, 2024, the District's net pension liability at the current discount rate, using a discount rate that is one-percentage point lower, and using a discount rate that is one-percentage point higher, is as follows:

	Discount Rate - 1% 5.90%	Current Discount Rate 6.90%	Discount Rate + 1% 7.90%
District's net pension liability	$ 2,041,424	1,177,819	466,945

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. See pages 53 and 54 for the Required Supplementary Information.

Payable to the Pension Plan

At December 31, 2025 and 2024, the District reported $0 in payables for the outstanding amount of contribution to the pension plan, respectively.

(11) Net Position

As of December 31, the calculation of net position is as follows:

	2025	2024
Investment in capital assets:		
Capital assets – not being depreciated	$ 246,725	184,600
Capital assets – being depreciated, net	11,354,927	11,795,201
Total investment in capital assets	11,601,652	11,979,801
Unrestricted net position:		
Non-spendable net position:		
Materials and supplies inventory	180,135	194,171
Prepaid expenses	142,728	66,496
Prepaid water rights – current	-	595,518
Prepaid water rights – long-term	367,529	308,746
Total non-spendable net position	690,392	1,164,931
Spendable net position is designated as follows:		
Capital reserve	875,000	875,000
Operating reserve	317,387	317,387
Emergency reserve	200,000	200,000
Unrestricted	3,108,576	518,741
Total spendable net position	4,500,963	1,911,128
Total unrestricted net position	5,191,355	3,076,059
Total net position	$ 16,793,007	15,055,860

(12) Facility and Service Contract Revenue

Water Treatment Services – Baldwin Park Operable Unit (BPOU)

On March 29, 2002, the District entered into the Baldwin Park Operable Unit (BPOU) Project Agreement to address the contamination of groundwater in the San Gabriel Valley Superfund Sites. In the agreement, the United States Environmental Protection Agency (EPA) named certain entities as potentially responsible parties (PRPs) and local water agencies (Water Entities) from which the District is included.

The Water Entities filed lawsuits against the PRPs for costs allegedly incurred in meeting their water supply and distribution needs and for claims for damages allegedly suffered as a result of the involuntary conversion of their property and rights due to contamination of the groundwater and water supply wells in the BPOU area. In the lawsuits, the Water Entities claim a taking of and damage to their property and rights by the PRPs. The PRPs dispute these claims.

While disputing the Water Entities' claims, and without admitting or acknowledging any fault or liability, the PRPs settled the Water Entities' lawsuits and claims by entering into a settlement agreement to fund the reasonable and necessary costs of design, construction, operation, maintenance and management of groundwater extraction, treatment and distribution facilities within the BPOU area. In addition, the PRPs agreed to pay certain other compensation for the purpose of settling the lawsuits brought, claims made, and proceedings initiated (and imminently to be initiated) against the PRPs.

(12) Facility and Service Contract Revenue, continued

Water Treatment Services – Baldwin Park Operable Unit (BPOU), continued

As part of this settlement agreement, the La Puente Valley County Water District received reimbursement for the costs related to the construction of extraction, treatment, and distribution facilities. In addition to the reimbursement of these capital costs, the District will receive an amount on an annual basis for reimbursement for operations and maintenance expenses. At December 31, 2025 and 2024, the District reported water treatment service revenue of $1,370,431 and $1,672,997, respectively and related water treatment costs of $1,002,668 and $1,534,815, respectively.

Retail Water Distribution System Management Fee – City of Industry

On March 1, 2004, the District entered into a 10-year operation and management agreement with the City of Industry (COI) wherein the District will operate, maintain, and manage the portable water distribution system (the system) owned by the City of Industry. Under the agreement, the District will perform all routine and preventive maintenance and repair of the system's facilities as necessary for the efficient operation of the system. The District will also be responsible for managing contractual arrangements for the exchange of water supplies between the District's water system and the system, and performs all billings, collections, disbursements, accounting and record-keeping functions related to the system.

The system consists of approximately three wells and other production facilities, 30,000 feet of pipeline, three storage tanks and four booster pump stations and other related water storage and distribution facilities.

On October 14, 2010, the agreement was amended to extend the service period to February 28, 2024. Under terms of the agreement, the District will receive an initial annual management fee of $175,000 per year on a quarterly basis increasing at a rate of 2% per year thereafter.

On February 26, 2024, the agreement was amended to reflect several changes and extend the service period to March 31, 2039. Under the new terms of the agreement, the management fee section was removed and compensation terms were changed to have the COI reimburse District fully burdened labor cost for 6.5 full-time positions. In addition, a change was also made to vehicle and equipment reimbursement from a variable expense to a fixed expense via a monthly rate sheet referenced as an exhibit in the agreement.

As of December 31, 2025 and 2024 the District reported retail water distribution system management fee revenue of $0 and $34,857, respectively.

Water Treatment Project and Services – Puente Valley Operable Unit Intermediate Zone (PVOU IZ)

On October 8, 2014, the District entered into an interim participation agreement with Northrop Grumman Systems Corporation (Northrop Grumman), named as a potentially responsible party by the United State Environmental Protection Agency, for the clean-up of groundwater from the Puente Valley Operable Unit Intermediate Zone (PVOU IZ) in the Main San Gabriel Groundwater Basin.

Northrop Grumman shall retain responsibility for managing extraction of the impacted groundwater, satisfying regulatory requirements for remediation, auditing all contracts, and paying all reasonable costs for the remediation of the impacted groundwater. Northrop Grumman has developed plans to remediate the contaminated groundwater through a system comprised of groundwater extraction wells, collection pipelines and treatment plant for which it will retain the custody of. The District has agreed to support and coordinate with Northrop Grumman on necessary permits, government approvals and construction of the Project. As of December 31, 2025, Northrop Grumman completed the construction and the scenario testing phase of the PVOU IZ Treatment Plant project. The Project is expected to be permitted for potable use during the second quarter of 2027.

(12) Facility and Service Contract Revenue, continued

Water Treatment Project and Services – Puente Valley Operable Unit Intermediate Zone (PVOU IZ), continued

The end users of the treated groundwater will be the District and Suburban Water Systems (SWS). In order to deliver the treated groundwater to the District and SWS, construction of certain water system improvements is required. In February of 2018, the District entered into two agreements, 1) with Northrop Grumman for operation services of the PVOU IZ Treatment Plant; and 2) with SWS and Northrop Grumman for the delivery and beneficial use of the treated water from the facility.

The District is responsible for the permitting, designing and constructing of the improvements required for the District to receive water from the treatment plant. This includes interconnections at Hudson Avenue and an upgrade of a 16-inch interconnection at Industry Hills Pumps Station No. 1 between the District and Industry Public Utilities. These necessary improvements will be reimbursed by Northrop Grumman. As of December 31, 2025, these improvements are on hold and further discussions between NG and LPVCWD are pending on the benefit of constructing these interconnections.

Once construction of the PVOU IZ Treatment Plant is complete the District will be responsible for staffing and operating the treatment plant to meet all applicable drinking water standards, as well as for delivering the finished water to end users. All District labor and administrative costs associated with the operation of the Treatment Plant will be reimbursed or paid for within an Operation and Management Fee to be negotiated between Northrop Grumman and the District.

At December 31, 2025 and 2024, the District reported project service revenue of $830,977 and $878,549, respectively.

(13) Deferred Compensation Plan

For the benefit of its employees, the District participates in a 457 Deferred Compensation Program (Program) administered by Lincoln Financial. The purpose of this program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseen emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District and are not subject to claims of the District's general creditors. As of December 31, 2025 and 2024 the market value of all plan assets held in trust by the District plan amounted to $928,608 and $747,084, respectively.

The District has implemented GASB Statement No. 32, Accounting for Financial Reporting for Internal Revenue code Section 457 Deferred Compensation Plans. Since the District has little administrative involvement and does not perform the investing function of this plan, the assets and related liabilities are not shown on the Statements of Net Position.

(14) Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Association of California Water Agencies/Joint Powers Insurance Authority (JPIA), an intergovernmental risk sharing joint powers authority created under provisions of California Government Code Sections 6500 et. seq. The purpose of the JPIA is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess or specialty-insurance coverage above retained limits.

(14) Risk Management, continued

As of December 31, 2025, the District participated in the liability, property programs, and workers' compensation programs of the JPIA as follows:

- General, Automobile, Employment Practices, and Public Officials' Errors & Omissions Liability. Broad coverage against third-party claims for the District, its directors, employees and volunteers. Covered up to the following limits: the JPIA pools for the first $5 million and purchases excess coverage with limit up to $55 million with aggregated policy limits.

In addition to the coverage described below, the District also has the following coverage:

- Property Loss: Covered up to replacement value with a $2,500 deductible per loss on scheduled buildings, fixed equipment and contents, actual cash value on scheduled mobile equipment with a $1,000 deductible per loss and actual cash value on scheduled vehicles with a $500 deductible per loss. JPIA is self-insured up to $10,000,000 per loss and has purchased re-insurance coverage up to a $150,000,000 limit per loss. Scheduled fixed equipment is covered for Accidental Mechanical Breakdown with deductible $25,000 to $50,000 depending on type of equipment.

- Cyber Liability: Including Cyber Security up to $3,000,000 per member/claim and $5,000,000 Aggregate Policy Limit. The cyber liability deductible is $100,000 per claim.

- Employee Dishonesty/Crime Supplement: Covered up to $100,000 per loss with a $1,000 deductible for employee dishonesty, forgery or alteration and computer fraud. The program covers all employees, the Board of Directors, and the Treasurer. The District also purchases excess crime coverage, with a limit of $1,000,000.

- The District also participates in the Difference in Conditions Group Purchase Policy. The policy provides replacement value of real and personal property owned by the District when damaged by an earthquake or flood. Replacement cost valuation, not to exceed stated value of real and personal property located at various locations, as per schedule on file with aggregate limits of $25,000,000. Minimum deductibles are $25,000 for Flood and 5% per unit of value for Earthquake, with minimum $25,000.

- Workers' compensation insurance up to California statutory limits for all work-related injuries/illnesses covered by California law, and employers' liability limit of $4 million. The ACWA JPIA is self-insured up to $2 million and excess insurance coverage has been purchased.

Separate financial statements of JPIA can be obtained at 2100 Professional Drive, Roseville, CA 95661 or http://www.acwajpia.com/FinancialStatements.aspx.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the years ending December 31, 2025, 2024, and 2023. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of December 31, 2025, 2024, and 2023, respectively.

(15) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2025, that has effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 103

In April 2024, the GASB issued Statement No. 103 – *Financial Reporting Model Improvements.* The primary objective of this Statement is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government's accountability. Also, this Statement: (1) continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI); (2) describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence; (3) requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses; (4) requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements; and (5) requires governments to present budgetary comparison information using a single method of communication—RSI.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 104

In September 2024, the GASB issued Statement No. 104 – Disclosure of Certain Capital Assets. The primary objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, Basic Financial Statements and Management Discussion and Analysis for State and Local Governments. Also, this Statement establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this Statement apply to the financial statements of all state and local governments.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 105

In December 2025, the GASB issued Statement No. 105 – *Subsequent Events*. The primary objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. This Statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. This Statement describes the date the financial statements are available to be issued as the date at which (1) the financial statements are complete in a form and format that complies with generally accepted accounting principles and (2) approvals necessary for issuance have been obtained. That definition modifies the subsequent events time frame throughout the GASB literature. This Statement also requires the date through which subsequent events have been evaluated to be disclosed. This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. Earlier application is encouraged.

(16) Commitments and Contingencies

Water Rights Purchase Commitment

As of December 31, 2025 and 2024, the District prepaid for the water rights as described in Note 5. As of December 31, 2025 and 2024, the remaining purchase commitment balance of estimated water production rights for the 2025 and 2024 water production years were $0 and $595,518, respectively.

Recycled Water Project

On November 1, 2015, the District entered into a memorandum of understanding (MOU) with Upper San Gabriel Valley Municipal Water District (Upper District), a wholesale provider of recycled water, to facilitate the establishment and expansion of the District's recycled water service area. The term of this MOU is for 25 years commencing on November 1, 2015, and concluding October 31, 2040. Under the MOU, the District will own, operate and maintain the recycled water assets comprised of a pump station and recycled water lines (Project). In October 2019, the MOU was amended to account for changes in the Project, the administrative process for grant funding distribution and the Metropolitan Water District's Local Resource Program.

The District is funding the Project in its entirety, supplemented by any and all available financial assistance and grant funding, except for the design phase of the Project which will be completed by the Upper District. In addition, the Upper District will prepare and submit for financial assistance from Metropolitan Water District's Local Resource Program and grant funding from Proposition 84 to offset the District's capital cost of the Project. Terms of the agreement call for the District to reimburse Upper District for 50% of the final design cost.

Once the recycled water plant is complete, Upper District has agreed to sell recycled water to the District at Upper District's cost from Los Angeles County Sanitation District, plus an annual fee for administrating the Metropolitan Water District's Local Resource Program.

As of December 31, 2024, all construction and equipment related to this Project was completed. The District is now delivering recycled water to two out of sixteen recycled water customers and is working with the remaining fourteen on retrofits to their existing irrigation systems.

Construction Contracts

The District has a variety of agreements with private parties relating to the installation, improvement or modification of water facilities and distribution systems within its service area. The financing of such construction contracts is being provided primarily from the District's replacement reserves and advances for construction.

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. The management of the District believes that such disallowances, if any, would not be significant.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. Nevertheless, after consultation with legal counsel, the District believes that these actions, when finally concluded and determined, are not likely to have a material adverse effect on the District's financial position, results of operations, or cash flows.

(17) Subsequent Events

Events occurring after December 31, 2025, have been evaluated for possible adjustment to the financial statements or disclosure as of July 27, 2026, which is the date the financial statements were available to be issued.

Required Supplementary Information

La Puente Valley County Water District
Schedules of Changes in the District's Net OPEB Liability and Related Ratios
As of December 31, 2025
Last Ten Years*

		June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB liability									
Service cost	$	66,048	75,542	73,520	81,507	74,308	88,905	86,316	81,361
Interest		185,112	194,793	186,566	193,232	185,940	119,982	113,110	104,071
Experience (gains)/losses		-	(222,506)	-	(275,744)	-	1,569,520	-	-
Changes in assumptions		-	(74,624)	-	-	117,536	(574,335)	-	-
Benefit payments		-	-	-	(108,560)	(106,376)	(3,182)	(43,035)	(36,432)
Expected minus actual benefit payments		(150,970)	(122,693)	(113,321)	-	(24,717)	(50,256)	-	-
Net change in total OPEB liability		100,190	(149,488)	146,765	(109,565)	246,691	1,150,634	156,391	149,000
Total OPEB liability – beginning		3,261,799	3,411,287	3,264,522	3,374,087	3,127,396	1,976,762	1,820,371	1,671,371
Total OPEB liability – ending	$	3,361,989	3,261,799	3,411,287	3,264,522	3,374,087	3,127,396	1,976,762	1,820,371
Plan fiduciary net position									
Contributions employer	$	150,970	122,693	178,321	208,560	231,376	78,182	155,535	161,432
Contributions to trust		30,000	-	-	-	-	-	-	-
Net investment income		90,644	84,497	81,316	86,022	73,120	63,162	67,277	33,111
Investment gains/(losses)		54,662	7,896	(58,070)	(249,960)	92,139	3,279	-	-
Benefit payments		(150,970)	(122,693)	(113,321)	(108,560)	(106,376)	(3,182)	(43,035)	(36,432)
Administrative expenses		(486)	(469)	(403)	(377)	(431)	(523)	(191)	(378)
Other		-	-	-	-	-	-	-	(899)
Net change in plan fiduciary net position		174,820	91,924	87,843	(64,315)	289,828	140,918	179,586	156,834
Plan fiduciary net position – beginning		1,561,667	1,469,743	1,381,900	1,446,215	1,156,387	1,015,469	835,883	679,049
Plan fiduciary net position – ending		1,736,487	1,561,667	1,469,743	1,381,900	1,446,215	1,156,387	1,015,469	835,883
Net OPEB liability – ending	$	1,625,502	1,700,132	1,941,544	1,882,622	1,927,872	1,971,009	961,293	984,488
Plan fiduciary net position as a percentage of the total OPEB liability		51.65%	47.88%	43.08%	42.33%	42.86%	36.98%	51.37%	45.92%
Covered payroll	$	1,421,602	1,288,432	1,116,815	1,076,334	1,141,171	1,031,429	1,090,770	1,059,000
Net OPEB liability as a percentage of covered payroll		114.34%	131.95%	173.85%	174.91%	168.94%	191.10%	88.13%	92.96%
Valuation date		June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Methods and assumptions used to determine contrbution rates:									
Single and agent employers		Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Inflation		2.50%	2.50%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases		2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	3.00%	3.00%
Investment rate of return		5.75%	5.75%	5.75%	5.75%	5.75%	6.00%	6.00%	6.00%
Mortality, retirement, turnover		(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)

(1) Level percentage of payroll, closed

(2) 2017 CalPERS OPEB Assumption Model (2021)
2014 CalPERS OPEB Assumption Model (2020-2018)

* The District has presented information for those years for which information is available until a full 10-year trend is compiled.

La Puente Valley County Water District
Schedules of OPEB Plan Contributions
As of December 31, 2025
Last Ten Years*

Fiscal year ending		June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially determined contribution	$	166,317	150,970	213,321	208,560	231,376	78,182	155,535	161,432
Contributions in relation to the actuarially determined contribution		(166,317)	(150,970)	(213,321)	(208,560)	(231,376)	(78,182)	(155,535)	(161,432)
Contribution deficiency (excess)		-	-	-	-	-	-	-	-
Covered payroll		1,421,602	1,288,432	1,116,815	1,076,334	1,076,334	1,141,171	1,031,429	1,046,701
Contribution's as a percentage of covered payroll		11.70%	11.72%	19.10%	19.38%	21.50%	6.85%	15.08%	15.42%

* The District has presented information for those years for which information is available until a full 10-year trend is compiled.

La Puente Valley County Water District
District's Proportionate Share of the Net Pension Liability
As of December 31, 2025
Last Ten Years

Description		Fiscal Year									
		June 30, 2024	June 30, 2023	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
District's proportion of the net pension liability		0.00990%	0.00971%	0.00948%	0.00890%	0.00495%	0.00735%	0.00686%	0.00636%	0.00634%	0.00596%
District's proportionate share of the net pension liability	$	1,012,595	1,177,819	1,182,644	1,027,799	267,926	799,418	702,837	612,406	628,508	515,576
District's covered payroll	$	1,421,602	1,288,432	1,116,815	1,076,334	1,141,171	1,031,429	1,046,701	1,005,625	971,214	842,275
District's proportionate share of the net pension liability as a percentage of its covered payroll		71.23%	91.41%	105.89%	95.49%	23.48%	77.51%	67.15%	60.90%	64.71%	61.21%
District's fiduciary net position as a percentage of the total pension liability		0.00%	81.60%	80.21%	81.11%	94.39%	81.71%	82.14%	82.75%	80.52%	82.30%

Notes To Schedule:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016:
GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses.
The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:
There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:
The discount rate was reduced from 7.65% to 7.15%

From fiscal year June 30, 2018 to June 30, 2019:
The inflation rate was reduced from 2.75% to 2.50%

From fiscal year June 30, 2019 to June 30, 2020:
There were no changes in assumptions.

From fiscal year June 30, 2020 to June 30, 2021:
There were no changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022:
There were no changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:
The discount rate was reduced from 7.15% to 6.90%
The inflation rate was reduced from 2.50% to 2.30%

From fiscal year June 30, 2023 to June 30, 2024:
There were no changes in assumptions.

From fiscal year June 30, 2024 to June 30, 2025:
There were no changes in assumptions.

From fiscal year June 30, 2025 to June 30, 2026:
There were no changes in assumptions.

La Puente Valley County Water District
Schedules of Pension Plan Contributions
As of December 31, 2025
Last Ten Years

Description		Fiscal Year									
		June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Actuarially determined contribution	$	232,244	197,038	171,278	176,716	145,875	125,476	108,909	105,990	81,407	67,743
Contributions in relation to the actuarially determined contribution		(232,244)	(197,038)	(171,278)	(176,716)	(145,875)	(125,476)	(108,909)	(105,990)	(81,407)	(67,743)
Contribution deficiency (excess)	$	-	-	-	-	-	-	-	-	-	-
District's covered payroll	$	1,421,602	1,288,432	1,116,815	1,076,334	1,141,171	1,031,429	1,046,701	1,005,625	971,214	842,275
Contribution's as a percentage of covered payroll		16.34%	15.29%	15.34%	16.42%	12.78%	12.17%	10.40%	10.54%	8.38%	8.04%
Notes to schedule:											
Valuation date		June 30, 2022	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Methods and assumptions used to determine contrbution rates:											
Actuarial cost method		Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset valuation method		Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value
Inflation		2.30%	2.30%	2.30%	2.30%	2.50%	2.63%	2.75%	2.75%	2.75%	2.75%
Salary increases		(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment rate of return		6.90% (3)	6.90% (3)	6.90% (3)	6.90% (3)	7.00% (3)	7.25% (3)	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement age		(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Mortality		(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)

(1) Level of percentage payroll, closed
(2) Depending on age, service, and type of employment
(3) Net of pension plan investment expense, including inflation
(4) 50 for all plans with exception of 52 for Miscellaneous 2% @ 62
(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

Report on Internal Controls and Compliance

Independent Auditor's Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Based on the Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
La Puente Valley County Water District
La Puente, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the La Puente Valley County Water District (District), which comprise the statement of net position as of December 31, 2025 and 2024 and the related statement of revenues, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon date July 27, 2026.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contract and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Independent Auditor's Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Based on the Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, continued

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal controls and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

C.J. Brown & Company, CPAs
Cypress, California
July 27, 2026

La Puente Valley County Water District

Management Report

December 31, 2025

La Puente Valley County Water District

Management Report

Table of Contents

Board of Directors
La Puente Valley County Water District
La Puente, California

Dear Members of the Board:

In planning and performing our audit of the financial statements of the La Puente Valley County Water District (District) as of and for the years ended December 31, 2025 and 2024, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible*. The chance of the future event or events occurring is more than remote but less than likely.
- *Probable*. The future event or events are likely to occur.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Current Year Comment and Recommendation

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the District are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process, we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

Management's Response

We have reviewed and approved all of the audit adjustment and reclassification entries provided by the auditor and have entered those entries into the District's accounting system to close-out the District's year-end trial balance at December 31, 2025.

Prior Year Comment and Recommendation

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the District are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process, we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

Management's Response

We have reviewed and approved all of the audit adjustment and reclassification entries provided by the auditor and have entered those entries into the District's accounting system to close-out the District's year-end trial balance at December 31, 2024.

* * * * * * * * * *

This report is intended solely for the information and use of management and the Board of Directors of the District. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

C.J. Brown & Company, CPAs
Cypress, California
July 27, 2026

APPENDIX

La Puente Valley County Water District

Audit/Finance Committee Letter

December 31, 2025

Board of Directors
La Puente Valley County Water District
La Puente, California

We have audited the financial statements of the business-type activities of the La Puente Valley County Water District (District) for the years ended December 31, 2025 and 2024 and have issued our report thereon dated July 27, 2026. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated March 16, 2026, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

If any, we have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated July 27, 2026.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

An auditor that is not involved in the engagement performed an independent review of the financial statements that was prepared by us based on the information provided by management. This safeguard reduces the threat of self-review risk to an acceptable level.

Required Risk Assessment Procedures per Auditing Standards:

As auditors of the District, we are required per AU-C Section 240, "Consideration of Fraud in a Financial Statement Audit", to "ordinarily" presume and consider the following risks in designing our audit procedures:

- Management override of controls
- Revenue recognition

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2025. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The most sensitive accounting estimates affecting the financial statements are as follows:

Management's estimate of the fair value of cash and investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of cash and investments in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of capital assets depreciation is based on historical estimates of each capitalized item's useful life expectancy or cost recovery period. We evaluated the key factors and assumptions used to develop the capital asset depreciation calculations in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the other post-employment benefits (OPEB) plan: deferred outflows of resources, net OPEB liability, and deferred inflows of resources are based on the alternative measurement method to determine the liability balance. This alternative measurement method was determined and prepared by the District's third-party actuary. We evaluated the basis, methods and assumptions used by the actuary to calculate the annual required contribution for the District to determine that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the defined benefit pension plan's deferred outflows of resources, net pension liability, and deferred inflows of resources are based on an actuarial evaluation of these amounts which was conducted by a third-party actuary. We evaluated the basis, actuarial methods and assumptions used by the actuary to calculate these amounts for the District to determine that it is reasonable in relation to the financial statements taken as a whole.

Qualitative Aspects of the Entity's Significant Accounting Practices, continued

Significant Accounting Estimates, continued

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to:

The disclosure of fair value of cash and investments in Note 2 to the basic financial statements represents amounts susceptible to market fluctuations.

The disclosure of capital assets, net in Note 6 to the basic financial statements is based on historical information which could differ from actual useful lives of each capitalized item.

The disclosure of the other post-employment benefits plan, in Note 9 to the basic financial statements is based on information which could differ from those in future periods.

The disclosure of the defined benefit pension plan in Note 10 to the basic financial statements is based on actuarial assumptions which could differ from actual costs.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were identified as a result of our audit procedures that were brought to the attention of management.

Identified or Suspected Fraud

We have not identified or have not obtained information that indicates that fraud may have occurred.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached schedule on pages 5 and 6 discloses all material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There were no circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated July 27, 2026.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Other Matters

We applied certain limited procedures to the management discussion and analysis, schedules of changes in the District's net OPEB liability and related ratios, schedules of the District's proportionate share of net pension liability, and the schedule of pension plan contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

Conclusion

We appreciate the cooperation extended to us by Roy Frausto, General Manager, Shaunte Maldonado, Customer Service and Accounting Supervisor, Ian Berg and Scott Nelsen of Starting Line Advisory in the performance of our audit testwork. We will be pleased to respond to any question you have about the foregoing. We appreciate the opportunity to continue to be of service to the District.

C.J. Brown & Company, CPAs
Cypress, California
July 27, 2026

La Puente Valley County Water District
Schedule of Audit Adjusting Journal Entries
December 31, 2025

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 1			
GASB 68 Entry #1 - To reclassify 2024 contributions to NPL at December 31, 2025.			
2500-00	Net Pension Liability	146,511.00	
1468-00	Def Out-ER cont after MD PEPRA		31,590.00
1469-00	Def Out-ER Cont after M/D class		29,100.00
1470-00	DefOut-ER Cont after MDLump Sum		85,821.00
Total		**146,511.00**	**146,511.00**
Adjusting Journal Entries JE # 2			
GASB 68 Entry #2 - To reclassify 2025 contributions to Deferred Outflows of Resources at December 31, 2025.			
1468-00	Def Out-ER cont after MD PEPRA	43,528.00	
1469-00	Def Out-ER Cont after M/D class	23,662.00	
1470-00	DefOut-ER Cont after MDLump Sum	85,821.00	
5069-00	GASB 68 EXP (INC)		153,011.00
Total		**153,011.00**	**153,011.00**
Adjusting Journal Entries JE # 3			
GASB 68 Entry #3 - To record changes in pension liability during FY24/25 at December 31, 2025.			
1466-00	Def Out-Diff in Experience	87,021.00	
1502-00	Def Out - Proportions	37,484.00	
1503-00	Def Out - Earnings Difference	2.00	
2500-00	Net Pension Liability	18,713.00	
2501-00	Def In Diff in Contributions	9,333.00	
2503-00	Def Inflows-Earnings Difference	67,807.00	
5069-00	GASB 68 EXP (INC)	86,588.00	
1503-00	Def Out - Earnings Difference		67,807.00
1504-00	Def Out - Assumptions		1,502.00
2503-00	Def Inflows-Earnings Difference		237,637.00
5069-00	GASB 68 EXP (INC)		2.00
Total		**306,948.00**	**306,948.00**
Adjusting Journal Entries JE # 4			
GASB 68 Entry #4 - To record changes in the deferred outflows and deferred inflows (amortization) during FY24/25 at December 31, 2025.			
2501-00	Def In Diff in Contributions	21,565.00	
2503-00	Def Inflows-Earnings Difference	32,816.00	
5069-00	GASB 68 EXP (INC)	101,531.00	
1466-00	Def Out-Diff in Experience		63,548.00
1502-00	Def Out - Proportions		63,594.00
1504-00	Def Out - Assumptions		28,770.00
Total		**155,912.00**	**155,912.00**
Adjusting Journal Entries JE # 5			
GASB 75 Entry #1 - To reclassify 2024 contributions from DOR to NPL at December 31, 2025.			
2294-00	OPEB Liability	55,661.00	
1551-00	OPEB DOR - Contributions		55,661.00
Total		**55,661.00**	**55,661.00**

La Puente Valley County Water District
Schedule of Audit Adjusting Journal Entries
December 31, 2025

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 6			
GASB 75 Entry #2 - To reclassify 2025 contributions from expense to DOR at December 31, 2025.			
1551-00	OPEB DOR - Contributions	59,729.00	
1551-00	OPEB DOR - Contributions	30,000.00	
8998-00	OPEB GASB 75 expense		89,729.00
Total		**89,729.00**	**89,729.00**
Adjusting Journal Entries JE # 7			
GASB 75 Entry #3 - To record changes in OPEB during FY24/25 at December 31, 2025.			
2294-00	OPEB Liability	18,969.00	
8998-00	OPEB GASB 75 expense	35,693.00	
1552-00	OPEB DOR - OPEB related		54,662.00
Total		**54,662.00**	**54,662.00**
Adjusting Journal Entries JE # 8			
GASB 75 Entry #4 - To record changes in deferred outflows and deferred inflows (amortization) during FY24/25 at December 31, 2025.			
2552-00	DIR - OPEB Related	41,069.00	
8998-00	OPEB GASB 75 expense	53,785.00	
1552-00	OPEB DOR - OPEB related		64,188.00
1552-00	OPEB DOR - OPEB related		30,666.00
Total		**94,854.00**	**94,854.00**
Adjusting Journal Entries JE # 9			
AJE - To remove FY 2026 expense portion (Trojan Technologies Q1 2026 service fee) from Accounts Payable balance as of December 31, 2025.			
2220-00	Accounts Payable	38,643.75	
5313-00	UV System Maintenance		38,643.75
Total		**38,643.75**	**38,643.75**
Adjusting Journal Entries JE # 10			
AJE - To record contra-expenses to water G&A for the purpose of separating facility fee expenses at December 31, 2025.			
9153-00	BPOU - Contracted Labor Expense	366,396.32	
9162-00	IPU - Contracted Labor Expense	1,190,762.79	
9172-00	PVOU - Contracted Labor Expense	612,602.77	
9153-05	BPOU-Contra Labor LP Water Ops		366,396.32
9162-05	IPU-Contra Labor LP Water Ops		1,190,762.79
9172-05	PVOU-Contra Labor LP Water Ops		612,602.77
Total		**2,169,761.88**	**2,169,761.88**
	Total Adjusting Journal Entries	**3,265,693.63**	**3,265,693.63**
	Total All Journal Entries	**3,265,693.63**	**3,265,693.63**

Legend:

AJE	Audit Adjusting Journal Entry
GASB 68 Entry	GASB 68 Adjusting Journal Entry (Pension Related Accounts)
GASB 75 Entry	GASB 75 Adjusting Journal Entry (OPEB Related Accounts)

STAFF*Report*

Meeting Date: July 27, 2026

To: Honorable Board of Directors

Subject: Creation of the Customer Service & Field Operations Representative Position

Purpose: *To create a new Customer Service & Field Operations Representative and adopt a job description and salary range for the new position.*

Recommendation: *Approve the job description and salary range for the Customer Service & Field Operations Representative position, effective July 27, 2026.*

Fiscal Impact: *The 2026 District Budget appropriates $3,295,000 for Total Salaries and Benefits. The creation of the Customer Service & Field Operations Representative position is estimated to increase annual Total District Salaries and Benefits costs to $3,381,000, exceeding the adopted budget by approximately $86,000 for Total Salaries and Benefits. While the proposed position increases the District's salary and benefits budget by approximately $86,000, actual personnel expenditure is currently tracking at approximately 44% of budget through June, compared to an expected 50% at this point in the fiscal year. As a result, the position is anticipated to utilize existing personnel budget capacity and bring actual expenditure closer to budgeted levels rather than create an increase in overall labor costs.*

BACKGROUND

Historically, the District's Customer Service Department has consisted of three (3) full-time Customer Service & Accounting Clerk positions and one (1) part-time Customer Service & Accounting Clerk position. While this staffing model has adequately supported the District's customer service operations, the part-time position has experienced frequent turnover in recent years due to its limited hours, making recruitment and retention increasingly difficult.

As the District has grown and customer service responsibilities have expanded beyond traditional office functions, there has been an increased need for staff who can assist with both office and field-related customer service activities. These responsibilities include coordinating and completing customer service work orders, meter re-reads, meter change-outs, field investigations, customer notifications, inventory support, and other operational tasks that require close coordination between office and field staff. The proposed Customer Service & Field Operations Representative position is intended to bridge these functions by providing dedicated support in both environments while improving operational efficiency and customer service delivery.

SUMMARY

The proposed Customer Service & Field Operations Representative position would provide dedicated support to both the Customer Service and Field Operations Departments by serving as a direct link between office and field customer service functions. While field staff currently perform many customer service-related field activities, their availability is often impacted by operational projects, maintenance, and emergency response activities.

In recent years, the District's workload has expanded significantly with the assumption of the PVOU Intermediate Zone (IZ) and Service Zone (SZ) operational responsibilities. The additional treatment, monitoring, reporting, and distribution system duties associated with these facilities have increased demands on District operators and reduced the amount of field staff time available to support customer service-related activities. As a result, operators are increasingly required to prioritize treatment and distribution system operations, leaving fewer resources available to address customer service field requests, meter investigations, service orders, and other customer-facing responsibilities.

Establishing this position would allow customer service field requests to be completed more efficiently while improving communication, accountability, and continuity between departments. The position would provide dedicated oversight of customer service work orders, meter reading and meter-related investigations, customer account field verifications, service activations and shutoffs, and coordination of customer requests requiring field response. By assigning these responsibilities to a dedicated position, the District can ensure that customer service functions are handled in a timely and consistent manner without diverting certified operators from critical water treatment and distribution system duties.

In addition, the position would support infrastructure and operational programs by assisting with inventory management, asset tracking, regulatory compliance activities, water conservation efforts, and field data collection. This added support would improve operational efficiency across departments while allowing operations personnel to focus on system reliability, water quality, preventative maintenance, and compliance with increasingly regulatory requirements.

The position would also provide operational redundancy within the Customer Service Department by cross training an employee capable of supporting both office and field functions as workload demands require. This flexibility would enhance business continuity during employee absences, peak workload periods, emergency events, and staffing transitions. As the District continues to grow and take on additional operational responsibilities, the creation of this position would help ensure that customer service expectations are met while preserving the operational capacity necessary to maintain safe, reliable, and compliant water system operations.

FISCAL ANALYSIS

While the proposed position would increase the District's total salaries and benefits budget by approximately $86,000 on paper, the actual financial impact is expected to be significantly less based on current year staffing expenditures. As of the June financial statements, salary and benefit expenditures are tracking at approximately 44% of budget, whereas expenditures would typically be closer to 50% of budget at the midpoint of the fiscal year. This indicates that the District is currently operating below its authorized personnel budget due to personnel-related savings.

As a result, the addition of this position is not anticipated to create a increase in overall personnel expenditures beyond the District's existing salary and benefits budget. Instead, the position would likely utilize a portion of the personnel budget capacity that is already available while allowing the District to address growing operational and customer service demands.

Lastly, when considered within the context of the District's labor reimbursement model, the financial impact becomes even less significant. The District's salaries and benefits budget is substantially offset by revenue generated through treatment plant operations and management services provided to outside agencies. Consequently, the cost of adding a position should be evaluated not only on its gross salary and benefit expense, but also in light of the District's strong labor reimbursement revenues and current personnel expenditure trends, both of which help mitigate the overall fiscal impact.

FISCAL IMPACT

The 2026 District Budget appropriates $3,295,000 for Total Salaries and Benefits. The creation of the Customer Service & Field Operations Representative position is estimated to increase annual Total District Salaries and Benefits costs to $3,381,000, exceeding the adopted budget by approximately $86,000 for Total Salaries and Benefits. While the proposed position increases the District's salary and benefits budget by approximately $86,000, actual personnel expenditure is currently tracking at approximately 44% of budget through June, compared to an expected 50% at this point in the fiscal year. As a result, the position is anticipated to utilize existing personnel budget capacity and bring actual expenditure closer to budgeted levels rather than create an increase in overall labor costs.

RECOMMENDATION

Staff recommends that the Board of Directors approve the job description and salary range for the Customer Service & Field Operations Representative, effective July 27, 2026.

Respectfully Submitted,

Roy Frausto

General Manager

ENCLOSURES

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

JOB DESCRIPTION

CUSTOMER SERVICE & FIELD OPERATIONS REPRESENTATIVE

Date: July 27, 2026

Reports to: Customer Service & Accounting Supervisor

FLSA: Non- Exempt **Salary Range: CSI**

DEFINITION

Under the direction of the Customer Service & Accounting Supervisor, performs a variety of customer service, clerical, field service, and operational support duties related to the District's water utility operations. Responsibilities include providing customer service, processing customer payments, establishing and maintaining customer accounts, preparing and completing customer service field work orders, performing customer service field activities, maintaining customer and meter records, supporting inventory, compliance, and development programs, and serving as a liaison between customers and District staff to ensure efficient, accurate, and professional service delivery

ESSENTIAL FUNCTIONS

Customer Service

- Answer customer calls, receive payments, and greet office visitors while providing information regarding District services, billing, water conservation, and District policies.
- Establish, transfer, discontinue, and maintain customer water service accounts.
- Receive and process customer payments.
- Respond to customer inquiries regarding billing, water usage, water pressure, water quality, service interruptions, and District policies.
- Schedule customer appointments for field service requests and meter-related work.
- Prepare correspondence, notices, and other customer communications.
- Follow up with customers to ensure timely resolution of service requests and concerns.
- Prepare, organize, prioritize, and complete customer service field work orders.
- Monitor the status of open customer service work orders and ensure timely completion.
- Process customer-generated service requests related to customer accounts and field services.
- Read, verify and record water meter readings for billing, customers service, and operational purposes.
- Perform customer service field activities, including service turn-ons and turn-offs, meter rereads, site inspections, customer notifications, field investigations, and other customer service field requests.

- Perform and support meter-related activities, including meter change-outs, lid replacements, antenna replacements, meter inspections, and verification of meter information.
- Enter, verify, and maintain meter reading information, customer account records, and related field documentation.
- Review exception reports and investigate discrepancies involving meter readings, customer accounts, and high water use concerns.
- Update customer accounts, billing, and utility software records, as applicable.
- Maintain accurate records of field activities, service orders, customer account changes, and operational reports.
- Perform other customer service and field support duties as assigned.

Inventory & Operational Support

- Maintain inventory records for District materials, meters, meter components, and related equipment.
- Receive, track, reconcile, and document inventory items utilizing the District's inventory management system.
- Assist with periodic physical inventory counts and inventory reconciliation.

Compliance & Program Support

- Assist with the administration of District compliance and customer service programs, including customer notifications, recordkeeping, scheduling, and follow-up activities.
- Support regulatory compliance efforts by maintaining accurate records and coordinating customer communications.
- Assist with backflow prevention, Lead and Copper Rule, and other regulatory or operational programs as assigned.

Development & Project Support

- Assist with new service installations, development projects, and related customer account activities.
- Assist with project documentation, work orders, customer account setup, and project closeout activities.

General

- Perform data entry utilizing District software applications.
- Maintain customer account records, files, and related documentation.
- Proofread documents for accuracy.
- Establish and maintain cooperative working relationships with co-workers, outside agencies, and the public.
- Perform duties in a professional manner and work effectively in a team environment.
- Maintain regular attendance and adherence to the prescribed work schedule.
- Perform related duties as assigned.

OTHER DUTIES

- Performs related duties as assigned.

JOB STANDARDS/SPECIFICATIONS

Knowledge of:

- Principles of customer service and customer relations.
- District organization, functions, policies, and procedures.
- Modern office practices, equipment, and procedures.
- Business correspondence and filing systems.
- Personal computer operation and related software applications, including Microsoft Office, email, and web-based communication tools.
- Basic mathematics.
- Correct English usage, spelling, grammar, and punctuation.
- Water utility customer service practices.
- Basic knowledge of water distribution systems, meter operations, and field service procedures.
- Principles of work order management, recordkeeping, and documentation.

Ability to:

- Operate a personal computer, business office equipment, and District software applications.
- Perform accurate data entry and maintain detailed customer and operational records.
- Read, interpret, and process work orders and utility maps.
- Prioritize multiple assignments while meeting deadlines.
- Communicate effectively, both orally and in writing.
- Deal tactfully and courteously with customers and the public.
- Follow oral and written instructions.
- Work independently with minimal supervision.
- Perform field investigations and inspections related to customer service activities.
- Establish and maintain effective working relationships with District staff, outside agencies, and the public

TYPICAL PHYSICAL ACTIVITIES

- Work in both office and outdoor field environments.
- Sit, stand, walk, bend, stoop, kneel, reach, climb, and lift objects weighing up to 30 pounds.
- Operate office equipment including computers, copiers, telephones, and printers.
- Operate District vehicles while performing field assignments.
- Regularly communicate with customers and District staff in person and by telephone.
- Walk over uneven terrain while conducting field inspections and customer service activities.
- Hearing and vision within normal ranges, with or without correction.

ENVIRONMENTAL FACTORS

- Exposure to sun: 10% or less work time spent outside a building and exposed to the sun.

- 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:

Education: High School graduation, or satisfactory equivalent.

Experience: Experience performing customer service, meter reading, field service, water utility operations, or related public utility work is desirable.

LICENSE CERTIFICATE REGISTRATION REQUIREMENTS

Possession of a valid California Class C Driver License may be required at the time of appointment.

Possession of, or the ability to obtain, a Grade D-2 Water Distribution Operator Certificate issued by the California State Water Resources Control Board is desirable.

Failure to obtain or maintain such required license(s) may be cause for disciplinary action.

I have reviewed the job description for Customer Service & Field Operations Representative with the General Manager and agree with its contents.

____

Employee Signature Date

____

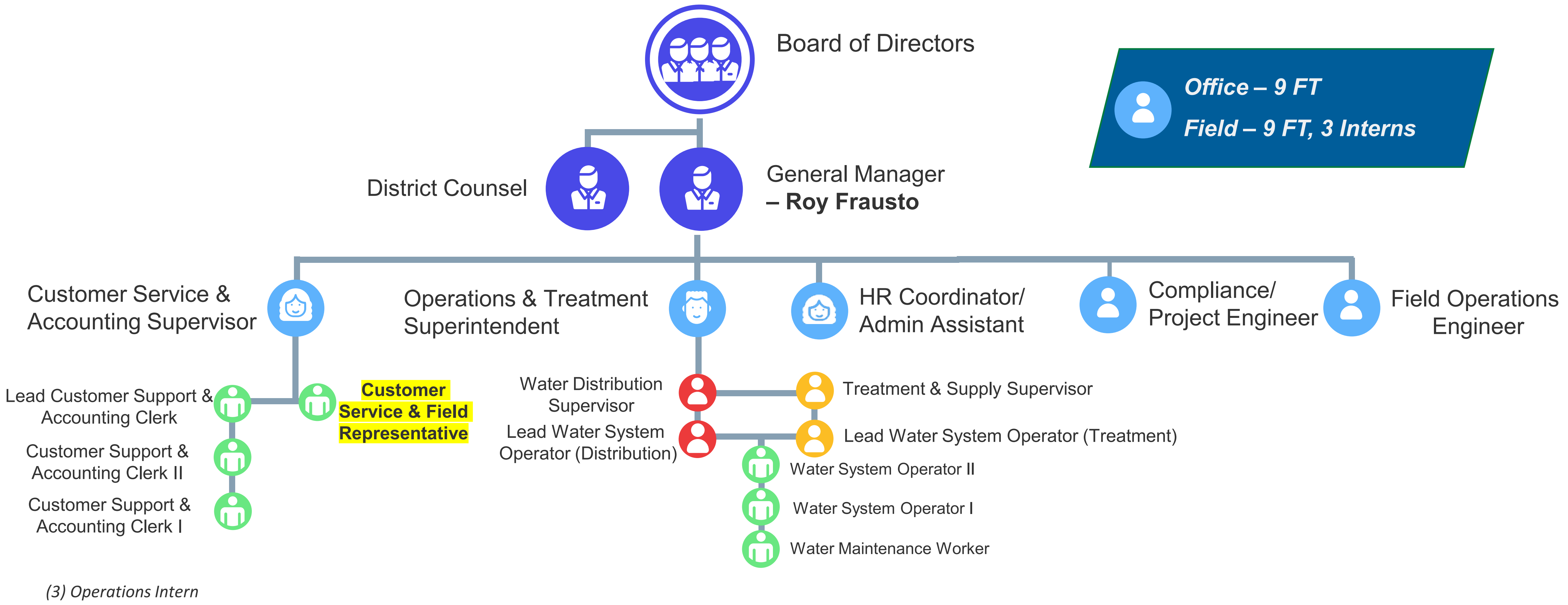
General Manager Signature Date

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
Adopted Salary Schedule - To Be Effective July 27, 2026

Range	Position	Time	Salary Range		
			Begin	Mid	End
GM	General Manager *contract	Annual			**$ 252,470**
		Month			
		Hour			
WTSS	Operation & Treatment Superintendent	Annual	**$ 131,479**	**$ 157,317.78**	**$ 183,156.48**
		Month	$ 10,957	$ 13,110	$ 15,263
		Hour	$ 63.21	$ 75.63	$ 88.06
WTS	Treatment & Supply Supervisor	Annual	**$ 104,273**	**$ 125,693.40**	**$ 147,114.24**
		Month	$ 8,689	$ 10,474	$ 12,260
		Hour	$ 50.13	$ 60.43	$ 70.73
FOE	Field Operations Engineer	Annual	**$ 102,396**	**$ 121,785**	**$ 141,174**
		Month	$ 8,533.00	$ 10,149	$ 11,764
		Hour	$ 49.23	$ 58.55	$ 67.87
WDS	Distribution Supervisor	Annual	**$ 100,031**	**$ 120,914.16**	**$ 141,797.76**
		Month	$ 8,336	$ 10,076	$ 11,816
		Hour	$ 48.09	$ 58.13	$ 68.17
CSAS	Customer Service & Accounting Supervisor	Annual	**$ 97,448**	**$ 118,156.44**	**$ 138,864.96**
		Month	$ 8,121	$ 9,846	$ 11,572
		Hour	$ 46.85	$ 56.81	$ 66.76
LWT	Lead Water System Operator (Treatment)	Annual	**$ 88,536**	**$ 106,699.20**	**$ 124,862.40**
		Month	$ 7,378	$ 8,892	$ 10,405
		Hour	$ 42.57	$ 51.30	$ 60.03
LWD	Lead Water System Operator (Distribution)	Annual	**$ 88,536**	**$ 106,699.20**	**$ 124,862.40**
		Month	$ 7,378	$ 8,892	$ 10,405
		Hour	$ 42.57	$ 51.30	$ 60.03
HRCAA	Human Resources Coordinator / Administrative Assistant	Annual	**$ 86,256**	**$ 104,941.20**	**$ 123,626.88**
		Month	$ 7,188	$ 8,745	$ 10,302
		Hour	$ 41.47	$ 50.45	$ 59.44
CPE	Compliance/Project Engineer	Annual	**$ 82,716**	**$ 96,738.00**	**$ 110,760.00**
		Month	$ 6,893	$ 8,062	$ 9,230
		Hour	$ 39.77	$ 46.51	$ 53.25
WSOII	Water System Operator II	Annual	**$ 76,413**	**$ 91,789.26**	**$ 107,165.76**
		Month	$ 6,368	$ 7,649	$ 8,930
		Hour	$ 36.74	$ 44.13	$ 51.52
LCSA	Lead Customer Support & Accounting Clerk	Annual	**$ 69,709**	**$ 83,052.42**	**$ 96,395.52**
		Month	$ 5,809	$ 6,921	$ 8,033
		Hour	$ 33.51	$ 39.93	$ 46.34
WSOI	Water System Operator I	Annual	**$ 66,667**	**$ 79,228.86**	**$ 91,790.40**
		Month	$ 5,556	$ 6,602	$ 7,649
		Hour	$ 32.05	$ 38.09	$ 44.13
CSFR	Customer Service & Field Operation Representative	Annual	**$66,000**	**$ 78,895.20**	**$ 91,790.40**
		Month	$ 5,500	$ 6,575	$ 7,649
		Hour	$ 31.73	$ 37.93	$ 44.13
CSAII	Customer Support & Accounting Clerk II	Annual	**$ 61,857**	**$ 74,889.36**	**$ 87,921.60**
		Month	$ 5,155	$ 6,241	$ 7,327
		Hour	$ 29.74	$ 36.00	$ 42.27
WMW	Water System Maintenance Worker	Annual	**$ 56,253**	**$ 67,619.22**	**$ 78,985.92**
		Month	$ 4,688	$ 5,635	$ 6,582
		Hour	$ 27.04	$ 32.51	$ 37.97
CSAI	Customer Support & Accounting Clerk I	Annual	**$ 55,356**	**$ 67,120.92**	**$ 78,886.08**
		Month	$ 4,613	$ 5,593	$ 6,574
		Hour	$ 26.61	$ 32.27	$ 37.93

The General Manager's salary effective date is governed by the approved employment contract and may differ from the salary schedule.


Board of Directors
Office – 9 FT
Field – 9 FT, 3 Interns
District Counsel
General Manager
– Roy Frausto
Customer Service & Accounting Supervisor
Operations & Treatment Superintendent
HR Coordinator/ Admin Assistant
Compliance/ Project Engineer
Field Operations Engineer
Lead Customer Support & Accounting Clerk
Customer Support & Accounting Clerk II
Customer Support & Accounting Clerk I
Customer Service & Field Representative
Water Distribution Supervisor
Lead Water System Operator (Distribution)
Treatment & Supply Supervisor
Lead Water System Operator (Treatment)
Water System Operator II
Water System Operator I
Water Maintenance Worker
(3) Operations Intern

STAFF*Report*

Meeting Date: July 27, 2026

To: Honorable Board of Directors

Subject: UV Lamp Purchase (Lamp Replacements)

Purpose: *Purchase of UV Lamps to replace lamps on the BPOU Trojan UV Treatment System.*

Recommendation: *Authorize the General Manager to Purchase UV Lamps from Trojan Technologies for a price of $64,920.96.*

Fiscal Impact: *The 2026 Treatment Plant Budget appropriates $284,700.00 for NDMA and 1,4-Dioxane Treatment, which includes the cost of system maintenance and UV lamp replacements. The 2026 year to date total for NDMA and 1,4-Dioxane Treatment is approximately $67,509.97. The cost for the purchase of UV lamps as proposed by Trojan Technologies is within the 2026 Budget appropriation and is a BPOU Project expense that shall be 100% reimbursed by the Cooperating Respondents.*

Procurement Analysis *In accordance with The District's Purchasing Policy, Section H – Exceptions, the purchase of these lamps is not subject to competitive offers since these services can only be obtained from one vendor as the unique performance capabilities and intellectual property requirements of the Trojan UV Treatment System.*

SUMMARY

Trojan Technologies' Low-Energy UV System was installed at the District's Groundwater Treatment Facility in 2002, to treat the groundwater contaminants, NDMA and 1,4-Dioxane. The UV System continues to operate with few operational issues to successfully treat the groundwater contaminants to non-detectable levels. The Trojan UV System maintenance is a treatment plant operations expense and will be 100% reimbursed by the Cooperating Respondents (CRs). The contract the District has with Trojan Technologies was originally signed in August of 2002 and is a 15-year contract with an annual renewal provision.

The Trojan Low-Energy UV system has and continues to successfully remove NDMA and 1,4-Dioxane to non-detectable levels. The District approved a three-year performance contract renewal in 2024, which separates the cost of UV lamp replacements from the cost of maintenance, the cost of repair and the performance guarantee. The lamps are required per our DDW permit to be replaced once the lamps reach 8,760 hours of operation. The Trojan UV System is comprised of two Low Energy UV Reactors. Each reactor has 6 rotational units, and each rotational unit has 64 UV lamps. Most of the lamps are approaching the 8,760-hour mark and will need to be replaced within the next 30 days.

FISCAL IMPACT

The 2026 Treatment Plant Budget appropriates $284,700.00 for NDMA and 1,4-Dioxane Treatment, which includes the cost of system maintenance and UV lamp replacements. The 2026 year to date total for NDMA and 1,4-Dioxane Treatment is approximately $67,509.97. The cost for the purchase of UV lamps as proposed by Trojan Technologies is within the 2026 Budget appropriation. This is a BPOU Project expense that shall be 100% reimbursed by the Cooperating Respondents.

RECOMMENDATION

Authorize the General Manager to purchase UV Lamps from Trojan Technologies for a price of $64,920.96.

Respectfully Submitted,

Cesar Ortiz

Operations & Treatment Superintendent

ENCLOSURES

- Quote for UV Lamps from Trojan Technologies

QUOTATION
QM0008470

BRANDS INCLUDE: ARIA FILTRA™, AQUAFINE®, TROJANUV®, VIQUA®
TROJAN TECHNOLOGIES CORP
4310 44th St SE
Kentwood, MI 49512
USA
T: 1-866-388-0488
www.trojantechnologies.com

Sold to	Ship to
LA PUENTE VALLEY COUNTY	**La Puente Valley County Water Dist**
112 N. FIRST STREET	**Att: Cesar Ortiz**
La Puente CA 91744-4710	**1695 N Puente Ave UV Bldg**
UNITED STATES	**Baldwin Park CA 91706-0001**
	UNITED STATES

Customer Service Contact : tuvcustomerservice@trojantechnologies.com
Payment Terms : 0% / 00 / 30 net
Delivery Terms :
Carrier/LSP :

Internal Sales Rep : Heather Conine
Customer No. : 100002460
Reference :
Quote Date : 07-09-2026
Quote Expiry Date : 08-08-2026

Delivery truck must have lift gate & pallet jack. Driver must make appointment with Cesar Ortiz (626) 890 0054.

Cesar Ortiz
626-330-2126
cortiz@lapuentewater.com

Line	Project Item Description	Quantity	Price Discount %		Unit Net Price Net Amount	Tax Rate Tax Amount	Amount
10	302418 LAMP P, UV6414 UV	768.00	76.50/	EA	76.50 58,752.00	10.50% 6168.96	64,920.96
20	FREIGHT AT COST FREIGHT AT COST freight to be added	1.00	/	EA	0.00 0.00	0.00% 0.00	0.00

Goods	58,752.00	Discount	0.00	Tax Amount		Total USD
Costs	0.00	Subtotal	58,752.00	6,168.96		64,920.96

BRANDS INCLUDE: ARIA FILTRA™, AQUAFINE®, TROJANUV®, VIQUA®
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STAFF*Report*

Date:	July 27, 2026
To:	Honorable Board of Directors
Subject:	PVOU Intermediate Zone System – Bituminous Coal LGAC Media Replacement

Purpose: *Authorize the procurement of replacement bituminous coal-based granular activated carbon media for four (4) liquid-phase granular activated carbon (LGAC) vessels within the PVOU Intermediate Zone Treatment System to support the ongoing evaluation of alternative treatment media.*

Recommendation: *Authorize the General Manager to enter into an agreement with Calgon Carbon Corporation for the PVOU Intermediate Zone LGAC Replacement Project and take all actions necessary to complete the project.*

Fiscal Impact: *The total procurement cost is $389,832 based on the proposal submitted by Calgon Carbon Corporation for replacement of media and associated services for four (4) LGAC vessels. Funding for this work will be incorporated into PVOU Intermediate Zone project appropriations and is considered a PVOU-related expense.*

BACKGROUND

During startup testing and operation of the PVOU Intermediate Zone (IZ) Treatment System, total petroleum hydrocarbons (TPH) were detected in treatment system effluent samples. At the time, TPH was subject to an effluent discharge limitation under the applicable NPDES permit, requiring additional evaluation of treatment system performance and media effectiveness. The presence of TPH in groundwater and treatment system operations prompted further investigation by the project team, including Northrop Grumman and its consultants, and the District.

Based on the evaluation, alternative treatment media was identified as a potential means of improving TPH adsorption and removal compared to the coconut shell granular activated carbon currently utilized within the treatment system. As part of the ongoing TPH optimization effort, Northrop Grumman and its representatives directed the District to obtain pricing and procure bituminous coal-based granular activated carbon media for four (4) liquid-phase granular activated carbon (LGAC) vessels to support future treatment system operations, testing, and performance evaluation.

The District prepared and issued a Request for Proposals (RFP) for the supply of bituminous coal-based granular activated carbon media for the PVOU Intermediate Zone Treatment System. Five firms were solicited. Two firms, Calgon Carbon Corporation and Karbonous Inc., submitted proposals. The remaining three firms declined to submit proposals or did not respond. Staff reviewed the submitted proposals and determined that Calgon Carbon Corporation submitted the lowest responsive and responsible proposal.

SUMMARY

The District received proposals from Calgon Carbon Corporation and Karbonous Inc. for the supply of bituminous coal-based granular activated carbon media and associated services for the PVOU Intermediate Zone Treatment System. Following review of the submitted proposals, Calgon Carbon Corporation was determined to be the lowest responsive and responsible bidder with a total proposal amount of $389,832.

Table 1. Proposal Summary

Vendor	Proposal Amount
Calgon Carbon Corporation	**$389,832**
Karbonous Inc.	$451,100
Carbon Activated Corporation	*Did not submit bid*
Desotec	*Did not submit bid*
Xylem	*Did not submit bid*

FISCAL IMPACT

The total procurement cost is $389,832 based on the proposal submitted by Calgon Carbon Corporation for replacement of media and associated services for four (4) LGAC vessels. Funding for this work will be incorporated into PVOU Intermediate Zone project appropriations and is considered a PVOU-related expense.

RECOMMENDATION

District staff reviewed the proposal submitted by Calgon Carbon Corporation and determined the firm is qualified to provide the required media and associated services. Staff recommends authorizing the General Manager to execute an agreement with Calgon Carbon Corporation for procurement of replacement media and associated services for the PVOU Intermediate Zone Treatment System.

Respectfully Submitted,

Roy Frausto

General Manager

ENCLOSURES

- Enclosure 1 : Calgon Carbon Proposal

La Puente Valley County Water District

REQUEST FOR PROPOSALS

Liquid Phase
Bituminous Coal-Based
Granular Activated Carbon
Purchase and Replacement Service

PVOU – Intermediate Zone (IZ)
Water Treatment Facility
111 Hudson Ave
City of Industry, California

June 12, 2026

Bid Due Date: July 6, 2026 @ 12:00 p.m.

GENERAL CONDITIONS

1.0 NOTICE INVITING BIDS

1.1 The La Puente Valley County Water District ("the District") is requesting proposals from qualified, interested firms to provide complete purchase and replacement service of the Liquid Phase Granular Activated Carbon ("LGAC") for the removal of Volatile Organic Chemicals (VOCs) and Total Petroleum Hydrocarbons (TPH, TPHd, TPHg) from the water produced at the Puente Valley Operable Unit – Intermediate Zone ("PVOU-IZ") Water Treatment Facility located at 111 Hudson Avenue, City of Industry, CA as described in Section 4.0 herein ("Work").

1.2 Proposals shall be submitted in accordance with the format and information herein. Bids will be submitted by email to **Cesar Ortiz at** **cortiz@lapuentewater.com** , no later than the date and time stated on the cover page of this Request for Proposals ("RFP")**.** Non-responsive proposals may not be considered. The costs for preparing all proposals are at the expense of the bidder and will not be reimbursed by the District.

1.3 The District is requiring a site visit to assess the process equipment, removal and delivery methods and requirements, including piping and connections. Contractors will need to consider all constraints involved in conducting the proposed Work before submitting a proposal to the District.

1.4 Prevailing Wage Requirement - Bidders shall include all applicable prevailing wage labor rates and related labor compliance costs in the unit price and total proposed cost. The District will not consider requests for additional compensation based on the Contractor's failure to include applicable prevailing wage costs in its proposal.

2.0 AWARD OF CONTRACT

Award of a Contract, if it be awarded, will be based primarily on the lowest overall cost to the District, however, the qualifications of the firm submitting the proposal will also be considered. Award of Contract will be made to the bidder whose proposal complies with all of the requirements stated herein. The District reserves the right to reject any or all proposals, to waive any informality in a proposal, and to make awards in the interest of the District. The Contract between the successful bidder ("Contractor") and the District will include the General Conditions and Technical Specifications specified in this Request for Proposal (collectively "Contract Documents").

3.0 COMPETENCY & QUALIFICATIONS OF BIDDING CONTRACTOR

3.1 The Liquid Phase Granular Activated Carbon supplying Contractor shall have the following minimum qualifications:

3.1.1 Have previously supplied or serviced a minimum of three LGAC drinking water treatment systems, in the State of California, designed to treat a minimum of 500 gpm per vessel. Systems cited in experience submittals shall have down flow, pressure type configurations using similar vessel diameter and design as the District's single pass vessels.

3.1.2 Have supplied or serviced at least three similar LGAC drinking water treatment systems in the State of California that are currently in use and are treating potable water for VOC removal. These systems shall be designed to treat at least 500 gpm per vessel. Additional experience with LGAC systems treating water containing TPH, including TPHg and/or TPHd, will be considered favorable but is not required.

3.1.3 Have a minimum of five years of experience in the handling and loading of LGAC vessels, including the bulk unloading, transportation, and disposal of exhausted LGAC, using bulk trailers and equipment which are used only for potable water applications.

3.1.4 The LGAC supplying Contractor, or its approved subcontractor, must possess a current California Class A, C-10 and Hazardous Materials Contractor's License or other equivalent license(s) required by the State of California.

3.2 In selecting the successful bidder, consideration will be given not only to the financial standing but also to the general competency of the bidder to perform the Work covered by the proposal. By submitting a proposal, each bidder agrees that the District, in determining the successful Contractor and its eligibility for the award, may consider the bidder's experience and facilities, conduct and performance under other contracts, financial condition, reputation in the industry, and other factors which could affect the bidder's performance of the Work.

3.3 The District may also consider the qualifications and experience of subcontractors and other persons and organizations (including those who are to furnish the principal items of material and equipment) proposed for those portions of the Work. Operating costs, maintenance considerations, performance data and guarantees of materials, and equipment may also be considered by the District. In this regard, the District may conduct such investigations as the District deems necessary to assist in the evaluation of any proposal and to establish the responsibility, qualifications and financial ability of the bidder, proposed subcontractors, and other persons and organizations to complete the Work in accordance with the Contract Documents to the District's satisfaction within the prescribed time. The District reserves the right to reject the proposal of any bidder who does not pass any such evaluation to the satisfaction of the District. No proposal for the Work will be accepted from a bidder who is not licensed in accordance with applicable California State laws.

3.4 GAC Media - Applicable Codes and Standards

3.4.1 NSF/ANSI Standard 61 Drinking Water System Components – Health Effects

3.4.2 AWWA B100 Filtering Material - GAC media and GAC media testing methods shall conform to the requirements of AWWA B100 and B604, except as otherwise indicated.

3.4.3 AWWA B604 Granular Activated Carbon - GAC media and GAC media testing methods shall conform to the requirements of AWWA B100 and B604, except as otherwise indicated.

3.4.4 ASTM C128 Standard Method for Specific Gravity and Absorption of Fine Aggregate - Media shall be composed of hard durable grains. Average apparent specific gravity shall be determined by the procedure set forth in ASTM C 128. Activation shall be carefully controlled to produce a material having a high internal surface area. The density and particle size shall be designed for packed bed type of adsorption. The material shall have sufficient density to allow backwash agitation and bed expansion yet settle rapidly for immediate resumption of service.

3.4.5 ASTM E11 Wire-Cloth and Sieves for Testing Purposes - Media particle size is determined by screening through standard sieves calibrated in accordance with ASTM E 11. Not more than 7 percent of the media shall be retained on the maximum size sieve, and not more than 5 percent shall pass the minimum-size sieve.

4.0 DESCRIPTION OF WORK

4.1 The Contractor shall be responsible for removing the spent LGAC, inspection of the vessels, disinfecting the empty vessels, loading each adsorber vessel with the required granular activated carbon, transportation, profiling, reactivation or disposal of the spent LGAC, and all labor associated with the offered service. The Contractor shall also be responsible for cleanup of any LGAC spillage and for restoring the site to its original condition.

4.2 Media Quality Assurance & Design Criteria

4.2.1 The Contractor shall be responsible for the supply, delivery, and loading of Coal-Based LGAC as specified in this RFP that meets the

GAC Media Design Criteria on **Table 1**.

Table 1 – GAC Media Design Criteria

Media Characteristics	Value
GAC source	Bituminous Coal
Effective Size, mm	0.55 – 0.75
Maximum Uniformity Coefficient	≤ 2.0
Mesh Size, US Sieve	12 x 40
Iodine Number, mg/g (Minimum)	1000
Bulk Density, g/cc	0.46 – 0.54
Abrasion Number (Minimum)	75
Moisture as Packed, % by weight	2
Ash Content (Maximum), % by weight	2
Non-wettable materials (Max), % by weight	1.0

4.3 The Contractor shall be responsible for all washing, acid washing (to a neutral pH), backwashing or pre-treatment of the LGAC, as required, prior to loading and system operation.

4.4 GAC media shall be produced from a bituminous coal feedstock. Both virgin media and reactivated media may be considered provided they meet the requirements herein.

4.5 GAC media for all vessels shall meet the criteria in **Table 1** and shall be used for adsorption of VOCs and TPHs (TPH, TPHg, TPHd).

4.6 Contractor shall furnish clean GAC head loss curves for the supplied media during downflow operation per foot of bed depth of GAC, versus downflow rate expressed gallons-per-minute per square foot of filter surface area (gpm/sf), for the water temperature range identified in **Table 3** herein.

4.7 Contractor shall furnish GAC bed expansion curves that depict the GAC bed expansion during backwashing, as a percent of in-service bed depth, versus backwash water flow rate expressed gpm/sf, for the water temperature range identified in **Table 3** herein.

4.8 <u>Media Purity</u>

4.8.1 The material shall be free of any foreign materials, including any significant amounts of iron sulfides, clay, shale, dust, or other foreign matter, mineral or biological.

4.8.2 The media shall not release or leach materials in the water that result in the treated water exceeding any potable water maximum contaminant limits (MCLs) or notification level (NLs) as defined by California DDW and USEPA. Media shall conform to ANSI/NSF Standard 61 for potable water contact.

4.8.3 Any proposed bituminous coal shall be processed prior to delivery to minimize flushes required due to leachable content within the supplied media. The maximum allowable forward flushes of the media at the time of the initial flush of the GAC bed is 10 bed volumes after the initial backwash before the output flow may be sampled for leachable materials compliance at the project site.

4.8.4 Any proposed bituminous coal shall be processed prior to delivery such that there is no need for any subsequent maintenance flushing at any time after initial use until the bed is expired for purposes to maintain leachable materials compliance when in service at the project site.

4.9 Media Transport and Delivery

4.9.1 Any vessel used to transport the GAC shall be properly rinsed and disinfected immediately before being used. A certification of this process shall be provided to the District upon delivery of the GAC.

4.9.2 Deliver GAC in bulk trailers used solely for transport of GAC for potable use. GAC will be loaded into the Contractor's trailers at the Contractor's production or storage facility prior to shipment to the project site. Clean trailers thoroughly prior to filling with GAC and confirm it is lined or constructed with materials suitable for transporting GAC that will be in contact with potable water. Trailer hatches shall bear dated seals affixed by the Contractor upon loading of GAC into trailers, and seals shall be intact and undisturbed upon arrival at the project site. Weight tickets for all GAC shall be provided to the District for the actual GAC delivered.

5.0 SCHEDULE & MANAGEMENT

5.1 The successful Contractor shall be available to begin work immediately following award of this Contract and complete the Work within thirty-days (30) calendar days.

5.2 The successful Contractor shall designate a project manager for the duration of the project to be a single source of contact.

5.3 The successful Contractor shall furnish unloading, handling, storage and bed lay-up and maintenance requirements for media prior to shipping.

5.4 The successful Contractor shall coordinate shipment to the Site with the District, ensuring that the media will be properly received, installed, and maintained.

5.5 The successful Contractor shall maintain a dedicated Quality Assurance/ Quality Control Program that shall be submitted at the District's request.

5.6 The successful Contractor shall provide Safety Data Sheet(s) for each product used.

6.0 MODE OF OPERATION

6.1 Liquid Phase Granular Activated Carbon

Carbon Adsorption – The high pressure Granular Activated Carbon Adsorption Systems ("GACAS") are designed for downward flow. One GACAS is designed with two carbon adsorber vessels, each vessel contains 40,000 lbs. of activated carbon. The Contractor shall visit the site to inspect and evaluate the work location and GACAS configuration and the loading and unloading requirements. A flow meter has been provided on each adsorber vessel for flow measurement during normal operation and during backwashing. Design specifications are provided in **Table 2**.

LGAC Removal and Replacement – The system is designed and constructed to allow each adsorber vessel to be isolated for removal of spent LGAC. Removal shall be accomplished by pressurizing the vessel with compressed air to displace the spent LGAC into an empty shipping container or trailer. The bottom of the adsorber vessel and LGAC slurry piping are designed to allow complete removal of spent LGAC from the adsorber vessel and piping, using manual hosing from the access manholes if necessary. The replacement LGAC shall be slurried into the carbon vessels.

Carbon Backwashing at Startup and Replacement – A fluidizing backwash shall be carried out following placement of new GAC media to remove fine material and prepare for downflow operation. The GAC System is designed with a backwash flow capacity sufficient to fluidize the GAC bed. However, it is necessary that the percentage of bed expansion be such that the elevation of the top of the expanded bed remains sufficiently below the elevation of the GAC vessel upper internals, to prevent media loss for any media larger than the smallest specified media sieve size. This space must accommodate the expanded GAC bed during backwash.

Table 2 – GAC System Configuration

Parameter	IZ System
Number of Trains	4
Vessels per Train	2
Total Number of Vessels	8
Diameter of Vessels, ft	12
GAC Media Capacity, lbs/vessel	40,000
GAC Bed Depth Range, ft*	10.5 to 12
Typical Flow, gpm/vessel	360
Design Flow, gpm/vessel	500
Design Loading Rate, gpm/sf	4.4
EBCT at Design Flow, min	18 to 20
Available Backwash Rate, gpm/sf	10 to 14
Backflush Rate, gpm/sf	0 to 1

* Assuming GAC density of 0.46 – 0.54 g/cm^3

Equipment - Drawings of the existing LGAC vessels are provided in **Attachment 1**.

6.2 The pressure drop for the existing GAC vessel internals and valve nest at peak forward flow rate is 5.0 psi with no media. Contractor shall guarantee a maximum of 10 psi total head loss (5 psi for empty vessel internals, 5 psi for GAC media) through the GAC vessels in forward flow mode, including losses through the clean GAC media, losses due to entrained air or particles, and losses for the empty vessels. During backwash, ample pressure and flow is available to provide the rates shown in **Table 2**.

7.0 CONTRACTOR SERVICES

The Contractor shall inspect the adsorption vessels after removing the LGAC and before delivery of the LGAC to the site and notify the District of any repair or replacement of damaged equipment that should be completed prior to refilling of the adsorption vessels. The Contractor shall coordinate all necessary activities, including delivery, scheduling, site safety, authorization of construction personnel, and site responsibilities.

8.0 SITE OF WORK

The site of the work is La Puente Valley County Water District, Puente Valley Operable Unit – Intermediate Zone (IZ) Treatment Facility ("Site"), located at:
111 Hudson Avenue, City of Industry, California.

9.0 TERM OF CONTRACT

The Contract shall be a one-time change-out of carbon. Contractor shall complete the Work within the time stated for completion. Work shall be deemed complete when accepted in writing by the District. The bidder shall guarantee the total bid price for a period of sixty (60) calendar days from the Proposal due date.

10.0 ANTICIPATED CARBON PURCHASES

The Contract Price is the unit price listed in the Proposal.

The quantity of carbon to be replaced with this proposal is 160,000 lbs (40,000 lbs. in each of 4 vessels). The Contractor agrees to provide the required services at the Contract Price upon request by the District. The District, under this contract, shall pay the Contractor directly for the services requested and satisfactorily performed in strict accordance with the terms of this RFP.

11.0 INVOICING

In consideration for completing the Work, the District shall pay the Contractor based on the prices stated in Contractor's proposal.

Contractor shall submit invoices to the District following the District's written acceptance of the work. Invoices shall not exceed the amount specified in the District's Agreement issued for the Work. Payment to Contractor shall be due forty-five (45) calendar days from receipt of proper invoice that includes all required documentation and is in full conformance with the related authorization and this RFP.

All payments hereunder are subject to approval of all deliverables and to verification of satisfactory performance of the services billed on the invoice. The District may withhold ten percent of all amounts due until the Contractor completes all work and furnishes all necessary documentation.

12.0 BID SCHEDULE

12.1 Completing the bid schedules in Section 12.3 is mandatory. However, bidders may offer alternative pricing approaches based on performance.

12.2 There will be no public opening of the bids. Bids will be opened after the date and time specified on the cover page of this RFP and the successful bidder will be notified no later than ten (10) days thereafter. Final award, if any, will be made by the District within 30 days of the bid opening.

12.3 Bituminous Coal-Based Granular Activated Carbon - Liquid Phase

		Bituminous Coal-Based LGAC
Quantity (lbs)	:	160,000
Unit Price [1]	:	$2.22/lb or $355,200.00 total for 160,000 lbs
Tax	:	Tax is an estimate - based on 10.25% local sales tax - $28,044.00
Energy Surcharge	:	
Other [2]	:	
Total Unit Cost	:	Total including Tax - $383,244.00

Notes:

[1] Cost includes, but is not limited to the removal, transport and disposal of the spent carbon and the supply, delivery, and loading of the replacement carbon as specified in this RFP.

[2] Includes all costs not included in [1].

If the costs have not already been included in the bid schedule table above, please provide costs for these additional items.

Please list additional items included during typical carbon service (e.g. backwashing, disinfection, inspection, equipment rentals, etc.) and items that may not necessarily be included during typical carbon service (e.g. caustic wash, confined space entry, waste profile, equipment rentals, additional hauling, etc.). if the costs are already included in the bid schedule table above, please so state.

Items included during Typical Carbon Service	Unit Price
1) Backwashing	$ Standard Backwash included in price. Carbon filtration backwash will be quoted at time of need.
2) Disinfection	$ Included
3) Vessel Inspection	$ Included
4) Acid Washing – to neutral pH	$ Quoted at time of need.
5) Other (please indicate):	$ N/A

Items Not Necessarily Included during Typical Carbon Service	Unit Price
1) Confined Space Entry	$ N/A
2) Waste Profiling	$ Included
3) Additional Hauling	$ Quoted at time of need
4) Caustic Washing	$ 11,500.00
5) Equipment Rentals	$ Quoted at time of need
6) Other (please indicate):	$ N/A

13.0 WARRANTY AND GUARANTEE

13.1 The Contractor shall warrant and guarantee that all Work will be in strict accordance with the Contract Documents and it will be free from defects in designs, materials, workmanship and equipment. The Contractor shall warrant and guarantee that all carbons meet the required specifications of **Section 8.0** of the **Technical Specifications** of this RFP. Contractor shall, at the District's option, promptly correct or remove and replace defective or non-conforming parts, and materials, reperform non-conforming Work, or refund the Contract Price therefor. The Contractor shall bear all direct, indirect, and consequential damages and costs of such correction or removal including but not limited to fees and charges of engineers, attorneys, and other professionals made necessary thereby.

13.2 Start-Up and Acceptance Testing:

13.2.1 Testing after startup shall consist of sampling effluent water for VOC and TPH concentrations, and any contaminant with a current applicable drinking water standard MCL or NL as defined by Cal DDW and USEPA at the sole discretion of the OWNER. Testing shall be used to verify GAC adsorption of VOCs and TPHs to the effluent limits defined in these specifications and Cal DDW and USEPA MCLs and NLs and to check for the presence of any other fugitive contaminant, organic or inorganic, mineral or biological, in excess of Cal DDW or USEPA MCLs or NLs.

13.2.2 For a period of fourteen (14) days following initial startup of the LGAC system (the "Warranty Period"), if any effluent limit is exceeded prior to the onset of expected breakthrough for any VOC specified herein, or for any other VOC with an applicable Cal DDW or USEPA MCL or NL, or for any other fugitive contaminant exceeding its feedwater concentration and greater than 70% of applicable regulatory limits, and such exceedance is attributable to defective media or the failure of the supplied media to meet the requirements of these specifications, the SUPPLIER shall replace 100% of the media in the affected vessel(s) at the SUPPLIER's sole cost.

14.0 INSURANCE

The Contractor shall not commence Work pursuant to the Contract Documents until it has obtained all insurance required hereunder. Said insurance shall be placed with insurers having a current A.M. Best rating of no less than A: VII or equivalent or otherwise approved by the District. In addition, the Contractor shall not allow any Subcontractor to commence Work on its Subcontract until such Subcontractor has obtained insurance coverage in accordance with this RFP and proof of insurance is received by the District.

14.1 Insurance Requirements for Contractors - Contractor shall procure and maintain insurance against claims for injuries to persons or damage to property, which may arise from or in connection with the Work by the Contractor, its agents, representatives, employees, or Subcontractors. The cost of such insurance shall be borne by the Contractor.

14.1.1 Minimum Scope of Insurance - coverage shall at least be as broad as:

- Insurance Services Office Commercial General Liability Coverage (Occurrence Form No. CG 0001, or equivalent) with Personal Injury Exclusion "C" removed.

- Insurance Services Office (Form No. CA 0001, or equivalent) covering Automobile Liability, Code 1 (any auto).

- Worker's Compensation coverage, as required by the Labor Code of the State of California and Employer's Liability Coverage.

14.1.2 Minimum Benefits of Insurance:

- Commercial General Liability: $2,000,000 combined single limit for each occurrence of Bodily Injury, Personal Injury and Property Damage, $2,000,000 Aggregate Total Bodily Injury and Property Damage, and $2,000,000 Annual Aggregate Products and Completed Operations.

- Automobile Liability: $1,000,000 for Bodily Injury and Property Damage, each accident.

- Excess Liability: $1,000,000 Bodily Injury and Property Damage.

- Worker's Compensation and Employer's Liability: Worker's Compensation limits as required by the Labor Code of the State of California and Employer's Liability limits of not less than $1,000,000 per accident.

The insurer issuing the Workers' Compensation insurance shall waive all rights of subrogation against the District. The insurers issuing Commercial General, Excess and Automobile liability insurance shall waive all rights of subrogation against the District, and the District's representatives, officers, officials, agents, employees, attorneys, consultants, and volunteers. The Contractor shall provide the District with a certificate of insurance for Workers'

Compensation insurance coverage and evidence of waiver of rights of subrogation against the District.

The Contractor certifies that it is aware of the provisions of Section 3700 of the Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and that Contractor will comply with such provisions before commencing the performance of the Work of this Contract.

14.1.3 Deductibles or Self-insurance - Any and all deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as they relate to the District, its officers, officials, agents, employees, consultants or volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigation, claim administration and defense expenses.

14.2 Other Insurance Provisions - The policies specified herein are to contain, or be endorsed, to contain the following provisions:

14.2.1 Named as Additional Insured – the District and the District's representatives, directors, officers, officials, agents, employees, attorneys, consultants and volunteers are to be named as additional insured on a primary and non-contributing basis on Commercial General, Excess, and Automobile Liability policies.

14.2.2 Workers Compensation Insurance - The Contractor and all Subcontractors shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their employees working on or about the Site, regardless of whether such coverage or insurance is mandatory or merely elective under the law, and the Contractor shall defend, protect and save harmless the District and the District's representatives, directors, officers, officials, agents, employees, attorneys, consultants, and volunteers from and against all claims, suits and actions arising from any failure of the Contractor or any Subcontractor to maintain such insurance.

14.2.3 Contractor's Liability Insurance - Liability insurance obtained by the Contractor pursuant to this Contract shall indemnify the Contractor and his Subcontractors against loss from liability imposed by law upon, or assumed under contract by, the Contractor or its Subcontractors for damages on account of such bodily injury (including death), property damage, personal injury and completed operations and products liability. Such insurance includes coverage of bodily injury and property damage liability, owned and non-owned vehicles and equipment, blanket contractual liability and completed operations liability, and Broad Form Property Damage.

14.2.4 <u>All Coverage</u> - Each insurance policy required by this Contract shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District.

Any failure to comply with the reporting provisions of the policies including breaches of warranties shall not affect coverage provided to the District and the District's representatives, directors, officers, officials, agents, employees, attorneys, consultants, and volunteers.

14.2.5 <u>Certificate of Insurance</u> - The Contractor shall, at the time of the execution of the Agreement, present the original policies of insurance required by this Section 14.0, or present a certificate of the insurance, with original endorsements affecting coverage required by this Section 14.0, showing the issuance of such insurance and the additional insureds and other provisions required herein.

All certificates and endorsements are to be received and approved by the District before the Work commences. The District reserves the right to require complete, certified copies of all required insurance policies at any time. The Contractor shall, at least thirty (30) days prior to the expiration of any insurance policy required by the Contract Documents, file a signed and completed "Certificate of Insurance" (listing all policy endorsements and provisions called for by the Contract Documents) with the District stating that such insurance policy has been renewed or extended.

14.2.6 <u>Maintenance of Insurance</u> - The Contractor shall, upon demand of the District, deliver to the District all such policy or policies of insurance and the receipts for payment of premiums thereon; and should the Contractor neglect to obtain or maintain in force any such insurance or to deliver such policy or policies and receipts to the District, then it shall be lawful for the District to obtain and maintain such insurance, and the Contractor hereby appoints the District its true and lawful attorney-in-fact to do all things necessary for this purpose. All money paid by the District for insurance premiums under the provisions of this paragraph shall be charged to the Contractor.

14.2.7 <u>Compliance with Insurance Requirements</u> - Contractor’s obligation to obtain insurance coverage as set forth in this Section 14.0 is separate and distinct from Contractor’s obligation to indemnify, hold harmless and defend pursuant to Section 15.0. Compliance with the requirements of Section 14.0 shall not relieve Contractor of Contractor’s obligations under Section 15.0.

15.0 INDEMNITY

15.1 Contractor agrees, for itself, and for its agents, contractors, employees, and any person or persons claiming under Contractor, to hold harmless, indemnify and defend the District, its successors and assigns, and its directors, officers, agents, and employees from and against any liability, claim, demand, loss, action, cause of action, expense, penalty, fine, assessment, damage, cost, attorney fees and litigation expenses, of every kind and nature, consequential or otherwise for injury to or death of any and all persons, including, without limitation, employees or representatives of the District or of Contractor or of any subcontractor, or of any other person or persons, and for damage, destruction of loss, consequential or otherwise, to or of any and all property, real or personal, including, without limitation, property of the District or of Contractor or of any subcontractor, or for any other loss, damage, claim or violation of any law, regulation or rule resulting from or in any manner arising out of or in connection with the presence upon the Site or the performance of Work by Contractor or its agents, contractors, employees, invitees, licensees, vendors or visitors, howsoever same may be caused including, without limitation, The District's active or passive negligence. Excluded from this paragraph are only those injuries to or deaths of persons and damage, destruction or loss, to or of property arising from the sole negligence or willful misconduct of the District.

15.2 Contractor shall indemnify the District against, and save and hold it harmless from, any and all liability, claims, demands, loss, actions, causes of action, expense, penalties, fines assessments, damages, costs, attorney fees, and litigation expenses of every kind and nature, consequential or otherwise, suffered or incurred on account of any breach of any obligation, covenant or other provision of this contract, including without limitation, breach of the indemnity provisions.

16.0 INDEPENDENT CONTRACTOR

Contractor shall be an independent contractor and any provisions in the Contract Documents which may appear to give the District the right to direct Contractor as to the details of the doing of the Work to be performed by Contractor, or to exercise a measure of control over said Work, shall be deemed to mean and shall mean, that Contractor shall follow the desires of the District in the results of the Work only and not in the means whereby said Work is to be accomplished, and Contractor shall use its own discretion and shall have complete and authoritative control over the Work and as to the details of the doing of the Work.

-END OF SECTION-

TECHNICAL SPECIFICATIONS

1.0 GENERAL STATEMENT OF WORK

This section provides a general description of the Work and does not limit or modify the more complete provisions set forth below. Upon execution of the agreement and receipt of the Notice to Proceed, the Contractor shall be ready to provide all equipment, material and labor necessary and appropriate to remove and replace the spent LGAC. The spent LGAC will contain volatile organic compounds, total petroleum hydrocarbons, and possibly other contaminants. The Contractor shall provide carbon replacement services at the Site. The Contractor shall remove and transport the spent LGAC from the Site for regeneration or destruction. The Contractor shall be responsible for timely destruction and disposal of the spent LGAC in accordance with all applicable Federal, State and local laws, regulations and standards. At no additional cost to The District, the Contractor shall also inspect the internals of the empty vessels upon each change-out.

2.0 MOBILIZATION TO SITE

General – After execution of the agreement with the District and the District's receipt of proof of insurance, the District will issue a Notice to Proceed to the Contractor. The Contractor will then have ten (10) working days to mobilize equipment and personnel to the Site.

3.0 CLASSIFICATION OF SPENT LGAC

3.1 General - The Contractor shall be responsible for preparing a classification of the spent LGAC.

3.2 Execution – The Contractor shall obtain from the Site a representative sample of the spent LGAC that is to be replaced. The Contractor shall then obtain a laboratory analysis of the spent LGAC using appropriate USEPA or State of California analysis methods. Analysis must be performed by a California State Water Resources Control Board, Environmental Laboratory Accreditation Program ("ELAP") certified Lab. The results of the laboratory analysis shall be used by the Contractor to complete the Waste Profiling. A complete Waste Profiling, along with copies of the required regulatory documentation, shall be conducted in accordance with all Federal, State, and local requirements.

4.0 REMOVAL OF SPENT LGAC FROM THE VESSELS

4.1 General - The Contractor shall be responsible for removing all spent LGAC from the vessels, including any residual fines.

4.2 Execution - After mobilizing to the Site, the Contractor shall make the necessary arrangements to begin removing the LGAC. Removal of spent LGAC shall be accomplished by pressure displacement. The Contractor shall be responsible for removing all spent LGAC from the specified carbon vessels and for thoroughly cleaning out the carbon vessels of spent LGAC. The Contractor shall ensure that all carbon fines are removed from the vessel by spraying residual fines off the sides and bottom of the tank with a hose. The Contractor is responsible for previewing the Site prior to submitting a Proposal to determine what additional equipment will be required to contain and dispose of all wash water in accordance with any and all regulatory requirements. The Contractor is responsible for the handling and disposal of all excess water generated from the Site during the removal of the spent LGAC. No carbon laden water will be allowed to leave the Site. After each vessel is properly cleaned, the Contractor shall notify the District that the vessel(s) is clean and prepared for inspection. The Contractor shall also be responsible for cleanup of any LGAC spillage and for restoring the Site to its original condition.

5.0 TRANSPORTATION OF SPENT LGAC

5.1 General - The Contractor shall be responsible for transporting the spent LGAC away from the Site to where the spent LGAC can be regenerated or destroyed.

5.2 Execution - After the spent LGAC is removed from the vessels, the Contractor shall transport the spent LGAC for regeneration or destruction. Regeneration or destruction of the spent LGAC by the Contractor shall be in accordance with all applicable Federal, State and local laws, regulations and standards. The Contractor shall deliver waste manifests, Certificate of Regeneration or Destruction, and all other waste documentation to the District within thirty (30) calendar days of the date the spent LGAC is removed from the Site.

6.0 INSPECTION OF VESSELS

6.1 General – The Contractor shall visually inspect the inside of the carbon vessels during the change-out process at the Contractor's expense.

6.2 Execution – A visual inspection of the inside of the clean carbon vessels is required. The Contractor shall enter each vessel and visually inspect the inside chamber, including the nozzles, after the spent LGAC has been removed from the vessel per Section 4.0. The Contractor must comply with all applicable confined space entry requirements established by CAL-OSHA. The inspection shall identify any anomalous corrosion, accumulation of scale or other buildup that may be present inside the vessel. The inspection shall also include a detailed examination of the nozzles. Specifically, the Contractor shall inspect for accumulated fines that may be present in the slots located on the nozzles. If the inspection identifies any anomalous findings, including clogged nozzles, the Contractor shall immediately notify the District. During the change-out, the District will be present or available immediately by telephone. The District may choose to take mitigative actions prior to the replacement of the LGAC. Such mitigative actions, if any, will be negotiated directly with the Contractor, or others. The Contractor shall submit to the District a written report of the inspection for each vessel inspected not more than fifteen (15) working days after the LGAC has been changed out. The District shall not be required to reimburse the Contractor for any stand-by costs incurred while the District determines or effects mitigative actions.

The Contractor shall supply, at its own cost, all tools, labor, and equipment necessary to gain access to the vessels for the inspections. The Contractor is responsible for determining the details of vessel access at each Site prior to submitting a Proposal. The Contractor shall reinstall any part(s) removed to gain access to the vessels after completion of the inspection and disinfection.

6.3 Disinfection Prior to LGAC Loading: After completion of the vessel inspection and any mitigative actions, if required, the Contractor shall notify the District that the vessel(s) are ready for disinfection. Prior to loading replacement LGAC, the Contractor shall disinfect the empty vessel(s) and associated wetted surfaces using a chlorine-based disinfectant suitable for potable water applications, in accordance with the manufacturer's recommendations. The Contractor shall provide adequate verification that disinfection and rinsing have been completed, including documentation of the disinfectant used, approximate concentration, contact time, rinsing/flushing performed, and any other relevant disinfection steps. After receiving authorization from the District, the Contractor shall proceed with installing the new LGAC into the vessel(s).

7.0 REPLACEMENT OF LGAC

7.1 General: After the spent LGAC is removed, the vessels pass inspection and the vessels are disinfected and rinsed, fresh LGAC shall be slurried into the carbon vessels. The carbon supplied shall meet the specifications listed herein.

7.2 Samples: If so requested by the District, samples of the fresh LGAC provided for the filling of adsorber vessels shall be provided in accordance with paragraph 1.4.3, "Sampling and testing after delivery of shipment," of the AWWA Standard for Granular Activated Carbon (AWWA B604-96).

7.3 Execution – The quantities and types of carbon specified in the Proposal shall be slurried into each adsorber vessel. The GAC shall be produced from a Bituminous Coal feedstock.

7.3.1 The Contractor shall deliver the LGAC in dedicated food-grade trailers used solely for the transport of non-hazardous LGAC. Trailers shall be thoroughly cleaned and disinfected prior to filling with LGAC and shall be lined or constructed with materials suitable for transporting LGAC that will be in contact with potable water.

7.3.2 The Contractor shall provide, at the time of delivery, certification that the material delivered meets the specifications stated herein. The District reserves the right to reject any material delivered that does not meet the specifications stated herein or is not accompanied by the appropriate certification.

7.3.3 The Contractor shall slurry the approved LGAC into the empty carbon vessel or tank as appropriate. The Contractor shall provide any necessary hoses, pumping equipment and piping for water needed to transfer the LGAC. The compressed air supply required for transfer of LGAC shall be provided by the Contractor. No dumping of LGAC into the vessel will be allowed. The Contractor will take precautions to prevent discharges to ground of spent LGAC, liquid, or replacement LGAC.

7.3.4 The entire LGAC change-out must be accomplished within a maximum allowable change-out time of four (4) days per LGAC vessel. All work shall be performed between the hours of 8 a.m. and 3 p.m., Monday through Thursday.

8.0 CARBON SPECIFICATION

8.1 Liquid Phase Activated Carbon:

The LGAC to be supplied and installed shall be bituminous coal-based granular activated carbon.

The LGAC shall be suitable for use as a filter media in a potable water treatment plant and be effective in the removal of the target compounds described herein in Table 3, to the prescribed acceptable levels. These compounds include but are not limited to Volatile Organic Compounds (VOCs) and Total Petroleum Hydrocarbons (TPH, TPHd, TPHg). The LGAC shall be visually free of clay, dirt and other deleterious materials.

The LGAC shall be durable granular activated carbon capable of withstanding the abrasion associated with repeated backwashing.

LGAC for use as an adsorption media in the treatment for potable water supplies shall conform to the requirements of the most current edition of AWWA B-604. The LGAC shall conform to food chemical codes when tested as outlined in the Food Chemicals Codex, Third Edition. The LGAC will meet all requirements and have current NSF61 certification. NSF61 certification must be submitted with the bid and confirmed for the buyer by the Contractor through the Underwriters Laboratory (UL).

The LGAC shall meet the minimum standards and performance criteria regarding material specifications and physical properties. These performance criteria shall be evaluated based on samples of the proposed material, which are submitted to the District, Lab QC reports that accompany the shipment, and the District's on-site tests of the delivered material. Failure of samples to meet the performance criteria shall result in rejection of the LGAC and, in the case of job-site samples, in the removal and replacement of any installed materials at no cost to the District.

At the time of loading the LGAC, the Contractor shall furnish the District with a minimum of three (3) samples of the LGAC for the filling of adsorber vessels. Samples shall be delivered in clean vapor-proof containers of at least 400 mL (or 0.422 quarts) and clearly identified. The District, at its own cost, may independently test these samples to determine if the minimum standards and performance criteria regarding material specifications and physical properties are met.

Detailed specifications and material quality and testing results shall be submitted to the District for review and approval prior to delivery and installation of the LGAC. Manufacturer's test reports shall include the following information:

- Manufacturer's name
- Material source and manufacturer's plant location
- Date of sampling
- Lot or stockpile number identification
- Results from laboratory quality control testing

8.1.1 Impurities: The LGAC shall contain no soluble inorganic or organic substances in quantities capable of producing deleterious or injurious effects upon the health of those consuming the water or that would otherwise render the water that has been treated properly with LGAC unfit for public use. The LGAC shall be fully satisfactory for use in potable water treatment and must conform to or exceed all applicable requirements as established by the Food Chemical Codex Test Protocol.

8.1.2 Handling Characteristics: The LGAC's physical size and density must be such that it shall flow readily within the and spent LGAC transfer piping provided with the system and must form workable slurry with a concentration of approximately two (2) pounds of LGAC per gallon of water.

8.2 LGAC Media Performance

8.2.1 Bids shall include carbon quotes that will include price, VOC adsorption capacity, and TPH adsorption capacity, based on the influent concentrations for each constituent. Anticipated constituent levels and their required effluent limits, along with other key water quality parameters, are listed in **Table 3** below, in order to provide a common basis to estimate the life of the GAC media. The IZ GAC System directly treats the extraction well influent load.

8.2.2 The furnished media shall be appropriate for the adsorption of the VOCs and TPHs listed herein.

8.2.3 The Contractor shall provide projections for minimum bed capacity, estimating the number of bed volumes to breakthrough, the mass of VOCs and TPHs adsorbed per unit mass of media, and the relevant isotherm values. 1,1-Dichloroethane and TPHs are expected to be the governing constituents for breakthrough based on typical isotherm values and experience to date at the PVOU plant.

8.2.4 The District reserves the right to inspect the media manufacturing facility and applicable QA/QC records during any stage of the supply period. The Contractor shall provide minimum ten (10) days' notice to District prior to material QC testing.

Table 3 – GAC Influent and Effluent Water Quality

Parameter	Units	IZ GAC Influent	Effluent Limit
1,1-Dichloroethene	µg/L	46.5	<0.5
cis-1,2-Dichloroethene	µg/L	4.9	<0.5
1,1-Dichloroethane	µg/L	1.0	<0.5
1,2-Dichloroethane	µg/L	0.7	<0.5
1,2,3-Trichloropropane	µg/L	0.03	<0.005
Tetrachloroethylene	µg/L	26.8	<0.5
Trichloroethylene	µg/L	25.8	<0.5
Total Petroleum Hydrocarbons Blended Influent	µg/L	50 to 120	<50
Total Petroleum Hydrocarbons Individual Extraction Wells	µg/L	30 to 600	<50
Total Organic Carbon	mg/L	0.2 to 0.6	

Temperature	°C	15 to 21
pH	pH units	6.3 to 7.2

9.0 BACKWASHING FOR LIQUID PHASE CARBON

9.1 General - After the LGAC has been installed and concluded a 24-hour soak, the Contractor shall backwash each vessel according to the District's approved method described herein.

9.2 Execution - The Contractor shall backwash each vessel using plant piping and equipment operated by the District operators. Each vessel shall be backwashed with a minimum flow of 1200 gpm for a minimum of 30 minutes or per manufacturer's recommendation, to remove fines and entrapped air and until a visual inspection of the backwash water by the contractor indicates that sufficient carbon fines have been removed.

Prior to the GAC change out, the Contractor shall furnish the District a written backwashing plan for approval. The backwashing plan shall set forth the Contractor's proposed method for backwashing, de-watering the LGAC, and for disposing of the backwash water.

9.3 Bacteriological Testing After LGAC Loading - Following installation of the replacement LGAC, completion of the required soak period, backwashing, and flushing/rinsing activities, the Contractor shall perform bacteriological sampling prior to returning the affected vessel(s) to potable water service. Sampling shall be coordinated with the District and performed at a representative sample location approved by the District. Samples shall be submitted to a certified laboratory acceptable to the District. The Contractor shall provide the bacteriological test results to the District for review and acceptance. The affected vessel(s) shall not be placed into potable water service until bacteriological test results are reviewed and accepted by the District, unless otherwise authorized by the District.

10.0 TEST REPORTS

10.1 General - Independent laboratory analysis for LGAC provided by the Contractor shall conform to the sampling, analysis and reporting requirements described in this Section.

10.2 Execution - At the District's request, the Contractor shall submit representative sample(s) of the LGAC to an ELAP certified testing Laboratory approved by the District for analysis. The sample(s) must be submitted in clean, vapor-proof containers, plainly marked with the name and address of the manufacturer, and identified as to the lot number of the contents. The certified testing Laboratory shall analyze the material based upon the requirements of these Specifications. Testing methods shall be in accordance with Section 4 (Testing Methods) of the AWWA Standard for Granular Activated Carbon (AWWA B604-96), the Food Chemical Codex Protocol (National Academy Press) and appropriate ASTM Standards. A certified test report shall be submitted by the Contractor showing compliance with these Specifications as described herein, along with a statement certifying that the material for shipment is equal in quality to the representative sample submitted.

Certified test reports on the representative samples of LGAC shall contain the following information:

- Average specific gravity (apparent)
- Total percentage of material passing each sieve
- Total percentage of material retained on each sieve
- A plot on probability paper, showing percent of the material passing through the sieve versus the sieve size opening
- Uniformity coefficient
- Effective size
- Abrasion number
- Iodine number
- Moisture as packed (percent)
- Water soluble ash (percent)
- Total ash
- Food chemical codex test
- Heavy metals and other compounds and impurities which through elution may affect the ability of the treated water to meet primary and secondary drinking water standards
- Mean particle diameter

The reports shall be submitted not later than the time of delivery of the LGAC provided under these Specifications.

11.0 REMOVAL OF REJECTED ARTICLES OR MATERIAL FROM THE JOB SITE

11.1 General

Rejected articles or materials shall be promptly removed from the Site by and at the expense of the Contractor. The District may mark such rejected articles or materials in such a manner so as not to detract from its appearance. If the Contractor shall fail or neglect to remove rejected articles or materials within seven calendar days after service by the District of an order to remove such articles or materials, The District may have the rejected materials removed and deduct the cost thereof from the monies due to the Contractor. Any adjustments, changes, or repairs that may be found necessary after the delivery of articles or materials, including all additional handling and shipping charges, shall be paid for by the Contractor.

12.0 REGULATORY REQUIREMENTS

12.1 General – In addition to the Safety Requirements, The Contractor shall comply with all applicable Federal, State and local regulatory requirements including, but not limited to, the following:

- Occupational safety and health requirements of OSHA and CAL-OSHA. A Site Safety Plan shall be prepared by the Contractor before any work is started.
- U.S. Department of Transportation requirements for transportation of LGAC.
- State and local requirements, if any, regarding handling, shipment, and disposal of LGAC containing hazardous materials. Levels and types of containments will be determined by an analysis of the spent LGAC by a certified independent laboratory. Proper classification of the LGAC, based on test results, will be made by the District.
- Local air pollution control requirements regarding potential releases of chemicals or particulates during transfer of LGAC to and from the absorber vessels.

12.2 Execution - The Contractor shall provide evidence of compliance with all necessary permits. Additional evidence (copies of permits, etc.) shall be provided if requested by the District.

The Contractor shall be responsible for determining which permits are necessary and obtain all necessary permits at its own expense.

Submittals - The LGAC Contractor shall furnish the District with samples of the LGAC provided for filling the adsorber vessels in accordance with paragraph 1.4.3, “Sampling and testing after delivery of shipment,” of the AWWA Standard for Granular Activated Carbon (AWWA B604-96).

-END OF SECTION-

La Puente Valley County Water District

Request for Proposals: Liquid Phase Bituminous Coal-Based Granular Activated Carbon Purchase and Replacement Service

FILTRASORB 400

Granular Activated Carbon

Industry, California

SUBMITTED BY CALGON CARBON CORPORATION

July 6th, 2026

SUBMITTAL TABLE OF CONTENTS

SUBMITTAL

1

Calgon Carbon Corporation History

THE HISTORY OF CALGON CARBON

When the United States entered World War II, coconut shells were the raw material used to produce granular activated carbon (GAC), the filtering agent in military gas masks. Faced with a shortage of this crucial war material, the government asked Pittsburgh Coke and Chemical to develop a substitute from a native material. In 1942, the Company produced an activated carbon product using bituminous coal, and that was the beginning of the firm now known as Calgon Carbon Corporation.

Throughout history, Calgon Carbon has been a pioneer in creating new activated carbon products, systems and services from the infancy stages to the current global industry. The Company currently offers carbon technologies used in over 700 distinct market applications from purifying air and drinking water, to purifying foods and pharmaceuticals, to separating gas and removing mercury emissions from coal-powered electrical facilities. As a leader in the activated carbon industry, Calgon Carbon Corporation has originated cutting-edge purification systems for drinking water, wastewater, odor control, pollution abatement, and a variety of industrial and commercial manufacturing processes.

A HISTORY OF INNOVATION

1942 Pittsburgh Coke & Chemical Company, Inc. pioneers the development of coal-based granular activated carbon for use in military protection.

1955 The "Pittsburgh Pulse Bed" system is introduced – the first activated carbon system for sugar decolorization.

1960 The Activated Carbon Division of Pittsburgh Coke and Chemical pioneers the use of granular activated carbon in drinking water treatment.

1962 The Activated Carbon Division reaches a major milestone when 40,000 pounds of bituminous coal-based granular activated carbon is installed for the Virginia-American Water Co., a subsidiary of the American Water Works Service Company, setting a new benchmark for drinking water quality.

1965 Pittsburgh Activated Carbon Company (formerly Pittsburgh Coke & Chemical) is acquired by Calgon Corporation.

1967 Calgon Corporation is reorganized into six autonomous divisions, including the Pittsburgh Activated Carbon Company, responsible for its own marketing and manufacturing.

1968 Calgon Corporation acquired by Merck and Co., Inc.

1971 Calgon Carbon begins to offer reactivation services in the U.S. Offering customers both environmental and cost-saving benefits.

1978 A joint venture is formed with Mitsui Chemicals, Inc. and Mitsui & Co., Ltd.

1985 Calgon Carbon, a wholly-owned subsidiary of Merck and Co., Inc., is acquired by its management through a leveraged buyout.

1987 Calgon Carbon completes initial public offering of common stock.1991 Calgon Carbon is listed on the New York Stock Exchange (NYSE), trading under the symbol CCC.

1993 In the U.K., Thames Water Utilities, Ltd., grants Calgon Carbon exclusive rights to market its new Sandwich Filter technology for the removal of pesticides and other organic compounds from drinking water.1996 Calgon Carbon acquires the perox-pure business operations of Vulcan Peroxidation Systems, Inc., (Tucson, Arizona), and Solarchem Enterprises, Inc., (Toronto, Ontario, Canada). Calgon Carbon also acquires Advanced Separation Technologies Incorporated™ (Lakeland, Florida) and Charcoal Cloth (International) Ltd., a British manufacturer of activated carbon in cloth form.

1997 Singapore-based marketing subsidiary Calgon Carbon Asia is formed, serving customers in Korea, Taiwan, the People's Republic of China, Southeast Asia, Australia, New Zealand and India.

1998 Calgon Carbon launches two distinct products: Sentinel® ultraviolet (UV) disinfection system for the inactivation of Cryptosporidium and ISEP® continuous ion exchange system for perchlorate removal.

2002 Calgon Carbon Corporation expands in Asia, starting up a manufacturing plant in China and forming a joint venture with Mitsubishi Chemical Corporation of Tokyo, Japan to produce and sell activated carbon and related services throughout Japan. Additionally, Calgon Carbon is the first activated carbon manufacturer in the U.S. to install GAC treatment specifically for PFAS removal

2004 The company acquires Waterlink Specialty Products, known as Barnebey Sutcliffe in the United States, and Sutcliffe Speakman in Europe, to enhance capabilities in carbon reactivation, impregnation and on-site services.

2005 Calgon Carbon Corporation and C. Gigantic Carbon (Gigantic) form a joint-venture company to provide carbon reactivation services to the Thailand market. The new company, Calgon Carbon (Thailand) Ltd. begins operation.

2007 First contract for FLUEPAC® powdered activated carbon for treatment of mercury in flue gas streams from coal-fired electric power plant is signed and secured.

2009 The company unveils a new corporate logo, re-positioning the former logo's distinctive "ellipse" shape into a forward-moving direction to symbolize the company's anticipated long-term growth.

2010 Calgon Carbon acquires two companies: the firm Zwicky Denmark and Sweden, service providers and long-term distributors of Chemivron Carbon's activated carbon products; and purchases the outstanding stock of Hyde Marine Inc., a manufacturer of systems that utilize filters and UV technology to treat marine ballast water. Calgon Carbon's Blue Lake, California plant is the first in the U.S. to receive certification from NSF International under NSF/ANSI Standard 61: Drinking Water System Components – Health Effects for custom reactivated carbon for potable water applications.

2011 The acquisition of Calgon Carbon Japan KK (CCJ), the former joint venture between Calgon Carbon Corporation and Mitsubishi Chemical Corporation is completed. Additionally, the company announces that the City Council of Phoenix, Arizona has selected Calgon Carbon to negotiate a contract to provide reactivation services for a ten-year period, and also includes the construction of a reactivation facility in Maricopa County, Arizona.

2018 Calgon Carbon is acquired by Kuraray Co., Ltd in March. Steve Schott is named CEO in September.

2020 Calgon Carbon formally announces the construction of a new activated carbon production line (G-line) at its Pearl River Plant in Mississippi, and an additional reactivation furnace in Belgium. A large equipment production expansion project launches adding capacity.

2021 A large equipment production expansion project is completed, at Neville Island, PA, to increase capacity in North America.

2023 Calgon Carbon celebrates the completion of our G-Line construction and hosts a ribbon cutting ceremony in October.

SUBMITTAL

2

Activated Carbon Specifications: Affidavit of Compliance, Specification Sheet, And Safety Data Sheet

CalgonCarbon
A Kuraray Company

AFFIDAVIT OF COMPLIANCE

By this affidavit, CALGON CARBON CORPORATION certifies that the Virgin Granular Activated Carbon designated as Filtrasorb 400 complies with all the applicable provisions of the AWWA standard for Granular Activated Carbon denoted as B-604-latest edition, ANSI/NSF Rule 61, and the Food Chemical Codex.

Filtrasorb 400 is mined and manufactured in the USA from bituminous coal and produced through a reagglomeration process. Filtrasorb 400 is manufactured at the Calgon Carbon Catlettsburg Plant in Catlettsburg, KY.

Calgon Carbon Corporation

Name: Amber Simonic

Title: Executive Director, Drinking Water Solutions

Commonwealth of Pennsylvania

County of Allegheny

Signed (or attested) before me on May 1, 20 25 by Amber Simonic.

Jeremy J. Jones, Notary Public

My Commission Expires: April 2, 2029

Commonwealth of Pennsylvania - Notary Seal
Jeremy J. Jones, Notary Public
Allegheny County
My commission expires April 2, 2029
Commission number 1394004
Member, Pennsylvania Association of Notaries

SALES SPECIFICATION SHEET

FILTRASORB 400

Granular Activated Carbon

Test	Specification		Calgon Carbon
	Min	Max	Test Method
IODINE NUMBER, mg/g	1000	-	TM-4,ASTM D4607
MOISTURE (AS PACKAGED), wt%	-	2	TM-1,ASTM D2867
ABRASION NUMBER	75	-	TM-9,AWWA B604
EFFECTIVE SIZE, mm	0.55	0.75	TM-47,ASTM D2862
UNIFORMITY COEFFICIENT	-	1.9	TM-47,ASTM D2862
12 US MESH [1.70 mm], wt%	-	5	TM-8,ASTM D2862
< 40 US MESH [0.425 mm] (PAN), wt%	-	4	TM-8,ASTM D2862

Typical Properties:

This product complies with ANSI/AWWA B604 (2005) – Granular Activated Carbon.

This product complies with the requirements for activated carbon as defined by the Food Chemicals Codex (FCC) (8th Edition) published by the U.S. Pharmacopeia.

This product is produced under supervision of the Islamic Food and Nutrition Council of America (IFANCA).

This product is prepared under the supervision of the Kashruth Division of the Orthodox Union and is Kosher.

Only products bearing the NSF Mark are Certified to NSF/ANSI/CAN 61 - Drinking Water System Components - Health Effects standard. Certified Products will bear the NSF Mark on packing or documentation shipped with the product.

Calgon Carbon Corporation's activated carbon products are continuously being improved and changes may have taken place since this publication went to press. 2030-08/29/2013

FILTRASORB® 400

Granular Activated Carbon

FILTRASORB 400 activated carbon can be used in a variety of liquid phase applications for the removal of dissolved organic compounds. FILTRASORB 400 has been successfully applied for over 40 years in applications such as drinking and process water purification, wastewater treatment, and food, pharmaceutical, and industrial purification.

APPLICATIONS

- Municipal Drinking Water
- Industrial Wastewater
- Pond/Aquarium
- Pharmaceuticals
- Environmental Water Processing
- Water Reuse
- Surface Water
- Groundwater
- Food & Beverage
- Bottling & Brewing

DESCRIPTION

FILTRASORB 400 is a granular activated carbon (GAC) for the removal of dissolved organic compounds from water and wastewater as well as industrial and food processing streams. These contaminants include taste and odor compounds, organic color, total organic carbon (TOC), and industrial organic compounds such as TCE, PCE, and PFAS.

FILTRASORB 400 is made from select grades of bituminous coal through a process known as reagglomeration to produce a high activity, durable, granular product capable of withstanding the abrasion associated with repeated backwashing, hydraulic transport, and reactivation for reuse. The raw coal is mined and subsequently manufactured into GAC in the United States to ensure the highest quality and consistency in the finished product. Activation is carefully controlled to produce a significant volume of both low and high energy pores for effective adsorption of a broad range of high and low molecular weight organic contaminants.

FILTRASORB 400 is formulated to comply with all the applicable provisions of the AWWA Standard for Granular Activated Carbon (B604) and Food Chemicals Codex. FILTRASORB 400 is also certified to the requirements of NSF/ANSI 61 for use in municipal water treatment facilities. Only products bearing the NSF Mark are certified to the NSF/ANSI 61 - Drinking Water System Components - Health Effects standard. Certified Products will bear the NSF Mark on packaging or documentation shipped with the product.

Specifications	
Iodine Number, mg/g	1,000 (min)
Moisture by Weight	2% (max)
Effective Size	0.55–0.75 mm
Uniformity Coefficient	1.9 (max)
Abrasion Number	75 (min)
Screen Size by Weight, US Sieve Series	
On 12 mesh	5% (max)
Through 40 mesh	4% (max)

Typical Properties	
Apparent Density	0.57 g/cc
Water Extractables	<1%
Non-Wettables	<1%

FEATURES & BENEFITS

- Produced in the United States from a pulverized blend of high quality, domestically mined bituminous coals resulting in a consistent, high quality product.
- Carbon granules are uniformly activated through the whole granule, not just the outside, resulting in excellent adsorption properties and consistent adsorption kinetics.
- The reagglomerated structure ensures proper wetting and minimal floating material.
- High mechanical strength relative to other raw materials, thereby reducing the generation of fines during backwashing and hydraulic transport.
- Carbon bed segregation is retained after repeated backwashing, ensuring the adsorption profile remains unchanged and therefore maximizing the bed life.
- Reagglomerated with a high abrasion resistance, which provides excellent reactivation performance.
- High density carbon resulting in a greater adsorption capacity per unit volume.

pH stabilized product offerings available upon request.

SAFETY MESSAGE

Wet, activated carbon can deplete oxygen from air in enclosed spaces. If use in an enclosed space is required, procedures for work in an oxygen deficient environment should be followed.

BACKWASH AND CONDITIONING

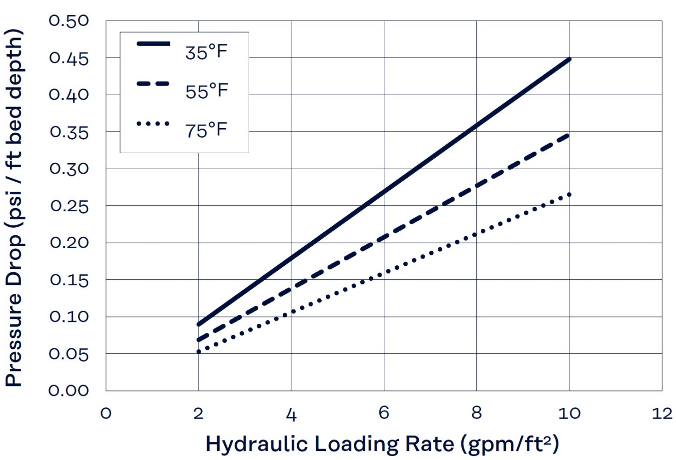
Prior to placing a recently filled granular activated carbon (GAC) vessel online, adequate media backwash and media conditioning are required. The following steps are intended to serve as guidelines to condition GAC media prior to placing the system in service. These steps may be able to be tailored to accommodate site specific constraints. For more information, please contact your Calgon Carbon sales or technical representative.

INITIAL BACKWASH

Following GAC media exchange, slowly fill the vessel with potable water in the up-flow direction until the vessel is full. Fill using flow rates that provide less than 5% bed expansion. Soak the new GAC media overnight (approx. 16 hours) to degas the media bed. Once the soaking period is complete, conduct a start-up backwash (up-flow operation) per the steps outlined below.

TYPICAL CLEAN-BED PRESSURE DROP

Based on a backwashed and segregated bed

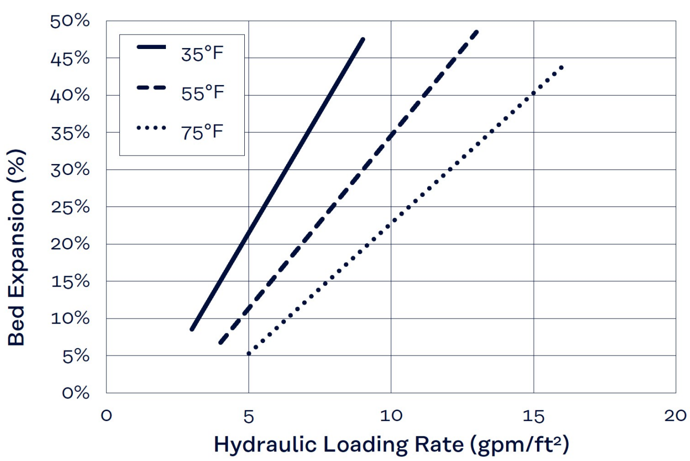


Startup Backwash
1. Flow @ 5% expansion for 2 minutes.
2. Flow @ 10% expansion for 2 minutes.
3. Flow @ 15% expansion for 2 minutes.
4. Flow @ 30% expansion for 30 minutes.
5. Flow @ 15% expansion for 2 minutes.
6. Flow @ 10% expansion for 2 minutes.
7. Flow @ 5% expansion for 2 minutes.

Refer to the bed expansion curve to determine the flowrates needed at each step. Please note, an identical backwash procedure is recommended when a media vessel is restarted after an extended shutdown or restarted after the bed has been drained.

TYPICAL BED EXPANSION DURING BACKWASH

Based on a backwashed and segregated bed



DESIGN CONSIDERATIONS

FILTRASORB 400 activated carbon is applied in down-flow operation and can be used in both pressure vessels and gravity filters. Design considerations for a treatment system is based on the user's operating conditions, the treatment objectives desired, and the chemical nature of the compound(s) being adsorbed. Reach out to your Technical Sales Representative for more information and to address your specific needs.

SAFETY MESSAGE

Wet, activated carbon can deplete oxygen from air in enclosed spaces. If use in an enclosed space is required, procedures for work in an oxygen deficient environment should be followed.

ACTIVATED CARBON FILTRASORB

Safety Data Sheet

Prepared according to Federal Register / Vol. 77, No. 58 / Monday, March 26, 2012 / Rules and Regulations
Issue date: 06/03/2024 Supersedes date: 10/20/2020 Version: 5.1

SECTION 1: Identification

1.1. Identification

Trade name	:	ACTIVATED CARBON FILTRASORB (For full list of product trade names and codes, see Section 16.)
Product form	:	Substance
CAS-No.	:	7440-44-0
Synonums	:	Activated carbon; Steam activated carbon (For full list of product synonyms, i.e., product names and codes, see Section 16.)

1.2. Recommended use and restrictions on use

Recommended use : Adsorbent

1.3. Supplier

Calgon Carbon Corporation
P.O. Box 717
Pittsburgh, PA 15230
412-787-6700

1.4. Emergency telephone number

Emergency number : CHEMTREC (24HRS): 1-800-424-9300

SECTION 2: Hazard(s) identification

2.1. Classification of the substance or mixture

GHS US classification

Combustible dust

Not classified as a simple asphyxiant. Product does not displace oxygen in the ambient atmosphere, but slowly adsorbs oxygen from a confined space when wet. Under conditions of anticipated and recommended use, product does not pose an asphyxiation hazard.

2.2. GHS Label elements, including precautionary statements

GHS US labeling

Signal word (GHS US)	:	Warning
Hazard statements (GHS US)	:	May form combustible dust concentrations in air.

2.3. Other hazards which do not result in classification

Other hazards not contributing to the classification: Wet activated carbon can deplete oxygen from air in enclosed spaces. If use in an enclosed space is required, procedures for work in an oxygen deficient environment should be followed.

2.4. Unknown acute toxicity (GHS US)

No data available

SECTION 3 : Composition/Information on ingredients

3.1. Substance(s)

Name	Product identifier	%
Activated carbon	CAS No.: 7440-44-0	75 – 100*
*This product is manufactured from a naturally occurring raw material and may contain up to 25% impurities. It has been specifically determined that the impurity content will not have any impact on the hazard classification of this product.		

3.2. Mixtures

Not applicable

SECTION 4: First-aid measures

4.1. Description of first aid measures

First-aid measures general : If exposed or concerned, get medical attention/advice. Show this safety data sheet to the doctor in attendance. Wash contaminated clothing before re-use. Never give anything to an unconscious person.
First-aid measures after inhalation : IF INHALED: Remove to fresh air and keep at rest in a comfortable position for breathing.
First-aid measures after skin contact : IF ON SKIN (or clothing): Remove affected clothing and wash all exposed skin with water for at least 15 minutes.
First-aid measures after eye contact : IF IN EYES: Immediately flush with plenty of water for at least 15 minutes. Remove contact lenses if present and easy to do so. Continue rinsing.
First-aid measures after ingestion : IF SWALLOWED: Rinse mouth thoroughly. Do not induce vomiting without advice from poison control center or medical professional. Get medical attention if you feel unwell.

4.2. Most important symptoms and effects (acute and delayed)

Symptoms/effects after inhalation : Not expected to present a significant hazard under anticipated conditions of normal use. Dust may cause irritation to the respiratory system.
Symptoms/effects after skin contact : Dust may cause irritation.
Symptoms/effects after eye contact : Dust may cause irritation and redness.
Symptoms/effects after ingestion : Not expected to present a significant hazard under anticipated conditions of normal use.

4.3. Immediate medical attention and special treatment, if necessary

No additional information available.

SECTION 5: Fire-fighting measures

5.1. Suitable (and unsuitable) extinguishing media

Suitable extinguishing media : Water spray. Carbon dioxide. Dry chemical. Foam. Sand.
Unsuitable extinguishing media : None known.

5.2. Specific hazards arising from the chemical

Fire hazard : Dust may be combustible under specific conditions. May be ignited by heat, sparks, or flames.
Explosion hazard : Dust may form explosive mixture in air.
Reactivity in case of fire : No dangerous reactions known under normal conditions of use. Carbon oxides may be emitted upon combustion of material.

5.3. Special protective equipment and precautions for fire-fighters

Firefighting instructions : Wear NIOSH-approved self-contained breathing apparatus suitable for the surrounding fire. Use water spray or fog for cooling exposed containers. Evacuate area.

SECTION 6: Accidental release measures

6.1. Personal precautions, protective equipment and emergency procedures

General measures : Evacuate area. Keep upwind. Ventilate area. Spill should be handled by trained clean-up crews properly equipped with respiratory equipment and full chemical protective gear (see Section 8).

6.1.1. For non-emergency personnel

No additional information available.

6.1.2. For emergency responders

No additional information available.

6.2. Environmental precautions

Prevent entry to sewers and public waters. Avoid release to the environment. Product is not soluble but can cause particulate emission if discharged into waterways. Dike all entrances to sewers and drains to avoid introducing material to waterways. Notify authorities if product enters sewers or public waters.

6.3. Methods and material for containment and cleaning up

For containment : Sweep or shovel spills into appropriate container for disposal. Minimize generation of dust.

Methods for cleaning up : Sweep or shovel spills into appropriate container for disposal. Minimize generation of dust. Dispose of material in compliance with local, state, and federal regulations.

6.4. Reference to other sections

No additional information available.

SECTION 7: Handling and storage

7.1. Precautions for safe handling

Precautions for safe handling : Avoid dust formation. Avoid contact with skin, eyes, and clothing. Do not handle until all safety precautions have been read and understood. Wash hands and other exposed areas with mild soap and water before eating, drinking, or smoking and when leaving work. Keep away from sources of ignition - No smoking.

7.2. Conditions for safe storage, including any incompatibilities

Storage conditions : Keep container tightly closed in a cool, dry, and well-ventilated place. Keep away from ignition sources.

SECTION 8 : Exposure controls/personal protection

8.1. Control parameters

Activated carbon (7440-44-0)*	
OSHA PEL (TWA) (mg/m³)	≤ 5 (Respirable Fraction) ≤ 15 (Total Dust)

*Exposure limits are for inert or nuisance dust. No specific exposure limits have been established for this activated carbon product by OSHA or ACGIH.

8.2. Appropriate engineering controls

Appropriate engineering controls	:	Provide adequate general and local exhaust ventilation. Use process enclosures, local exhaust ventilation, or other engineering controls to control airborne levels below recommended exposure limits. Use explosion-proof equipment with flammable materials. Ensure adequate ventilation, especially in confined areas. Wet activated carbon can deplete oxygen from air in enclosed spaces. If use in an enclosed space is required, procedures for work in an oxygen deficient environment should be followed.

8.3. Individual protection measures/Personal protective equipment

Hand protection:
Gloves should be classified under Standard EN 374 or ASTM F1296. Suggested glove materials are: Neoprene, Nitrile/butadiene rubber, Polyethylene, Ethyl vinyl alcohol laminate, PVC or vinyl. Suitable gloves for this specific application can be recommended by the glove supplier.

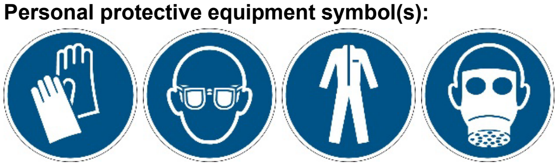
Eye protection:
Use eye protection suitable to the environment. Avoid direct contact with eyes.

Skin and Body protection:
Wear long sleeves, and chemically impervious PPE/coveralls to minimize bodily exposure.

Respiratory protection:
Use NIOSH-approved dust/particulate respirator. Where vapor, mist, or dust exceed PELs or other applicable OELs, use NIOSH-approved respiratory protective equipment.

Personal protective equipment : Gloves. Safety glasses. Protective clothing. Under insufficient ventilation conditions wear respiratory protection.

Personal protective equipment symbol(s):



SECTION 9: Physical and chemical properties

9.1. Information on basic physical and chemical properties

Physical state	:	Solid
Appearance	:	Granular, powder, or pelletized substance
Color	:	Black
Odor	:	Odorless
Odor threshold	:	No data available
pH	:	No data available
Relative evaporation rate (butylacetate=1)	:	Not applicable
Melting point	:	Not applicable
Freezing point	:	Not applicable
Boiling point	:	Not applicable
Flash point	:	No data available
Auto-ignition temperature	:	> 350 °C
Decomposition temperature	:	No data available
Flammability (solid, gas)	:	> 350 °C
Vapor pressure	:	Not applicable
Relative vapor density at 20 °C	:	Not applicable
Apparent density	:	0.3 - 0.75 g/cc

Solubility	:	Insoluble
Log Pow	:	Not applicable
Log Kow	:	Not applicable
Viscosity, kinematic	:	Not applicable
Viscosity, dynamic	:	Not applicable
Explosive properties	:	No data available
Oxidising properties	:	No data available
Explosive limits	:	No data available

9.2. Other information

No additional information available.

SECTION 10: Stability and reactivity

10.1. Reactivity

No dangerous reactions known under normal conditions of use.

10.2. Chemical stability

Stable under use and storage conditions as recommended in section 7.

10.3. Possibility of hazardous reactions

None known.

10.4. Conditions to avoid

Avoid dust formation. Heat. Ignition sources. Exposure to high concentrations of organic compounds may cause bed temperature to rise.

10.5. Incompatible materials

Alkali metals. Strong oxidizing agents.

10.6. Hazardous decomposition products

Carbon monoxide (CO), Carbon dioxide (CO_2)

SECTION 11 : Toxicological information

11.1. Information on toxicological effects

Acute toxicity (oral) : Not classified

Activated carbon (7440-44-0)	
LD_{50} oral rat	> 2000 mg/kg

Skin corrosion/irritation	:	Not classified
Serious eye damage/irritation	:	Not classified
Respiratory or skin sensitization	:	Not classified
Germ cell mutagenicity	:	Not classified
Carcinogenicity	:	Not classified

Silica: crystalline, quartz (14808-60-7)	
IARC group	1 – Carcinogenic to humans
The International Agency for Research on Cancer (IARC) has classified "silica dust, crystalline, in the form of quartz or cristobalite" as carcinogenic to humans (group 1). However these warnings refer to crystalline silica dusts and do not apply to solid activated carbon containing crystalline silica as a naturally occuring, bound impurity. As such, we have not classified this product as a carcinogen in accordance with the US OSHA Hazard Communication Standard (29 CFR §1910.1200) but recommmend that users avoid inhalation of product in a dust form.	

Reproductive toxicity	:	Not classified
STOT-single exposure	:	Not classified

STOT-repeated exposure	: Not classified
Aspiration hazard	: Not classified
Symptoms/injuries after inhalation	: Not expected to present a significant hazard under anticipated conditions of normal use.
Symptoms/injuries after skin contact	: Dust may cause irritation of the skin.
Symptoms/injuries after eye contact	: Dust may cause irritation and redness.
Symptoms/injuries after ingestion	: Not expected to present a significant hazard under anticipated conditions of normal use.

SECTION 12: Ecological information

12.1. Toxicity

No additional information available.

12.2. Persistence and degradability

No additional information available.

12.3. Bioaccumulative potential

No additional information available.

12.4. Mobility in soil

No additional information available.

12.5. Other adverse effects

No additional information available.

SECTION 13: Disposal considerations

13.1. Waste treatment methods

Waste treatment and disposal methods	: Vacuum or shovel material into a closed container. Dispose in a safe manner in accordance with local, state, or federal regulations. Do not allow the product to be released into the environment.
Additional information	: Activated carbon is an adsorbent media; hazard classification is generally determined by the adsorbate. Consult U.S. EPA guidelines listed in 40 CFR 261.3 for more information on hazardous waste disposal.

SECTION 14: Transport information

14.1. In accordance with DOT

Not classified as hazardous for domestic land transport.

UN-No. (DOT)	: None on finished product
DOT NA No.	: None on finished product
Proper Shipping Name (DOT)	: Not regulated
Department of Transportation (DOT) Hazard Classes	: None on finished product
Hazard labels (DOT)	: None on finished product
Packing group (DOT)	: None on finished product
DOT Quantity Limitations Passenger aircraft/rail(49 CFR 173.27)	: None on finished product

14.2. Transport by sea

Not classified as hazardous for water transport. Per Special Provision 925 of the IMDG Code, steam-activated carbon products are exempt from classification as UN 1362 – CARBON ACTIVATED and is thus **not** considered a dangerous good for transportation.

IMO/IMDG
UN/NA Identification Number : None on finished product
UN-Proper Shipping Name : Not regulated
Transport Hazard Class : None on finished product

14.3. Air transport

Not classified as hazardous for air transport

ICAO/IATA
UN/NA No. : None on finished product
UN-Proper Shipping Name : Not regulated
Transport Hazard Class : None on finished product
Packing Group : None on finished product
Marine Pollutant : None on finished product

14.4. Additional information

Other information : When tested according to the United Nations Transportation of Dangerous Goods, *"Manual of Tests and Criteria, Part III, Test N.4 - Test Method for Self-Heating Substances"* it has been specifically determined that non-impregnated steam activated carbon products do not have self-heating properties and are therefore exempt from classification as UN 1362- CARBON ACTIVATED. (See Special Provision 925 of the IMDG and A3 of IATA.) This information is applicable to the steam activated carbon product(s)identified under Section 16 of this document.

SECTION 15: Regulatory information

15.1. US Federal regulations

ACTIVATED CARBON FILTRASORB	
All chemical substances in this product are listed as "Active" in the EPA (Environmental Protection Agency) "TSCA Inventory Notification (Active-Inactive) Requirements Rule" ("the Final Rule") as of February 2019, or are otherwise exempt.	
SARA Section 311/312 Hazard Classes	Physical hazard - Combustible dust

Cobalt (7440-48-4)*	
Listed on the United States TSCA (Toxic Substances Control Act) inventory Listed on United States SARA Section 313	
SARA Section 313 - Emission Reporting	0.1 %

*Present below de minimis levels

15.2. International regulations

No additional information available.

15.3. US State regulations

California Proposition 65

An exposure assessment conducted in October 2023 determined the contaminants of Proposition 65 concern are below the estimated Safe Harbor Levels. A Proposition 65 warning label is not required for product(s) listed under Section 16 of this SDS.

Component	State or local regulations
Aluminum oxide (1344-28-1)	U.S. - New Jersey - Right to Know Hazardous Substance List U.S. - Massachusetts - Right to Know List U.S. - Pennsylvania - RTK (Right to Know) - Environmental Hazard List

Component	State or local regulations
Calcium sulfate (7778-18-9)	U.S. - New Jersey - Right to Know Hazardous Substance List U.S. - Pennsylvania - RTK (Right to Know) List U.S. - Massachusetts - Right to Know List
Silica: crystalline, quartz (14808-60-7)	U.S. - New Jersey - Right to Know Hazardous Substance List U.S. - Pennsylvania - RTK (Right to Know) List U.S. - Massachusetts - Right to Know List
Titanium dioxide (13463-67-7)	U.S. - New Jersey - Right to Know Hazardous Substance List U.S. - Pennsylvania - RTK (Right to Know) List U.S. - Massachusetts - Right to Know List
Cobalt (7440-48-4)	U.S. - New Jersey - Right to Know Hazardous Substance List U.S. - Pennsylvania - RTK (Right to Know) List U.S. - Pennsylvania - RTK (Right to Know) - Environmental Hazard List U.S. - Massachusetts - Right to Know List

SECTION 16: Other information

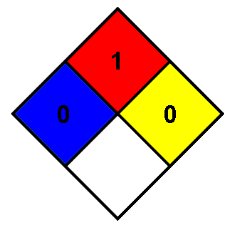
Prepared according to Federal Register / Vol. 77, No. 58 / Monday, March 26, 2012 / Rules and Regulations

Issue date : 06/03/2024

NFPA health hazard : 0 - Exposure under fire conditions would offer no hazard beyond that of ordinary combustible materials.

NFPA fire hazard : 1 - Must be preheated before ignition can occur.

NFPA reactivity : 0 - Normally stable, even under fire exposure conditions, and are not reactive with water.



HMIS III Rating

Health : 0

Flammability : 1

Physical : 0

Personal Protection :

This information is based on our current knowledge and is intended to describe the product for the purposes of health, safety, and environmental requirements only. It should not therefore be construed as guaranteeing any specific property of the product. The information is this document applies to this specific material as supplied. It may not be valid if product is used in combination with other materials. It is the user's responsibility to determine the suitability and completeness of this information for their particular use. While the information and recommendations set forth herein are believed to be accurate as of the date hereof, Calgon Carbon Corporation makes no warranty with respect to the same and disclaims all liability for reliance thereon.

List of Product Trade/Synonyms Names

(Product Codes are located in paratheses after each product name)

- F400 OSD (18801)
- FILTRASORB 100 (11940)
- FILTRASORB 100 (13131)
- FILTRASORB 100 D (15610)
- FILTRASORB 100 PH (11942)
- FILTRASORB 200 (11950)
- FILTRASORB 200 (13132)
- FILTRASORB 200 AR HWF (11948)
- FILTRASORB 200 AWD CCR 12X40 (11939)
- FILTRASORB 200 AWD CCR 12X40 PH (11929)
- FILTRASORB 200 AWD LF 12X40 (11955)
- FILTRASORB 200 AWD LF PH (11968)
- FILTRASORB 200 D (15620)
- FILTRASORB 200 E (11961)
- FILTRASORB 200 E PH (13615)
- FILTRASORB 200 GLY (11965)
- FILTRASORB 200 I (12021)
- FILTRASORB 200 M (11951)
- FILTRASORB 200 PH (11931)
- FILTRASORB 200-CD (15615)
- FILTRASORB 200-CD PH (15616)
- FILTRASORB 200D CC (15623)
- FILTRASORB 300 (11975)
- FILTRASORB 300 AR (11978)
- FILTRASORB 300 BBT (12001)
- FILTRASORB 300 CA GLY (11995)
- FILTRASORB 300 CCG (11969)
- FILTRASORB 300 [CD] I (25020)
- FILTRASORB 300 CSB (12004)
- FILTRASORB 300 CSC (12014)
- FILTRASORB 300 D (15630)
- FILTRASORB 300 D SK (19782)
- FILTRASORB 300 E (11958)
- FILTRASORB 300 E CSA (13014)
- FILTRASORB 300 E PH (11957)
- FILTRASORB 300 EN (13674)
- FILTRASORB 300 GLY 8X30 (12000)
- FILTRASORB 300 I (12023)
- FILTRASORB 300 M (11974)
- FILTRASORB 300 M PH (11971)
- FILTRASORB 300 NB (11959)
- FILTRASORB 300 PH (12010)
- FILTRASORB 300 WW LF (12007)

- FILTRASORB 300-CD (15315)
- FILTRASORB 300-CD HA (15322)
- FILTRASORB 300-CD NB (15320)
- FILTRASORB 300-CD NB HA (15321)
- FILTRASORB 300-CD PH (15316)
- FILTRASORB 300D 80I (15625)
- FILTRASORB 300D AW (13984)
- FILTRASORB 300D AW AO (19071)
- FILTRASORB 300D AW HA (13986)
- FILTRASORB 300D CC (ASIA) (19766)
- FILTRASORB 300D CC CM (15626)
- FILTRASORB 300D CC RO (19856)
- FILTRASORB 300D LSI R (15497)
- FILTRASORB 300D CCR (19852)
- FILTRASORB 300D PLUS (19752)
- FILTRASORB 300DR I (15495)
- FILTRASORB 300DR I (BH) (19804)
- FILTRASORB 300DR I (CR) (19821)
- FILTRASORB 300DR I (LG) (19779)
- FILTRASORB 300DR I (SW) (19820)
- FILTRASORB 400 (12030)
- FILTRASORB 400 (13134)
- FILTRASORB 400 50X200 (13591)
- FILTRASORB 400 AR (12036)
- FILTRASORB 400 AR PH (13523)
- FILTRASORB 400 AR+ (13543)
- FILTRASORB 400 AR+ 12X40 (13586)
- FILTRASORB 400 AR+ I (13791)
- FILTRASORB 400 AR+ NB (13619)
- FILTRASORB 400 AR+ PH (13711)
- FILTRASORB 400 AW 12X40 (13562)
- FILTRASORB 400 AW 12X40 PH (13929)
- FILTRASORB 400 C (12040)
- FILTRASORB 400 C PH (12043)
- FILTRASORB 400 CSA (15655)
- FILTRASORB 400 CSA PH (15656)
- FILTRASORB 400 D (QB) (19756)
- FILTRASORB 400 E (12038)
- FILTRASORB 400 E PH (12039)
- FILTRASORB 400 EN (13676)
- FILTRASORB 400 GLY (12055)
- FILTRASORB 400 HS (11993)
- FILTRASORB 400 HWF 80X325 (13621)
- FILTRASORB 400 I (12028)
- FILTRASORB 400 J (12051)
- FILTRASORB 400 K (13853)
- FILTRASORB 400 M (12031)

- FILTRASORB 400 M HHI (13633)
- FILTRASORB 400 M PH (13807)
- FILTRASORB 400 M4 (11367)
- FILTRASORB 400 M6 (12002)
- FILTRASORB 400 OS (12085)
- FILTRASORB 400 OS PH (11368)
- FILTRASORB 400 OSH (12026)
- FILTRASORB 400 PH (12090)
- FILTRASORB 400 PNY (12053)
- FILTRASORB 400 SF (12105)
- FILTRASORB 400 SS (11285)
- FILTRASORB 400-B (12041)
- FILTRASORB 400-CD (15645)
- FILTRASORB 400-CD PH (15646)
- FILTRASORB 400D AW (15644)
- FILTRASORB 400D AW QB (19858)
- FILTRASORB 400D CC (ASIA) (19767)
- FILTRASORB 400D CC CM (15627)
- FILTRASORB 400D CC RO (19857)
- FILTRASORB 400D CCR (19851)
- FILTRASORB 400D TP (15643)
- FILTRASORB 400DR I (15647)
- FILTRASORB 600 (12127)
- FILTRASORB 600 20X50 (12113)
- FILTRASORB 600 AR+ (13667)
- FILTRASORB 600 AR+ 12X40 (12124)
- FILTRASORB 600 AR+ 50X200 (13571)
- FILTRASORB 600 AR+ 80X325 (13572)
- FILTRASORB 600 AR+ PH (12228)
- FILTRASORB 600 AW 12X40 (12119)
- FILTRASORB 600 AW 12X40 PH (12155)
- FILTRASORB 600 PH (12126)
- FILTRASORB 816 (12130)
- FILTRASORB 816 AB (12139)
- FILTRASORB 816 [CD] (15324)
- FILTRASORB 816 D (15554)
- FILTRASORB 816 E (12248)
- FILTRASORB 816 E PH (12246)
- FILTRASORB 816 FINES (12062)
- FILTRASORB 816 M (12131)
- FILTRASORB 816 MU (12081)
- FILTRASORB 816 PH (13774)
- FILTRASORB 816 TRACY (11926)
- FILTRASORB 820 (12135)
- FILTRASORB 820 AR+ (13726)
- FILTRASORB 820D CCK (15570)
- FILTRASORB 820 M (12136)

- FILTRASORB 820 PH (13557)
- FILTRASORB 830 AR+ (13764)
- FILTRASORB 830 MU (12089)
- FILTRASORB 830M (11983)
- FILTRASORB 840 D (19827)
- FILTRASORB DW 12X40 (11011)
- FILTRASORB GS (11943)
- FILTRASORB SENTRY 8X16 (13574)
- FILTRASORB SENTRY 8X20 (13576)
- FILTRASORB SENTRY 8X30 (13573)
- FILTRASORB SENTRY AR N (13594)
- FILTRASORB SENTRY N (13596)
- FILTRASORB TL 820 CW (13112)
- FILTRASORB TL830 CSA PH (15683)
- FILTRASORB TL830 E (13115)
- FILTRASORB TL830 E PH (13118)
- FILTRASORB TL830-CD (15680)
- FILTRASORB TL830-CD PH (15681)
- FILTRASORB® 400 POU+ 80X325 (13926)
- FILTRASORB® 400 POU+ 8X40 (13969)
- FILTRASORB® 816 CMBG (13835)
- FILTRASORB™ 300 CA (13913)

SUBMITTAL

3

ISO and NSF Certifications

NSF

The NSF (formerly the National Sanitation Foundation) is an international, non-profit organization that is dedicated to public health safety and the protection of the environment by developing performance standards for a broad range of products, especially for drinking water applications. NSF maintains a toxic leachate certification process for materials which come into contact with drinking water. Certain CCC products are certified to meet the NSF 42 and 61 standards. Go to NSF.org for a complete product listing for Calgon Carbon Corporation.

MANAGEMENT SYSTEM CERTIFICATE

Certificate no.:	Initial certification date:	Valid:
C738461	09 June, 2025	25 June, 2025 – 08 June, 2028

This is to certify that the management system of

Calgon Carbon Corporate

3000 GSK Drive, Moon Township, PA, 15108-1381, USA

and the sites as mentioned in the appendix accompanying this certificate

has been found to conform to the Quality Management System standard:

ISO 9001:2015

This certificate is valid for the following scope:

Manufacture, reactivation, and packaging of activated carbon products.

Place and date:
Katy, TX, 25 June, 2025

For the issuing office:
DNV - Business Assurance
1400 Ravello Drive, Katy, TX, 77449-5164, USA

Sherif Mekkawy
Management Representative

Certificate no.: C738461
Place and date: Katy, TX, 25 June, 2025

Appendix to Certificate

Calgon Carbon Corporate

Locations included in the certification are as follows:

Site Name	**Site Address**	**Site Scope**
Calgon Carbon Corporation	4301 Neville Road, Pittsburgh, PA, 15225-1620, USA	Warehouse Operations
Calgon Carbon Corporation	15024 US 23, Catlettsburg, KY, 41129-8088, USA	Manufacture, reactivation, and packaging of activated carbon products.
Calgon Carbon Corporation	835 North Cassady Avenue, Columbus, OH, 43219-2203, USA	Manufacture, reactivation, and packaging of activated carbon products.
Calgon Carbon Corporation	520 South Butterfield Trail, Gila Bend, AZ, 85337-3012, USA	Reactivation and packaging of activated carbon products.
Calgon Carbon Corporation	200 Neville Road, Pittsburgh, PA, 15225-1620, USA	Manufacture, reactivation, and packaging of activated carbon products.
Calgon Carbon Corporation	830 River Road, North Tonawanda, NY, 14120-6557, USA	Reactivation and packaging of activated carbon products.
Calgon Carbon Corporation	415 Bryant Street, North Tonawanda, NY, 14120-6557, USA	Warehouse Operations
Calgon Carbon Corporation	576 Niagara Parkway, North Tonawanda, NY, 14120-6557, USA	Warehouse Operations
Calgon Carbon Corporation	13121 Webre Road, Bay St. Louis, MS, 39520-9699, USA	Manufacture and packaging of activated carbon products.
Calgon Carbon Corporate	3000 GSK Drive, Moon Township, PA, 15108-1381, USA	Management, Quality Management, QMS Oversight, Training & Competency Management, Supplier Quality Management

SUBMITTAL

4

Customer References

FILTRASORB REFERENCES

NAME	CITY	STATE	ADDRESS	CONTACT	NUMBER	LBS
Emerald Coast Utilities	Penascola	FL	9255 Strudevant St	Bobby Rogers	850-969-6626	100,000
Vaughn Water	Bakersfield	CA	10014 Glenn St	Denny Armstrong	661-330-3615	20,000
Sunnyslope	Hollister	CA	3570 Airline Highway	Jim Flice	831-637-4670	45,000
City of Fresno	Fresno	CA	2600 Fresno St	Bob Little	559-621-5355	20,000
City of Lodi	Lodi	CA	1331 South Ham Ln	Lance Roberts	209-333-6800	150,000
Lynn Water & Sewer Commission	Lynn	MA	390 Parkland Ave	Rick Dawe	781-595-5491	270,000
West View Water	Pittsburgh	PA	210 Perry Hwy	Scott McNicol	412-931-3292	1,400,000
Village of Sikes	Sikes	LA	200 Hwy 499N	Brian Owens	318-376-5176	20,000
Acton Water District	Acton	MA	693 Massachusetts Ave	Chris Allen	978-263-9107	40,000
Artesian Water Co	Newark	DE	664 Churchmans Rd	Rob Penman	302-453-6996	200,000
Haverhill Water	Haverhill	MA	131 Amesbury Rd	John D'Aoust	978-374-2385	350,000
Town of Billerica	Billerica	MA	365 Boston Rd	Jerry Garabedin	978-671-0957	54,000

SUBMITTAL

5

Carbon Exchange Procedures

CARBON EXCHANGE PROCEDURES

**These procedures are general in scope and may differ due to differences in scope for each customer and location.*

A carbon exchange consists of the removal of spent carbon from a filter and the installation of fresh carbon into the filter. The following procedures can also be used for initial carbon fills.

All spent carbon removals are completed hydraulically using the eduction method from the filter into an open dump truck.

The carbon installation can be completed from bulk truck deliveries or from 1,000-pound super sack deliveries. The eduction method can be used for installation from bulk trucks and from super sacks. A crane can be used to dump the carbon from the super sacks directly into the filter, allowing the filter to be filled when high-pressure water is not available.

The following section lists requirements for accomplishing a carbon exchange. The responsible party is noted after each item, either "customer" or Calgon Carbon "CCC". The designation of responsibility is for a typical project but can vary based on the specifications of the project.

1. PROJECT REQUIREMENTS

   For removal of spent carbon or installation of fresh carbon using the eduction method the following is required:

   1. Utilities
      a. A water source of at least 90 to 100 psi at 200 gpm. The supplied water source comes from the closest fire hydrant or a line, which is near a pump (i.e., a surface sweep pump). (Customer)
      b. A 2-1/2" fire hose reduced to 2" FNPT to connect to the eductor supplied by Calgon Carbon. The connection at the eductor is carbon removal and at the trailer for carbon installation. (CCC)
      c. A 3/4" garden hose at the filter for rinsing off the waders used by the labor force for carbon removal and at the trailer to insert in the hopper during carbon installation. (CCC)
      d. A drain to handle the disposal of water used in removing the spent carbon. The drain capacity should be equal to or greater than the water supplied for the carbon removal. (Customer)

2. Manpower
    a. A plant operator to open or close plant water valves. (Customer)
    b. Two (2) or three (3) laborers depending on the extent of work required. (Customer or CCC)
    c. Supervision of installation. (CCC)

3. Miscellaneous
    a. For installation or removal using a bulk trailer, an area large enough to stage one (1) or two (2) trailers is required. The approximate dimensions of a trailer are 51' long x 8"5" wide x 11'6" high. (Customer)
    b. Sufficient storage for the super sacks upon arrival. The recommended storage area is an enclosed building. If this is not available and the carbon is stored outside for an extended period of time, the super sacks should be covered with tarpaulins or plastic and kept away from areas which have inadequate drainage to prevent submersion of any carbon in free-standing water. (Customer)
    c. The necessary equipment (crane and/or forklift) and manpower to receive and stage the carbon in super sacks prior to loading the filters. The carbon can be hydraulically or dry installed. The super sacks weigh 1,000 pounds each, have an 18" discharge chute, and are stacked two (2) high with a pallet under the bottom super sack. (Customer)
    d. The disposal of all super sacks and pallets. (Customer)
    e. All transfer equipment, which includes a hopper, and eductor, a suction hose with wand, a F/F coupler, carbon slurry hoses, and a trough. (CCC)
    f. Transportation for spent carbon return and virgin carbon delivery. (CCC)
    g. Removal/installation sign-off certificates, which require a signature from the site contact and the Calgon Carbon Supervisor. (CCC)
    h. Backwash rate curves to correspond with the product, which is installed. (CCC)

2. PRELIMINARY REQUIREMENTS

Customer should contact their Calgon Carbon Technical Sales Representative ten (10) working days prior to the date they plan to begin the exchange or installation. Subsequent to this notification, Calgon Carbon operations supervisor will work with the customer to reconfirm the start date and determine the equipment required to do the exchange.

3. SPENT REMOVAL - EDUCTION TO BULK TRAILER

a. Prior to spent carbon removal from the filter, the customer must isolate the filter from the treatment mode, complete a backwash, and lower the water level just below the top of the carbon bed so freeboard measurements can be taken.
b. While the filter is being backwashed, Calgon Carbon's supervisor will direct the connection of hoses, eductor and water supply.
c. Take free board measurements, then add water to the filter to a level of 12" to 24" of water above the carbon.
d. The driver prepares his truck to receive the spent carbon by installing a transfer hose to the front of the dump bed and a carbon retention screen on the chute and hooking up a drainage bib to the tailgate (if required) to catch all the water and direct it to a designated drain.
e. The suction hose with a wand is used for removing spent carbon. During carbon removal the operator will be required to add water into the filter to maintain a water level.
f. When it is determined that all the carbon has been removed, backwash the filter for a short amount of time, then take measurements of bed depth to determine if additional material should be removed.
g. When the removal is complete, free board measurements are again taken. Water is added to the filter to a level of 12" to 24" above the sand.

4. CARBON FILL - EDUCTION FROM A BULK TRAILER

a. The virgin carbon trailer is positioned and set up with Calgon Carbon equipment to educt the carbon into the empty filter. Calgon Carbon Corporation Safe Job Procedure OP-5 (attached) will be used to transfer carbon with an aluminum hopper.

b. After the proper carbon level has been installed, the filter should sit overnight in a flooded state and then be backwashed prior to going on line.

   If the filter must go into service immediately, a backwash must be completed. The backwash should begin at a low flow rate and be increased gradually to complete the backwash. A backwash removes any entrapped air or carbon fines, and segregates the carbon bed. The rates are determined by water temperature and are found on product bulletins supplied by Calgon Carbon Corporation.

c. Final freeboard measurements are taken after the backwash has been completed to verify that the proper amount of carbon has been installed.

d. All measurements are recorded on Calgon Carbon's removal/installation certificates and are to be signed by the customer as well as the Calgon Carbon Supervisor upon completion of each filter.

e. The procedure is repeated for each filter to be exchanged.

f. After the total job is complete, all equipment must be returned to Calgon Carbon Corporation, and the work area cleaned up before leaving the site.

5. CARBON FILL - EDUCTION FROM SUPERSACKS

This method is similar to the method described in part D except as follows:

a. Use the free-standing hopper instead of the truck mounted hopper.
b. A crane or fork truck is necessary to bring super sacks from the storage area to the hopper.

6. CARBON FILL USING CRANE AND SUPERSACKS

1. The carbon will be furnished in 1,000-pound super sacks. The super sacks have an 18" discharge chute, and are stacked two (2) high with a pallet under the bottom super sack.
2. Sufficient storage for the super sacks shall be provided. The recommended storage area is an enclosed building. If this is not available and the carbon is stored outside for an extended period of time, the super sacks should be covered with tarpaulins or plastic and kept way from the areas which have inadequate drainage to prevent submersion of any carbon in free-standing water.
3. Add 12" to 24" of water to the filter.
4. A crane can be used to dump the carbon from the super sacks directly into the filter. Continue to add water to keep the carbon submerged.
5. After the proper carbon level has been installed, the filter should sit overnight in a flooded state and then be backwashed prior to going on line.
6. If the filter must go into service immediately, a backwash must be completed. The backwash should begin at a low flow rate and be increased gradually to complete the backwash. A backwash removes any entrapped air or carbon fines and segregates the carbon bed. The rates are determined by water temperature and are found on product bulletins supplied by Calgon Carbon Corporation.
7. Final freeboard measurements are taken after the backwash has been completed to verify that the proper amount of carbon has been installed.
8. All measurements are recorded on Calgon Carbon's removal/installation certificates and are to be signed by the customer as well as the Calgon Carbon Supervisor upon completion of each filter.
9. This procedure is repeated for each filter to be exchanged.
10. After the total job is complete, all equipment must be returned to Calgon Carbon Corporation, and the work area cleaned up before leaving the site.

SUBMITTAL

6

Evidence of Insurance

CERTIFICATE OF LIABILITY INSURANCE

ACORD®

6/1/2027

DATE (MM/DD/YYYY): 5/28/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Lockton Companies, LLC
DBA Lockton Insurance Brokers, LLC in CA
CA license #0F15767
Three City Place Dr., Ste. 900
St. Louis MO 63141-7081
(314) 432-0500 midwestcertificates@lockton.com

CONTACT NAME:
PHONE (A/C, No, Ext):
FAX (A/C, No):
E-MAIL ADDRESS:

INSURED 1450884
Calgon Carbon Corporation
3000 GSK Drive
Moon Township PA 15108

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Zurich American Insurance Company	16535
INSURER B : Berkley Assurance Company	39462
INSURER C : American Guarantee and Liab. Ins. Co.	26247
INSURER D : Interstate Fire & Casualty Company	22829
INSURER E : American Zurich Insurance Company	40142
INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** 16591512 **REVISION NUMBER:** XXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY; CLAIMS-MADE; X OCCUR; GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY; PRO-JECT; LOC; OTHER:	N	N	GLO 0111179 09	6/1/2026	6/1/2027	EACH OCCURRENCE	$ 2,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 1,000,000
							MED EXP (Any one person)	$ XXXXXXX
							PERSONAL & ADV INJURY	$ 2,000,000
							GENERAL AGGREGATE	$ 10,000,000
							PRODUCTS - COMP/OP AGG	$ 4,000,000
								$
A	AUTOMOBILE LIABILITY; X ANY AUTO; OWNED AUTOS ONLY; SCHEDULED AUTOS; X HIRED AUTOS ONLY; X NON-OWNED AUTOS ONLY	N	N	BAP 0111180 09	6/1/2026	6/1/2027	COMBINED SINGLE LIMIT (Ea accident)	$ 2,000,000
							BODILY INJURY (Per person)	$ XXXXXXX
							BODILY INJURY (Per accident)	$ XXXXXXX
							PROPERTY DAMAGE (Per accident)	$ XXXXXXX
								$ XXXXXXX
C	X UMBRELLA LIAB; X OCCUR; EXCESS LIAB; CLAIMS-MADE; DED; RETENTION $	N	N	AUC 3275984-06	6/1/2026	6/1/2027	EACH OCCURRENCE	$ 10,000,000
							AGGREGATE	$ 10,000,000
								$ XXXXXXX
E A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N; ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N; (Mandatory in NH); If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	N	WC 0111177 09 (Ded) WC 0111178 09 (Retro)	6/1/2026 6/1/2026	6/1/2027 6/1/2027	X PER STATUTE; OTH-ER	
							E.L. EACH ACCIDENT	$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000
B D	Professional Liability Pollution Legal Liability	N	N	PCAB-5028037-0625 USL03070824	6/1/2026 6/1/2024	6/1/2027 6/1/2027	$5,000,000 per claim/aggregate $10,000,000 per incident/$15,000,000 agg	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Evidence of Coverage.

CERTIFICATE HOLDER

16591512
Calgon Carbon Corporation
3000 GSK Drive
Moon Township PA 15108

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

SUBMITTAL

7

Contact Information

CONTACT US:

1-800-4-CARBON (1-800-422-7266)

DRINKINGWATER.CCC@KURARAY.COM

WWW.CALGONCARBON.COM

CALGON CARBON CORPORATION
3000 GSK DRIVE
MOON TOWNSHIP, PA 15108

STAFF*Report*

Date: July 27, 2026

To: Honorable Board of Directors

Subject: PVOU Treatment Systems SOP Development Project – Change Request No. 1

Purpose: *Authorize a budget amendment for Kennedy Jenks associated with additional effort required for completion of the PVOU Intermediate Zone and Shallow Zone Treatment Systems Standard Operating Procedure (SOP) Development Project.*

Recommendation: *Authorize the General Manager to execute Change Request No. 1 with Kennedy Jenks in the amount of $43,638 and take all actions necessary to complete the project.*

Fiscal Impact: *The proposed budget augmentation is $43,638. The original project budget was $382,295, resulting in a revised total authorization of $425,933. Funding for this work will be incorporated into PVOU project appropriations and is considered a PVOU-related expense.*

BACKGROUND

Kennedy Jenks was retained by the District to develop Standard Operating Procedures (SOPs) for the Puente Valley Operable Unit (PVOU) Intermediate Zone (IZ) and Shallow Zone (SZ) Treatment Systems. The original Professional Services Agreement was developed on a time-and-expense reimbursement basis with an estimated project budget of $382,295. The proposal specifically acknowledged that the exact level of effort required to complete the work could not be accurately estimated at the time of project initiation.

During development of the SOPs, additional effort was required beyond that originally anticipated, including additional coordination meetings, review comments received during the Draft-Final SOP review stage, and supplemental document revisions associated with finalization of the SOP documents. Kennedy Jenks subsequently submitted Change Request No. 1 requesting a budget augmentation of $43,638 to address the additional effort required to complete the project. Supporting justification for the request augmentation is provided within Tasks A through D of the submitted change request (**Enclosure 1**)

SUMMARY

The District staff reviewed the initial change request in detail and met with Kennedy Jenks to discuss the proposed level of effort and associated costs. Following those discussions and subsequent negotiations regarding the requested hours and budget, the change request was revised to its current amount of $43,638.

The District believes approval of the revised request represents the most efficient path forward to complete the remaining work and advance the project toward final completion.

Table 1. Budget Summary

Description	Amount
Original Agreement Budget	$382,295
Change Request No. 1	$43,638
Revised Total Budget	***$425,933***

FISCAL IMPACT

The proposed budget augmentation is $43,638. The original project budget was $382,295, resulting in a revised total authorization of $425,933. Funding for this work will be incorporated into PVOU project appropriations and is considered a PVOU-related expense.

RECOMMENDATION

Authorize the General Manager to execute Change Request No. 1 with Kennedy Jenks in the amount of $43,638 and take all actions necessary to complete the project.

Respectfully Submitted,

Roy Frausto

General Manager

ENCLOSURES

- Enclosure 1: Kennedy Jenks Change Request No. 1 dated July 20, 2026.

Scope Change/Budget Augmentation Request

This document is notification of the need for additional work that is outside the contractually agreed-upon project scope, due to unforeseen outside factors, client-requested changes or additions to scope. Effort on the additional work will not proceed until written acknowledgement/authorization is received from client.

Project Name: LPVCWD GW Treatment System SOPs	Date: July 20, 2026
Client: La Puente Valley County Water District	Project No.: 2565029*00

Description of Scope Change (refer to correspondence, minutes of meetings, etc.)

On May 21, 2026, KJ received the District's formal review comments on the Draft-Final IZ System SOPs via transmittal from Davis To. The comments consolidate feedback from the District, Owner (Northrop Grumman), and regulatory agency (EPA). Following internal review and a coordination call with the District on May 27, 2026, KJ identified the following items as additional scope not included in the original Professional Services Agreement. Per District direction, these items apply to both the IZ and SZ Systems and are itemized accordingly. Comment item references below correspond to the District's May 21, 2026 transmittal (Attachment A).

Task A – Additional Deliverable Cycle and Regulatory Coordination
The original scope of work included three SOP deliverables per system: Draft, Draft-Final, and Final. Per the District's direction in December 2025, the Draft-Final SOPs were circulated to regulatory agencies (EPA) and the Owner (Northrop Grumman) for review, creating an additional review cycle and a fourth deliverable (revised Final SOPs) that was not included in the original scope or project schedule. As acknowledged in the District's December 31, 2025 transmittal, this regulatory review period "was not an activity originally incorporated into the project schedule." Additionally, KJ's February 20, 2026 transmittal of the Draft-Final IZ SOPs noted that the additional round of review comments and additional deliverable were not budgeted, and that additional budget may be needed depending on the number and complexity of comments received. This task includes KJ project management and staff effort associated with preparing for and attending the March 23, 2026 regulatory agency meeting, post-meeting coordination, and the additional deliverable transmittal cycle (compilation, QA/QC, and project administration) for each system. The following tasks (B through D) represent the specific comment items received through this additional review cycle that require effort beyond the current scope.

Task B – Manual Process Valve Position Tables (ref. Attachment A, Table 2, Item 8)
Develop new tables for each applicable unit process SOP listing all manual process and chemical valves with their intended position (open/closed) during normal operation. Tables will be developed through systematic review of the P&IDs.

Task C – Electrical Panel Identification Tables (ref. Attachment A, Table 2, Item 9)
Develop new tables for each applicable SOP identifying electrical panels associated with the unit process, including panels with HOA switches, local disconnect switches, and emergency stop (E-stop) buttons. Some SOPs may not have associated panels and would not require a table.

Task D – SOP Reordering and Renumbering (ref. Attachment A, Table 2, Item 11)
Reorder all SOPs so that individual unit process SOPs precede the system startup, shutdown, and emergency shutdown SOPs. This task applies to both the IZ System (30 SOPs) and the SZ System (23 SOPs).

Deliverables: Final IZ and SZ System SOPs incorporating the additional scope items described above.

☐ Letter describing scope change included as an attachment.

Assumption(s)

- The original scope included three SOP deliverables per system (Draft, Draft-Final, Final). The District's December 31, 2025 transmittal introduced a regulatory review cycle that was not originally incorporated into the project schedule, resulting in an additional deliverable for each system.
- Manual valve position tables are limited to process and chemical valves per District direction during the May 27, 2026 coordination call. One table per applicable unit process SOP is assumed.
- Electrical panel tables are limited to panel name identification with a general operator confirmation statement. Detailed HOA switch positions, disconnect configurations, and E-stop locations are not included.
- SOP reordering includes full renumbering of all SOPs, updating of all internal cross-references within each document, and renaming of all attachment files for both IZ and SZ systems.
- The District will provide any supplemental information needed to complete the above tasks, including but not limited to electrical panel identification data.
- SZ system hours reflect application of the same four scope items to the SZ SOPs and are identified separately per District direction.
- No additional testing of the IZ System SOPs will be required.
- KJ's current Schedule of Charges, as referenced in the Professional Services Agreement, applies to all work under this scope change.
- This scope change request does not include effort associated with the in-scope review comments, which KJ will proceed with under the existing contract budget. In-scope items include Table 1, Items 1–5; Table 2, Items 1–7 and 10; and the District's responses to the Information Gaps section of KJ's February 20, 2026 transmittal.

Budget Augmentation Request

We request an additional budget of $43,638 for the additional scope items.

☒ Detailed fee estimate included as an attachment.

Estimated Effect on Deliverable Schedule (if any)

Upon receipt of written authorization to proceed, Kennedy Jenks will issue an updated project schedule reflecting the additional scope of work described herein.

Effect on Contract/Authorized Budget

☐ Sufficient budget to cover the scope change request may be available in the current project budget and work can proceed. A formal request for additional budget will be issued later if required.

☒ Insufficient budget available in the current contract budget to cover the scope change request. Authorization is required prior to proceeding with the additional work.

Originated by: Brent Sutter	Date: July 20, 2026
Approved by (KJ Project Manager): Brent Sutter	Date: July 20, 2026
Client Acknowledgement/Authorization ☐ Scope Change/Budget Augmentation Request is authorized. A contract amendment to cover additional work will be promptly executed. Proceed with the additional work. ☐ Scope Change/Budget Augmentation Request is authorized. A contract amendment to cover additional work will be executed later if required to cover additional cost. ☐ Scope Change/ Budget Augmentation Request is approved but do not proceed with additional work until a contract amendment is authorized. ☐ Scope Change request is not authorized. Do not proceed. ☐ Scope Change request is considered to be part of original scope. Follow-up discussion is required.	
Authorized by (Client Project Manager):	Date:
Print Name:	

Distribution:

Proposal Fee Estimate

Kennedy Jenks

CLIENT Name: La Puente Valley County Water District
PROJECT Description: GW Treatment System SOPs - Change Request #1
Proposal/Job Number: 2565029*00 **Date:** 7/20/2026

	Name 9	Sutter	Name 7	Kayne	Name 5	Benton Fernandez	Name 3	Name 2	Name 1	Name Cad	Name Cad	Name Cad	Name Cad	Name PA	Name Adm		KJ	Sub	Sub	KJ	KJ	KJ				
January 1, 2025 Rates **Classification:**	**Eng-Sci-9**	**Eng-Sci-8**	**Eng-Sci-7**	**Eng-Sci-6**	**Eng-Sci-5**	**Eng-Sci-4**	**Eng-Sci-3**	**Eng-Sci-2**	**Eng-Sci-1**	**Sr. CAD-Design**	**CAD-Design**	**Sr. CAD-Tech**	**CAD-Tech**	**Project Assistant**	**Admin. Assist.**	**Total**	**Labor**	**Contr. #1**	**Contr. #2**	**Sub-Markup**	**ODCs**	**ODCs Markup**	**Total Labor**	**Total Subs**	**Total Expenses**	**Total Labor + Subs + Expenses**
Hourly Rate:	**$350**	**$330**	**$310**	**$285**	**$265**	**$240**	**$220**	**$195**	**$165**	**$200**	**$190**	**$180**	**$160**	**$145**	**$135**	**Hours**	**Fees**	**Fees**	**Fees**	10%	**Fees**	10%				**Fees**
Phase 1000 - Project Management (PM)																										
01 PM - Project Initiation	0	4	0	0	0	0	0	0	0	0	0	0	0	2	0	6	$1,610			$0	$0	$0	$1,610	$0	$0	$1,610
01 Project Setup (Task A)		4												2		6	$1,610			$0		$0	$1,610	$0	$0	$1,610
02 Project Work Plan																0	$0			$0		$0	$0	$0	$0	$0
03 Health and Safety																0	$0			$0		$0	$0	$0	$0	$0
04 Project Kickoff Meeting	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$0			$0	$0	$0	$0	$0	$0	$0
01 Internal																0	$0			$0		$0	$0	$0	$0	$0
02 External																0	$0			$0		$0	$0	$0	$0	$0
02 PM - Monitoring and Control	0	8	0	0	0	0	0	0	0	0	0	0	0	0	0	8	$2,640			$0	$0	$0	$2,640	$0	$0	$2,640
01 Project Schedule Updates (Task A)		2														2	$660			$0		$0	$660	$0	$0	$660
02 Resource Plan Updates																0	$0			$0		$0	$0	$0	$0	$0
03 Project Tracking (Task A)		2														2	$660			$0		$0	$660	$0	$0	$660
04 PM Meetings/Communication (Task A)		4														4	$1,320			$0		$0	$1,320	$0	$0	$1,320
03 PM - Monthly Reports and Invoicing (Task A)		2												2		4	$950			$0		$0	$950	$0	$0	$950
04 PM - Project Closeout																0	$0			$0		$0	$0	$0	$0	$0
																				$0						
1000 - Subtotal	0	14	0	0	0	0	0	0	0	0	0	0	0	4	0	18	$5,200	$0	$0	$0	$0	$0	$5,200	$0	$0	$5,200
Phase 1100 - Quality Control (QC)																										
01 QC - Quality Management	0	4	0	4	0	0	0	0	0	0	0	0	0	0	0	8	$2,460			$0	$0	$0	$2,460	$0	$0	$2,460
01 Quality Plan																0	$0			$0		$0	$0	$0	$0	$0
02 Project Reviews (Tasks B, C, D)		4		4												8	$2,460			$0		$0	$2,460	$0	$0	$2,460
03 Project Initiation Review (PIR)																0	$0			$0		$0	$0	$0	$0	$0
02 QC - Milestone Reviews	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$0			$0	$0	$0	$0	$0	$0	$0
Phase 1100 - Subtotal	0	4	0	4	0	0	0	0	0	0	0	0	0	0	0	8	$2,460	$0	$0	$0	$0	$0	$2,460	$0	$0	$2,460
Phase 2000 - SOPs for the IZ																										
01 Coordination	0	5	0	4	0	3	0	0	0	0	0	0	0	0	0	12	$3,428			$0	$0	$0	$3,428	$0	$0	$3,428
01 External (incl. meetings) (Task A - Regulatory Coord. Meeting)		2.75		2		1										6	$1,718			$0		$0	$1,718	$0	$0	$1,718
02 Internal (incl. meetings) (Tasks A, B, C, D)		2		2		2										6	$1,710			$0		$0	$1,710	$0	$0	$1,710
02 SOP Development for the IZ	0	4	0	6	0	60	0	0	0	0	0	0	0	0	0	70	$17,430			$0	$0	$0	$17,430	$0	$0	$17,430
01 Field Collection of Data																0	$0			$0		$0	$0	$0	$0	$0
02 Write Site Visit Memorandum																0	$0					$0	$0	$0	$0	$0
03 Write Draft SOPs																0	$0			$0		$0	$0	$0	$0	$0
04 Write Draft-Final SOPs based on Client comments																0	$0			$0		$0	$0	$0	$0	$0
05 Test SOPs in the Field																0	$0			$0		$0	$0	$0	$0	$0
06 Write Final SOPs (Tasks A, B, C, D)		4		6		60										70	$17,430			$0		$0	$17,430	$0	$0	$17,430
Phase 2000 - Subtotal	0	9	0	10	0	63	0	0	0	0	0	0	0	0	0	82	$20,858	$0	$0	$0	$0	$0	$20,858	$0	$0	$20,858
Phase 3000 - SOPs for the SZ																										
01 Coordination	0	2	0	2	0	2	0	0	0	0	0	0	0	0	0	6	$1,710			$0	$0	$0	$1,710	$0	$0	$1,710
01 External (incl. meetings)																0	$0			$0		$0	$0	$0	$0	$0
02 Internal (incl. meetings) (Tasks A, B, C, D)		2		2		2										6	$1,710			$0		$0	$1,710	$0	$0	$1,710
02 SOP Development for the SZ	0	2	0	6	0	46	0	0	0	0	0	0	0	0	0	54	$13,410			$0	$0	$0	$13,410	$0	$0	$13,410
01 Field Collection of Data																0	$0			$0		$0	$0	$0	$0	$0
02 Write Site Visit Memorandum																0	$0					$0	$0	$0	$0	$0
03 Write Draft SOPs																0	$0			$0		$0	$0	$0	$0	$0
04 Write Draft-Final SOPs based on Client comments																0	$0			$0		$0	$0	$0	$0	$0
05 Test SOPs in the Field																0	$0			$0		$0	$0	$0	$0	$0
06 Write Final SOPs (Tasks A, B, C, D)		2		6		46										54	$13,410			$0		$0	$13,410	$0	$0	$13,410
Phase 3000 - Subtotal	0	4	0	8	0	48	0	0	0	0	0	0	0	0	0	60	$15,120	$0	$0	$0	$0	$0	$15,120	$0	$0	$15,120
All Phases Total	**0**	**31**	**0**	**22**	**0**	**111**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**4**	**0**	**168**	**$43,638**	**$0**	**$0**	**$0**	**$0**	**$0**	**$43,638**	**$0**	**$0**	**$43,638**

Memo

Date: July 27, 2026
From: Alyssa Arana, Compliance/Project Engineer
To: Honorable Board of Directors
Subject: Engineering & Compliance Report – June 2026

CAPITAL PROJECTS

1. **Water Master Plan Update** – The District has begun updating the GIS Software and gathering production data in preparation for the Water Master Plan update to be completed in 2027.

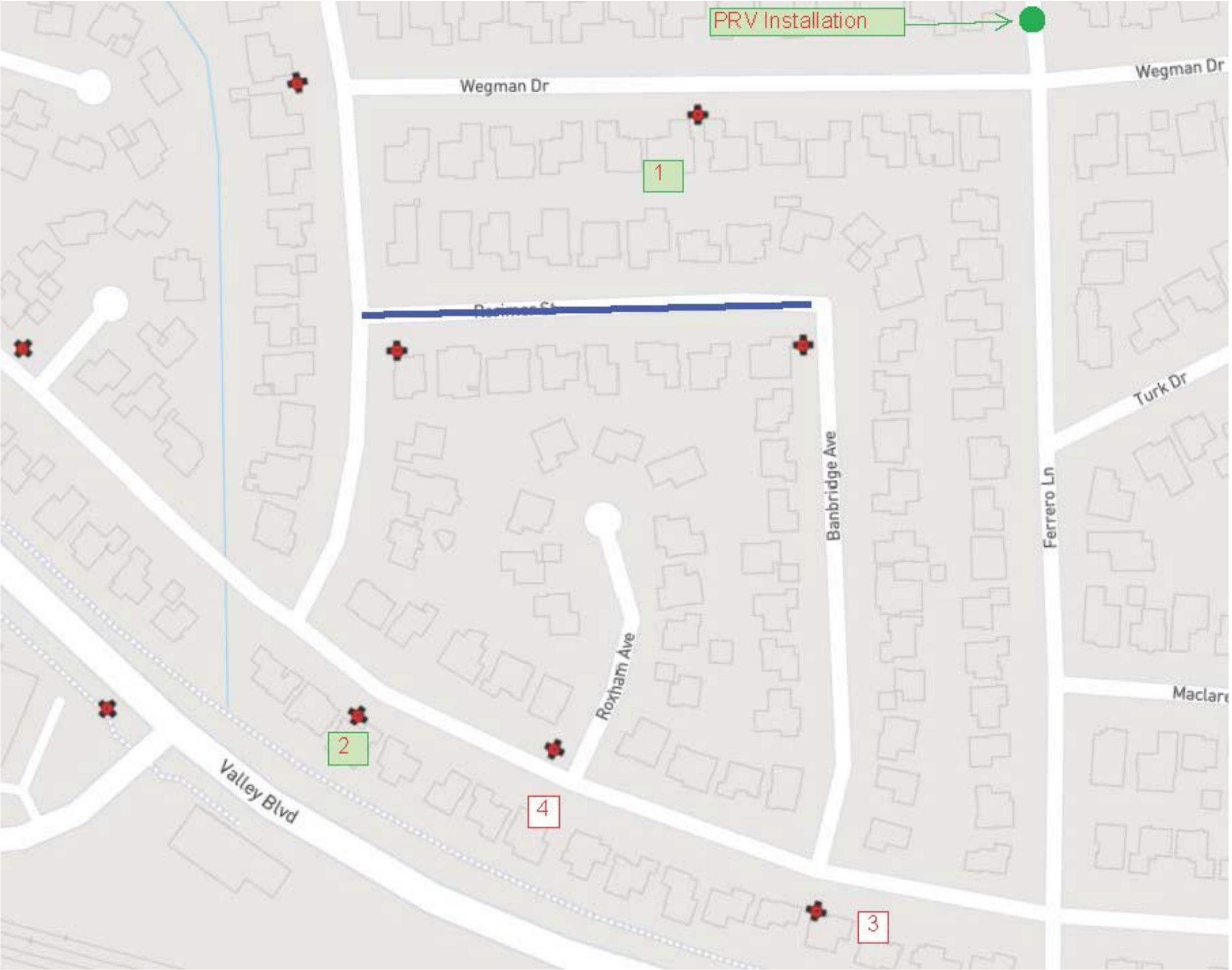
2. **LPVCWD Recycled Water Project Phase I** – There are a total of seventeen (17) sites that will be converted over to recycled water for irrigation use as part of Recycled Water Phase I.

11 Sites to be retrofitted by the District
• 7 Active Sites • 4 Sites in the Permitting Phase
6 Sites to be retrofitted by the City of Industry
• 1 Active Site • 4 Sites to be converted by Q4 2026 • 1 Site to be converted at a later date

3. **LPVCWD Recycled Water Project Phase II** – LACSD is confirming water availability. The District will be applying for the Clean Water State Revolving Fund through the State Water Resources Control Board to fund construction of this project.

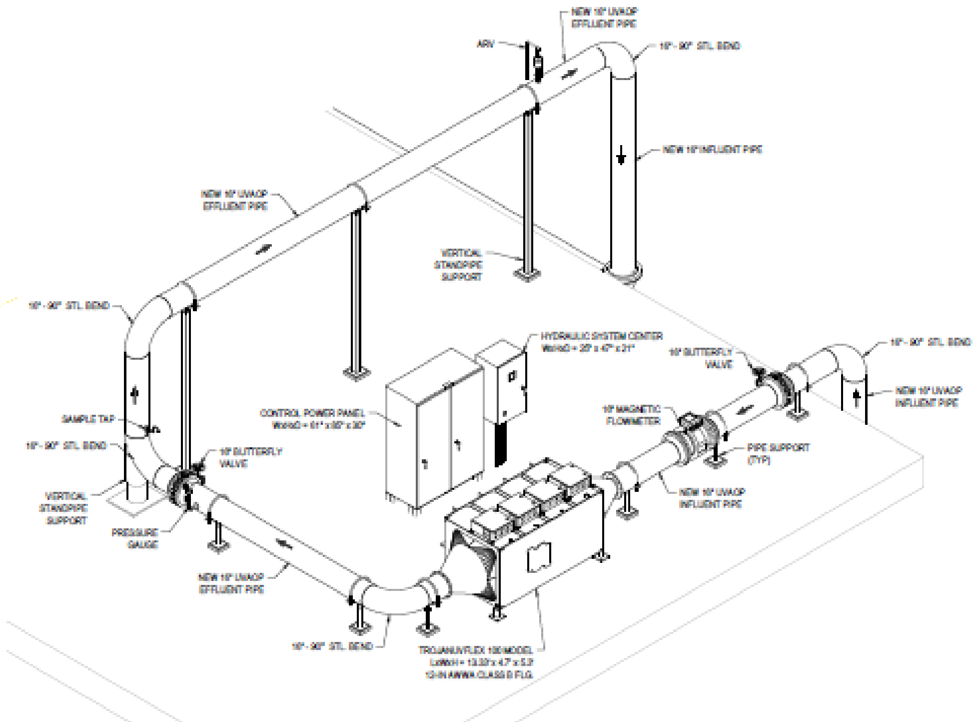
4. **LPVCWD Main St. 1.9 MG Reservoir Rehab** – The District performs interior reservoir inspections every three years, per state requirements. The most recent reservoir inspection findings recommended relining and recoating the Main Street 1.9 MG Reservoir. The design plans are 70 percent complete, and the construction is scheduled to be completed by the end of 2026.

5. **LPVCWD Ferrero Ln PRV Phase II** – Phase II consists of upgrading four identified fire hydrants and replacing approximately 500 feet of 4-inch water main with 6-inch water main on Rorimer Road to increase fire flow availability.



6. **LPVCWD Bamboo St PRV Phase II** – Phase II consists of upgrading one identified hydrant from a dwarf head to a 6-inch fire hydrant. This is scheduled to be completed this year.

7. **BPOU UV Flex Project** – The current low-pressure UV/AOP treatment system will no longer be supported by Trojan beginning in 2028. Therefore, the treatment system will be upgraded to a high-pressure Trojan UV Flex System. Currently, Civiltec is conducting a Feasibility Study for the new treatment system taking into consideration energy needs, optimal location for the new system, and operational redundancy.



8. **LPVCWD Old Valley Pipeline Assessment** – The pipeline assessment and leak detection of the mainline along Old Valley Blvd is scheduled to be conducted in August.

OTHER/SPECIAL PROJECTS

1. **LPVCWD 2026 Lead and Copper Rule Sampling**

   Lead and copper sampling was conducted for forty-one (41) customers throughout the LPVCWD service area in June 2026, and all results were below the action limits. Lead and copper results will be sent to customers and the final report submitted to DDW in August 2026.

2. **Cross-Connection Control Program**

   Hazard Assessments, also known as Cross-Connection Control Surveys, must be conducted for all commercial properties, beginning with the high hazard locations. Concurrently, the District is notifying customers of single check upgrade requirements, as this will impact many commercial customers.

3. **BPOU Air Stripper Report**

   The Annual Air Stripper Inspections were conducted on June 16, 2026, and the water quality returned within the allowable ranges. The final report will be completed and submitted to the BPOU Distribution List in August 2026.

4. **Drone Reservoir Inspection Program**

   Staff is developing a drone inspection program, where all reservoirs will be inspected monthly with a drone. This effort is being funded by the JPIA Risk Control Grant that was awarded in March 2026. The drone has been purchased, staff is preparing inspection forms, and two staff members are pursuing remote pilot certification.

Thank you.

Alyssa Arana

Compliance/Project Engineer