

CRESCENTA VALLEY WATER DISTRICT

2700 Foothill Boulevard
La Crescenta, California

Agenda for the
Regular Meeting of the Board of Directors
of the Crescenta Valley Water District

to be *held* on Tuesday, May 26, 2026, at 7:00 p.m.

This meeting will be conducted in person at the address listed above. Members of the public may also participate virtually by using a touchtone phone. You may select any of the following phone numbers (there are more than one for increased reliability during this time of increased phone traffic)

(669) 900-6833

(346) 248-7799

(929) 205-6099

(253) 215-8782

(301) 715-8592

(312) 626-6799

Then, enter Access Code: 625 360 3648

Those members of the public who are able to and would like to additionally participate through computer may access the Zoom audio & video conferencing tool available at the following link:

<https://us02web.zoom.us/j/6253603648?omn=83061848870>

If there is a disruption of service, this meeting will continue without remote participation. The remote participation option is provided as a convenience to the public and is not required.

Public comment may be made either by emailing comments ahead of the meeting or by speaking over the phone. Emailed comments will be sent to the Board of Directors prior to the meeting and posted on the District's website. Comments may be sent to customer service, at (818) 248-3925 or customerservice@cvwd.com by 3pm on May 26, 2026.

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by contacting the District by phone or in writing at the above email address. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that District staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the District to provide the requested accommodation.

Any written materials distributed to the Board in connection with this agenda will be made available at the same time for public inspection at the District office located at the above address and posted on the District's website.

Call to Order and Determination of Quorum

Pledge of Allegiance

Adoption of Agenda

Public Comments

At this time, the public shall have an opportunity to comment on any agenda or non-agenda item relevant to the subject matter jurisdiction of the Board. This opportunity is non-transferable, and speakers are limited to one three-minute (3) comment. Under the provisions of the Brown Act, the Board is prohibited from taking action on items not listed on the agenda, except under certain circumstances.

Foothill Municipal Water District Report

1. Report on activities at Foothill Municipal Water District.

Consent Calendar

1. Consideration and approval of the Minutes of the Regular Board Meeting on May 12, 2026.

Action Calendar

1. **Public Hearing for CWVD's Water Shortage Contingency Plan**
2. **Public Hearing for CWVD's 2025 Urban Water Management Plan (UWMP)**
3. **Resolution 803 and CWVD's Water Shortage Contingency Plan** – Discussion and possible adoption of the District's Water Shortage Contingency Plan (WSCP) and Resolution 803, which replaces Resolution 767 of the District's Rules and Regulations.
4. **Resolution 804 and CWVD's 2025 Urban Water Management Plan (UWMP)** – Discussion and possible adoption of CWVD's 2025 Urban Water Management Plan (UWMP) and Resolution 804, which replaces Resolution 768 of the District's Rules and Regulations.
5. **Memorandum of Understanding with the Crescenta Valley Water District Employees' Association Chapter of AFSCME Local 1902** – Consideration and possible motion to ratify the Memorandum of Understanding with the Crescenta Valley Water District Employees' Association Chapter of AFSCME Local 1902 for the period January 1, 2026 through December 31, 2028.
6. **Employment Terms and Conditions** – Consideration and possible motion to ratify the Employment Terms and Conditions for the Management Unit
7. **FY 2026-27 Proposed Budget** – Discussion and possible motion to adopt the District's FY 2026-27 proposed budget and related items.
8. **General Manager Candidacy for the Crescenta Valley Chamber of Commerce Board of Directors** – Discussion and possible motion to authorize the General Manager to accept a position as board member with the Crescenta Valley Chamber of Commerce.

9. **PFAS Treatment Discussion** – Discussion of the results of the bench-scale treatability study for per- and polyfluoroalkyl substances (PFAS) and treatment alternatives analysis.
10. **Discussion and possible action to support grant application requirements for the U.S. Bureau of Reclamation (USBR) WaterSMART Drought Response Program** – Discussion and possible action to support grant application requirements for the U.S. Bureau of Reclamation (USBR) WaterSMART Drought Response Program.

Information Items

Written Communications to District/Board of Directors

General Manager's Report

Attorney Report

Reports of Committees

- Community Relations & Emergency Planning Committee
- Employee Relations Committee
- Engineering, Operations, & Technology Committee
- Executive Committee
- Finance & Policy Committee
- Ad Hoc Committee – PFAS
- Ad Hoc Committee – Cyber Security
- Ad Hoc Committee – Consolidation

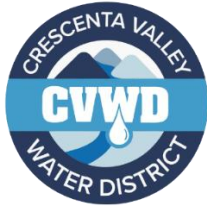
Directors' Oral Reports – Reports on issues, meetings, or activities attended by Directors

Members' Request for Future Agenda Items

Closed Session

1. Conference with Legal Counsel pursuant to Government Code Section 54956.9(d)(1)
Existing Litigation – City of La Canada Flintridge v. Crescenta Valley Water District,
Los Angeles Superior Court, Case No. 25STCP05050
2. Conference with Legal Counsel pursuant to Government Code Section 54956.9(d)(4)
Initiation of Litigation - One (1) or More Potential Cases
3. Public Employee Performance Evaluation pursuant to Government Code section 54957
Title: General Manager

Adjournment



MINUTES OF REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF CRESCENTA VALLEY WATER DISTRICT

May 12, 2026

Pursuant to the order of the Board of Directors of the Crescenta Valley Water District, a Regular Meeting was held on May 12, 2026, at 7:00 p.m. at the District office located at 2700 Foothill Blvd., La Crescenta California, and through audio and video conferencing. A call-in number was clearly noted on the meeting Agenda, posted in accordance with the Brown Act, with James D. Bodnar presiding.

At roll call, the following Directors and staff members were present or online:

Directors:

Jeffery W. Johnson (absent)
James D. Bodnar
Kerry D. Erickson
Sharon S. Raghavachary (absent)
Jennifer T. Valdez

Attorney:

Ryan Guiboa

General Manager:

James Lee

**Director of Engineering
and Operations:**

Carla Dillon

**Director of Finance and
Administration:**

Arturo Montes (absent)

Staff Members:

Elena Chamorro, Asst. Director of Finance & Admin.
Pam Leddy, Administrative Assistant
**Arminé Sargsyan, Sr. Water Resources & Ext. Affairs
Specialist (online participation)**
Adam Sutphin, Senior Analyst

Guests:

Frank Colcord
Michael
Tessa Allmon

PLEDGE OF ALLEGIANCE

Mr. Lee opened the meeting by leading the Directors and staff in reciting the Pledge of Allegiance.

ADOPTION OF AGENDA

It was moved by Director Erickson, seconded by Director Valdez, and carried by a 3-0 vote that the Agenda for the Regular Board Meeting of April 28, 2026, be adopted.

PUBLIC COMMENTS – None.

FOOTHILL MUNICIPAL WATER DISTRICT REPORT – Mr. Colcord announced that Foothill Municipal Water District (FMWD) will be holding a joint agency meeting at the La Canada School District Building on May 14th at 4:00 pm.

CONSENT CALENDAR – It was moved by Director Erickson, seconded by Director Valdez, and carried by a 3-0 vote to approve the Minutes of the Regular Board Meeting held on April 28, 2026 and to ratify the Board Compensation for April 2026.

Hazard Mitigation Plan – Ms. Dillon shared that the California Governor’s Office of Emergency Services (Cal OES), in conjunction with the Federal Emergency Management Agency (FEMA) make funds available for public agencies to prepare hazard mitigation plans (HMPs). Ms. Dillon stated that in order qualify for certain hazard mitigation project funding, CVWD is working with neighboring water agencies in a multi-jurisdictional hazard mitigation plan (MJHMP). Ms. Dillon stated that the draft, full document will be presented at the Foothill Municipal Water District (FMWD) Board meeting on May 26, 2026 to formally open the public comment period and that the MJHMP adoption is planned for July 9, 2026 with submittal to CalOES on July 20, 2026.

Resolution 802 – Authorizing and Approving Submission for a United States Bureau of Reclamation Small-Scale Water Efficiency Projects Grant – Ms. Dillon reported that the United States Bureau of Reclamation (USBR) provides grant funding through its WaterSMART Small-Scale Water Efficiency Program that support projects resulting in sustained water savings and improve water supply reliability. Ms. Dillon presented Resolution No. 802 authorizing and approving submission of the USBR small-scale water efficiency projects grant for the 2-inch water meter project, which is intended to expand the District’s ongoing AMI project. Ms. Dillon noted that 90 existing 2-inch water meters would be replaced with “Smart Meters” through funding under this program being provided on a 50/50 cost-share basis. Ms. Dillon stated that the total estimated project cost is approximately \$207,162, with a requested federal grant amount of \$100,000.

Following discussion:

It was moved by Director Erickson, seconded by Director Valdez, and carried by a 3-0 roll-call vote to adopt Resolution No. 802, authorizing and approving submission for a United States Bureau of Reclamation small-scale water efficiency projects grant for the 2-inch advanced metering infrastructure (AMI) water meter project, E-1085.

AYES: **Director Bodnar**
 Director Erickson
 Director Valdez

ABSENT: **Director Johnson**
 Director Raghavachary

NOES: **None**

INFORMATION ITEMS – CVWD’s 75th Anniversary Celebration at the Hometown Country Fair video clip, Two Strike Park Outreach, Notice of Public Hearing – May 26th, ACWA News dated May 6, 2026, CV Weekly articles dated April 30, 2026 “Sharing the CVWD Vision”, “Fun For All – the Hometown Country Fair”, also “And What A Fair It Was”.

WRITTEN COMMUNICATION – None.

GENERAL MANAGER – Mr. Lee announced that the “Office Hours at the Library” event will be held May 20th at the Montrose Library. Mr. Lee stated that two operational changes have been implemented through In-House pipeline installation projects; 1) trial installation of new NSF approved plastic pipe, and 2) base paving rather than temporary paving. Mr. Sutphin provided highlights of the Finance and Administration Dashboard for the month of April 2026. Ms. Dillon provided highlights of the April Engineering and Operations Report, PFAS Update, Operation & Maintenance Report, System Operations Report, and Wastewater Report. Ms. Sargsyan provided highlights of the April Public Outreach Overview.

ATTORNEY REPORT – Mr. Guiboa reported that the Trump administration EPA announced plans to maintain the 4 ppt (parts per trillion) Maximum Contaminant Level (MCLs) for PFOA and PFOS in drinking water while delaying the compliance deadline for water systems for 2029 to 2031.

REPORTS OF COMMITTEES

Community Relations & Emergency Planning Committee – Director Valdez reported that the Committee had not met; however, a meeting will be scheduled as needed.

Employee Relations Committee – Director Bodnar reported that the Committee had not met; however, a meeting will be scheduled as needed.

Engineering, Operations & Technology Committee – Director Erickson reported that the Committee had not met; however, a meeting is scheduled for May 13, 2026.

Executive Committee – Director Bodnar reported that the Committee had not met; however, a meeting will be scheduled as needed.

Finance & Policy Committee – Director Erickson reported that the Committee had not; however, a meeting is scheduled for May 28.

Ad Hoc PFAS Committee – Mr. Lee reported that the Committee had not met; however, a meeting will be scheduled as needed.

Ad Hoc Cyber Security Committee – Director Bodnar reported that the Committee had not met; however, a meeting will be scheduled as needed.

Ad Hoc Consolidation Committee – Director Bodnar reported that the Committee had not met; however, a meeting will be scheduled as needed.

Ad Hoc Legal Committee – Mr. Lee reported that the Committee had not met; however, a meeting will be scheduled as needed.

DIRECTORS' ORAL REPORTS

Director Bodnar – Reported that he participated in a Water Reuse webinar, and shared that he intends to participate in a Seismic Strength of Utilities webinar on May 13th. Director Bodnar reported that a phishing attempt was made to his CVWD email address.

Director Erickson – Reported that he visited the Waters of America at the Disneyland Park.

Director Johnson – Absent.

Director Raghavachary – Absent.

Director Valdez – No report.

BOARD MEMBERS REQUESTS FOR FUTURE AGENDA ITEMS – None.

CLOSED SESSION – No reportable action.

ADJOURNMENT

There being no other business to come before the Board, at 8:03 p.m., the meeting was adjourned.

APPROVED

James D. Bodnar
Board President

Arturo Montes
Board Secretary

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 3
May 26, 2026

To: Honorable President and Members of the Board of Directors
From: Carla Dillon – Director of Engineering & Operations
Subject: Resolution 803 and CWVD's Water Shortage Contingency Plan

ACTION ITEM:

Discussion and possible adoption of the District's Water Shortage Contingency Plan (WSCP) and Resolution 803, which replaces Resolution 767 of the District's Rules and Regulations.

BACKGROUND:

As part of the 2025 Urban Water Management Plan (UWMP) requirements, CVWD updated its Water Shortage Contingency Plan (WSCP). The WSCP is a requirement of the California Urban Water Management Planning Act Water Code Section 10632 and directs water suppliers to prepare long-term resource planning to ensure that adequate water supplies are available for today and the future. A water shortage contingency analysis was required in previous UWMPs. This WSCP has been updated to conform with the water shortage levels (CWC § 10632, SB 606, 2018, AB 1414, 2019) as described below and be consistent with neighboring water agencies.

(A) Six standard water shortage levels corresponding to progressive ranges of up to 10, 20, 30, 40, and 50 percent shortages and greater than 50 percent shortage. Urban water suppliers shall define these shortage levels based on the suppliers' water supply conditions, including percentage reductions in water supply, changes in groundwater levels, changes in surface elevation or level of subsidence, or other changes in hydrological or other local conditions indicative of the water supply available for use.

DISCUSSION:

The District's current WSCP plan contains six (6) phases and are defined by a color-coded system. The existing WSCP is coordinated to be consistent with FMWD as well as the other west side water agencies. The District met with FMWD to come up with a uniform solution to meet the new regulatory requirement.

The following changes were proposed to be made to the existing system:

1. A new level was created, defined as Critical and assigned the color **purple**.
2. The percentage shortage levels were redefined to accommodate the newest tier level.
3. The naming of the blue and orange tier were modified to be consistency with FMWD.

RECOMMENDATION

Adoption of the District's Water Shortage Contingency Plan (WSCP) and Resolution 803.

Prepared by:

Submitted by:

Armine Sargsyan
Armine Sargsyan
Sr. Strategic Initiatives Specialist

Carla Dillon
Carla Dillon, P.E.
Director of Engineering & Operations

Attachment(s):

1. Resolution 767
2. Water Shortage Contingency Plan (Section 8, Pg 113, of the UWMP in Action Item No. 4)
3. Resolution 803

RESOLUTION NO. 767

**RESOLUTION OF THE BOARD OF DIRECTORS OF
CRESCENTA VALLEY WATER DISTRICT
ADOPTING A WATER SHORTAG CONTINGENCY PLAN**

WHEREAS, the Crescenta Valley Water District was established for the purpose of providing adequate and reliable potable water to its inhabitants at a reasonable cost; and

WHEREAS, the groundwater supply in the Verdugo Basin is utilized as the primary source of water for District customers; and

WHEREAS, consecutive years of below normal precipitation in the watersheds of the Verdugo Basin can severely reduce the groundwater production capacity in the Verdugo Basin and hence the water supply available to the District; and

WHEREAS, the District's imported water supply connections with the Foothill Municipal Water District, which provides a supplemental source of water for District customers, are limited in size and capacity and are being subjected to increased demands; and

WHEREAS, the District's imported water supply may be subject to a reduced water allotment from the Foothill Municipal Water District should the Metropolitan Water District of Southern California put into effect their approved allocation plan; and

WHEREAS, conservation of water by District customers will help relieve the problems caused by the shortage in supply and the increase in energy costs; and

WHEREAS, the District, through its public information program, should advise and alert its customers to the serious nature of any drought situation and the need for a reduction in demand by customers; and

WHEREAS, the Water Shortage Contingency Plan which is required for inclusion in a Department of Water Resources (DWR) compliant 2020 UWMP; and

WHEREAS, based on the DWR requirements included in the DWR 2020 UWMP Guidebook, describes water supply shortage condition caused by drought or loss of water supply wells, the Board of Directors of the Crescenta Valley Water District hereby approves a six (6) level WSCP that enables the Board of Directors to declare that a water shortage condition or emergency prevails within the water service area of the Crescenta Valley Water District should be reduced by up to 50% or more with effective response measures; and

WHEREAS, the District has the power and authority, under Section 375 of the California Water Code, to adopt water conservation measures for activities within its service area; and

WHEREAS, given the current conditions, the District finds it necessary and beneficial to undertake a phased water conservation program; and

NOW, THEREFORE, BE IT RESOLVED, that the Crescenta Valley Water District Board of Directors Adopts Resolution 767, Water Shortage Contingency Plan

BE IT FURTHER RESOLVED, that the Crescenta Valley Water District finds that a program of voluntary measures to reduce consumption will assist in achieving the goal of conserving the water supply without causing unnecessary adverse economic consequences.

PASSED, APPROVED, AND ADOPTED at a Regular Meeting of the Board of Directors of Crescenta Valley Water District held on June 8, 2021, Resolution No. 767 was adopted by the following vote:

AYES:	Director Raghavachary
	Director Bodnar
	Director Erickson
	Director Putnam
	Director Tejeda

NOES:	None
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ABSENT:	None
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President, Board of Directors
Crescenta Valley Water District

ATTEST:



Secretary of the Board of Directors

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) ss.

I, JAMES LEE, Secretary of the Crescenta Valley Water District, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy Resolution No. 767 of the Board of Directors of Crescenta Valley Water District adopted at a Regular Meeting held on June 8, 2021 and that the same has not been amended or repealed.



Secretary of the Board of Directors of
Crescenta Valley Water District

DATED: June 8 ,2021

(S E A L)

RESOLUTION NO. 803

RESOLUTION OF THE BOARD OF DIRECTORS OF CRESCENTA VALLEY WATER DISTRICT ADOPTING A WATER SHORTAGE CONTINGENCY PLAN

WHEREAS, the Crescenta Valley Water District was established for the purpose of providing adequate and reliable potable water to its inhabitants at a reasonable cost; and

WHEREAS, the groundwater supply in the Verdugo Basin is utilized as the primary source of water for District customers; and

WHEREAS, consecutive years of below normal precipitation in the watersheds of the Verdugo Basin can severely reduce the groundwater production capacity in the Verdugo Basin and hence the water supply available to the District; and

WHEREAS, the District's imported water supply connections with the Foothill Municipal Water District, which provides a supplemental source of water for District customers, are limited in size and capacity and are being subjected to increased demands; and

WHEREAS, the District's imported water supply may be subject to a reduced water allotment from the Foothill Municipal Water District should the Metropolitan Water District of Southern California put into effect their approved allocation plan; and

WHEREAS, conservation of water by District customers will help relieve the problems caused by the shortage in supply and the increase in energy costs; and

WHEREAS, the District, through its public information program, should advise and alert its customers to the serious nature of any drought situation and the need for a reduction in demand by customers; and

WHEREAS, the Water Shortage Contingency Plan which is required for inclusion in a Department of Water Resources (DWR) compliant 2025 UWMP; and

WHEREAS, based on the DWR requirements included in the DWR 2025 UWMP Guidebook, describes water supply shortage condition caused by drought or loss of water supply wells, the Board of Directors of the Crescenta Valley Water District hereby approves a six (6) level WSCP that enables the Board of Directors to declare that a water shortage condition or emergency prevails within the water service area of the Crescenta Valley Water District should be reduced by up to 50% or more with effective response measures; and

WHEREAS, in accordance with applicable law, including Water Code section 10642, and Government Code section 6066, a Notice of a Public Hearing regarding the District's WSCP was published within the jurisdiction of the District on May 7, 2026 and May 14, 2026; and

WHEREAS, in accordance with applicable law, including but not limited to Water Code section 10642, a public hearing was held on May 26, 2026 at 7:00 PM, or soon thereafter, at the CVWD Administration Office, 2700 Foothill Blvd, La Crescenta, CA 91214 in order to provide

members of the public and other interested entities with the opportunity to be heard in connection with proposed adoption of the WSCP and issues related thereto; and

WHEREAS, pursuant to said public hearing on the District's WSCP, the District, among other things, encouraged the active involvement of diverse social, cultural, and economic members of the community within the District's service area with regard to the WSCP, and encouraged community input regarding the District's WSCP; and

WHEREAS, the District has the power and authority, under Section 375 of the California Water Code, to adopt water conservation measures for activities within its service area; and

WHEREAS, given the current conditions, the District finds it necessary and beneficial to undertake a phased water conservation program; and

NOW, THEREFORE, BE IT RESOLVED, that the Crescenta Valley Water District Board of Directors Adopts Resolution 803, Water Shortage Contingency Plan.

BE IT FURTHER RESOLVED, that the Crescenta Valley Water District finds that a program of voluntary measures to reduce consumption will assist in achieving the goal of conserving the water supply without causing unnecessary adverse economic consequences.

PASSED, APPROVED, AND ADOPTED at a Regular Meeting of the Board of Directors of Crescenta Valley Water District held on May 26, 2026, Resolution No. 803 was adopted by the following vote:

AYES:

NOES:

ABSENT:

**President, Board of Directors
Crescenta Valley Water District**

ATTEST:

Secretary of the Board of Directors

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) ss.

I, Arturo Montes, Secretary of the Crescenta Valley Water District, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy Resolution No. 803 of the Board of Directors of Crescenta Valley Water District adopted at a Regular Meeting held on May 26, 2026, and that the same has not been amended or repealed.

**Secretary of the Board of Directors of
Crescenta Valley Water District**

DATED: May 26, 2026

(S E A L)

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 4
May 26, 2026

To: Honorable President and Members of the Board of Directors
From: Carla Dillon – Director of Engineering & Operations
Subject: Resolution 804 and CWVD's 2025 Urban Water Management Plan (UWMP)

ACTION ITEM:

Discussion and possible adoption of the District's 2025 Urban Water Management Plan (UWMP) and Resolution 804, which replaces Resolution 768 of the District's Rules and Regulations.

BACKGROUND:

The California State Legislature passed the Urban Water Management Act of 1983, which mandated that all urban water suppliers with more than 3,000 customers or supplying more than 3,000-acre feet of water annually must prepare and adopt an Urban Water Management Plan (UWMP) every five years.

The purpose of the 2025 UWMP is to update existing and planned water supplies, maintain efficient use of urban water supplies, continue to promote water conservation, ensure that sufficient water supplies are available, and provide a mechanism for the District's response during drought conditions.

DISCUSSION:

The District's 2025 UWMP contains historical water usage information dating back to 2015, and projects water usage out to the year 2050. It also provides a percent water demand breakdown by customer type that includes residential, industrial, and commercial customers. The 2025 UWMP includes updates to data and programmatic information.

Changes from the prior UWMP requirements include clarified reporting for water use reporting, reporting on water loss audits, a required narrative if above the urban water use objective, and consideration of non-functional turf.

The 2025 UWMP is designed to serve as a flexible, long term planning document that will be updated at least once every five years to assist the District in water conservation and supports the state-wide effort in a well-organized approach to water use management.

If adopted, the 2025 UWMP will be submitted to the Department of Water Resources (DWR) no later than July 1, 2026, for approval. Without an approved UWMP, the District would not be eligible to receive grant or loan funding through DWR or the State Water Resources Control Board.

Resolution 804 approves the UWMP and authorizes staff to submit the plan to DWR.

RECOMMENDATION

It is Staff's recommendation for the Board to adopt the 2025 UWMP and Resolution 804.

Prepared by:

Armine Sargsyan

Armine Sargsyan
Sr. Strategic Initiatives Specialist

Submitted by:

Carla Dillon

Carla Dillon, P.E.
Director of Engineering & Operations

Attachment(s):
Resolution 804

RESOLUTION NO. 804

A RESOLUTION OF THE CRESCENTA VALLEY WATER DISTRICT TO ADOPT THE URBAN WATER MANAGEMENT PLAN

The Board of Directors of the Crescenta Valley Water District does hereby resolve as follows:

WHEREAS, the California Legislature enacted Assembly Bill 797 (Water Code Section 10610 et seq., known as the Urban Water Management Planning Act) during the 1983-1984 Regular Session, and as amended, subsequently, which mandates that every supplier providing water for municipal purposes to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually, prepare an Urban Water Management Plan, the primary objective of which is to plan for the conservation and efficient use of water; and

WHEREAS, the District is an urban supplier of water providing water to over 3,000 customers; and

WHEREAS, the Plan shall be periodically reviewed at least once every five years, and that the District shall make any amendments or changes to its plan which are indicated by the review; and

WHEREAS, the Plan must be adopted by July 1, 2026, after public review and hearing, and filed with the California Department of Water Resources within thirty days of adoption; and

WHEREAS, in accordance with applicable law, including Water Code section 10642, and Government Code section 6066, a Notice of a Public Hearing regarding the District's Plan was published within the jurisdiction of the District on May 7, 2026 and May 14, 2026; and

WHEREAS, in accordance with applicable law, including but not limited to Water Code section 10642, a public hearing was held on May 26, 2026 at 7:00 PM, or soon thereafter, at the CVWD Administration Office, 2700 Foothill Blvd, La Crescenta, CA 91214 in order to provide members of the public and other interested entities with the opportunity to be heard in connection with proposed adoption of the Plan and issues related thereto; and

WHEREAS, pursuant to said public hearing on the District's Plan, the District, among other things, encouraged the active involvement of diverse social, cultural, and economic members of the community within the District's service area with regard to the Plan, and encouraged community input regarding the District's Plan; and

WHEREAS, the Crescenta Valley Water District did prepare and shall file said Plan with the California Department of Water Resources following its adoption.

RESOLVED, the District hereby adopts said Urban Water Management Plan.

PASSED AND ADOPTED at a Regular Meeting of the Board of Directors of Crescenta Valley Water District held on May 26, 2026. Resolution No. 804 was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ATTEST:

**President, Board of Directors
Crescenta Valley Water District**

Secretary of the Board of Directors

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) ss.

I, Arturo Montes, Secretary of the Crescenta Valley Water District, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy of Resolution No. 804 of the Board of Directors of Crescenta Valley Water District adopted at a Regular Meeting held on May 26, 2026 and that the same has not been amended or repealed.

Secretary of the Board of Directors of
Crescenta Valley Water District

DATED: May 26, 2026

(S E A L)

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 5
May 26, 2026

To: Honorable President and Members of the Board of Directors
From: James Lee, General Manager
Subject: **Memorandum of Understanding with the Crescenta Valley Water District Employees' Association Chapter of AFSCME Local 1902**

ACTION ITEM:

Consideration and motion to ratify the Memorandum of Understanding with the Crescenta Valley Water District Employees' Association Chapter of AFSCME Local 1902 for the period January 1, 2026 through December 31, 2028.

DISCUSSION:

The District and the Crescenta Valley Water District Employees Association Chapter of AFSCME Local 1902 have reached an agreement regarding a successor Memorandum of Understanding (MOU) establishing the terms and conditions of employment for the period of January 1, 2026 through December 31, 2028.

The negotiated agreement reflects the collaborative efforts of both parties and is intended to support operational continuity, employee recognition, employee retention, and the District's long-term financial sustainability. A copy of the updated MOU is included as an attachment.

Outlined below is a summary of the primary changes and provisions incorporated into the proposed MOU resulting from the recently concluded negotiations.

- **Section 1.3 Term of Contract** – A 3-year term from January 1, 2026 through December 31, 2028.
- **Section 1.9 Water Code** – Adds requirement to comply with Title 22 and provides direction to reopen MOU when necessary to remain in compliance.
- **Section 2.2 Salary Range/Cost of Living Adjustments** –
 - Effective July 1, 2026, the monthly salary ranges shall be adjusted across the board by 4.0%.
 - Effective July 1, 2027 and July 1, 2028, the monthly salary ranges shall be adjusted across the board based on the Consumer Price All Items Index for Urban Wage Earners and Clerical Workers (CPI-W) for Los Angeles-Long Beach-Anaheim for the period of March 2026 to March 2027 subject to a 3.0% minimum and a 6.0% maximum.
 - During the first year of the MOU, the parties agree to meet and confer over potential adjustments to salaries following the completion of a classification and compensation study by the District
 - A one-time signing bonus in the amount of two thousand dollars (\$2,000.00) on the date that AFSCME provides written notification to the District of ratification of the MOU.
- **Section 2.9 Callback Compensation** – Increases minimum callback compensation to 4 hours for callbacks on a holiday.

- **Section 5.3 Deferred Compensation Plan** – Adds a District match of 3% of base salary for employee contributions to the District-sponsored Section 457 Deferred Compensation Plan.
- **Section 6.1 Uniforms, Tools** – Increase the safety boot allowance to \$325.
- **Section 7.1 Employee Selection and Classification** – Aligns nepotism with employee handbook.

The Employees' Association has reviewed and approved the proposed agreement.

RECOMMENDATION:

Ratify the Memorandum of Understanding with the Crescenta Valley Water District Employees' Association Chapter of AFSCME Local 1902 for the period January 1, 2026 through December 31, 2028.

Prepared and Submitted by:

A handwritten signature in blue ink, appearing to read "James Lee", is written over a horizontal line.

James Lee
General Manager

Attachment: Memorandum of Understanding

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MEMORANDUM OF UNDERSTANDING
BETWEEN
CRESCENTA VALLEY WATER DISTRICT
AND
THE CRESCENTA VALLEY WATER DISTRICT
EMPLOYEES' ASSOCIATION CHAPTER
OF
AFSCME LOCAL 1902

January 1, 2026 to December 31, 2028

TABLE OF CONTENTS

ARTICLE 1 – ADMINISTRATION	5
SECTION 1.1 -- PREAMBLE	5
SECTION 1.2 -- AUTHORIZED AGENTS.....	5
SECTION 1.3 -- TERM	5
SECTION 1.4 -- IMPLEMENTATION	5
SECTION 1.5 -- RENEGOTIATIONS.....	5
SECTION 1.6 -- FULL UNDERSTANDING	6
SECTION 1.7 -- PROVISIONS OF LAW.....	6
SECTION 1.8 -- NON-DISCRIMINATION	6
SECTION 1.9 -- WATER CODE	6
 ARTICLE 2 – PAY PRACTICES	7
SECTION 2.1 -- SALARY GRADE AND RATE RANGE ASSIGNMENTS.....	7
SECTION 2.2 -- SALARY RANGE/COST OF LIVING ADJUSTMENTS.....	7
SECTION 2.3 -- PAYROLL DAYS	9
SECTION 2.4 -- OVERTIME.....	9
SECTION 2.5 -- SHIFT DIFFERENTIAL	10
SECTION 2.6 -- PERFORMANCE EVALUATION.....	10
SECTION 2.7 -- MERIT INCREASE PROGRAM.....	11
SECTION 2.8 -- STANDBY COMPENSATION	12
SECTION 2.9 -- CALLBACK COMPENSATION	13
SECTION 2.10 -- WORKING OUT OF CLASS	14

SECTION 2.11 --- LONGEVITY PAY	14
SECTION 2.12 – FATIGUE TIME.....	14
ARTICLE 3 -- LEAVE BENEFITS	16
SECTION 3.1 -- HOLIDAYS.....	16
SECTION 3.2 -- VACATION	17
SECTION 3.3 -- SICK LEAVE	18
SECTION 3.4 -- JURY DUTY	20
SECTION 3.5 -- COURT LEAVE.....	21
SECTION 3.6 -- MILITARY LEAVE.....	21
SECTION 3.7 -- BEREAVEMENT LEAVE	21
SECTION 3.8 -- LEAVE OF ABSENCE WITHOUT PAY	21
SECTION 3.9 -- UNSCHEDULED PERSONAL LEAVE	23
ARTICLE 4 -- INSURANCE BENEFITS	24
SECTION 4.1 -- MEDICAL	24
SECTION 4.2 -- DENTAL AND VISION	26
SECTION 4.3 -- LIFE.....	26
SECTION 4.4 -- DISABILITY	26
SECTION 4.5 -- LONG TERM DISABILITY	27
SECTION 4.6 -- UNEMPLOYMENT.....	27
ARTICLE 5 -- RETIREMENT BENEFITS.....	28
SECTION 5.1 -- SOCIAL SECURITY AND MEDICARE	28
SECTION 5.2 -- PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)	28

SECTION 5.3 -- DEFERRED COMPENSATION PLAN	28
ARTICLE 6 – OTHER BENEFITS	29
SECTION 6.1 -- UNIFORMS, TOOLS.....	29
SECTION 6.2 -- EDUCATIONAL ASSISTANCE	29
SECTION 6.3 – MILEAGE REIMBURSEMENT	30
SECTION 6.4 -- SPECIAL LICENSING COMPENSATION.....	30
SECTION 6.5 -- SEVERANCE PAY	30
ARTICLE 7 – WORKING CONDITIONS	32
SECTION 7.1 -- EMPLOYEE SELECTION AND CLASSIFICATION	32
SECTION 7.2 -- WORKING HOURS	35
SECTION 7.3 -- WORK RELATED ILLNESS OR INJURY	36
SECTION 7.4 – LAYOFF	37
SECTION 7.5 -- HONORARIA	39
SECTION 7.6 -- ROYALTIES	39
SECTION 7.7 -- ELECTRONIC USE.....	39
SECTION 7.8 -- NO SOLICITATION BY EMPLOYEES.....	40
SECTION 7.9 -- DISTRICT RIGHTS.....	40
SECTION 7.10 -- CONTRACTING OUT	41
ARTICLE 8 – HEALTH AND SAFETY	42
SECTION 8.1 -- POLICY REGARDING SMOKING.....	42
SECTION 8.2 -- HEALTH AND SAFETY COMMITTEE.....	42
SECTION 8.3 – WELLNESS ACCOUNT.....	42

ARTICLE 9 – DISCIPLINARY PROCEDURE.....	43
SECTION 9.1 -- RIGHT TO ASSOCIATION/ UNION REPRESENTATIVE.....	43
SECTION 9.2 -- DISCIPLINARY ACTION	43
SECTION 9.3 -- PRE-DISCIPLINARY PROCEDURE	44
SECTION 9.4 – APPEAL PROCEDURE	45
SECTION 9.5 -- SHORT-TERM SUSPENSION, REPRIMANDS, WARNINGS	45
SECTION 9.6 -- FINALITY OF DISCIPLINARY ACTION	46
SECTION 9.7 -- GRIEVANCE PROCEDURE	46
 ARTICLE 10 – ASSOCIATION BUSINESS	 48
SECTION 10.1 -- DISTRICT BULLETIN BOARDS.....	48
SECTION 10.2 – PAYROLL DEDUCTIONS OF UNION DUES.....	48
 SIGNATURE PAGE	 49

ARTICLE 1 – ADMINISTRATION

SECTION 1.1 -- PREAMBLE

- A.** This Memorandum of Understanding (“MOU”) constitutes an agreement between the Crescenta Valley Water District, hereinafter referred to as “District” and the Crescenta Valley Water District Employees’ Association, an affiliate of the American Federation of State, County, and Municipal Employees, AFL-CIO, hereinafter referred to as “Association”.
- B.** The Association is the formally recognized employee organization for all District employees in the Non-Management Unit defined in District Resolution No. 580 and includes all regular, part-time, probationary, or temporary employees in the job positions shown in Section 2.2 (Salary Range/ Cost of Living Adjustments).

SECTION 1.2 -- AUTHORIZED AGENTS

- A.** For purposes of administering the terms and provisions of this MOU the authorized agents of the parties and their mailing addresses are as follows:

District: General Manager
Crescenta Valley Water District
2700 Foothill Boulevard
La Crescenta, California 91214

Association: Association President
Employees Association of the Crescenta Valley Water District
c/o AFSCME Local 1902
700 N. Alameda St., Suite 1-111
Los Angeles, California 90012

- B.** Any notices or other written communication between the parties shall be served personally on the authorized agents or by certified mail.

SECTION 1.3 -- TERM

- A.** This MOU shall be effective as of January 1, 2026, subject to approval by the Board of Directors of the District and shall remain in full force and effect to and including December 31, 2028.
- B.** The term of this MOU may be extended upon written agreement signed by the parties and approval by the District’s Board of Directors.

SECTION 1.4 -- IMPLEMENTATION

- A.** It is agreed that the provisions of this MOU are of no force or effect until ratified by Association and duly adopted by the Board of Directors.
- B.** Once ratified by Association and then adopted by the Board, each provision of this MOU shall become effective on the date set forth in Section 1.3 (Term), unless another implementation date is specified for a particular provision within the MOU.

SECTION 1.5 -- RENEGOTIATIONS

- A.** In the event either party elects to renegotiate a successor MOU, then up to 120 prior to the expiration of this MOU or thereafter, such party shall serve upon the other its written request to commence negotiations.
- B.** Negotiations shall begin no later than thirty (30) days from the date of the first written request.

- C. In the event that neither group has served upon the other a written request to commence negotiations, the current MOU shall continue in full force and effect for one year from the expiration date unless both parties mutually agree to reopen.

SECTION 1.6 -- FULL UNDERSTANDING

- A. This MOU sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding these matters are hereby superseded or terminated in their entirety. However, except as modified herein, existing District provisions, resolutions, policies, general instructions, rules and regulations shall continue in full force and effect.
- B. It is agreed and understood that during the term of this MOU, each party hereto voluntarily and unqualifiedly waives its right to negotiate, and agrees that the other shall not be required to negotiate, with respect to those matters covered herein or raised and discussed by the parties during the negotiation of this MOU.
- C. No agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed in writing by both parties hereto, and if required, approved and implemented by the District's Board of Directors.

SECTION 1.7 -- PROVISIONS OF LAW

It is understood and agreed that this Memorandum of Understanding is subject to all current and applicable federal and state laws and regulations in addition to District rules and regulations. The parties agree to abide by all such laws, rules, and regulations.

SECTION 1.8 -- NON-DISCRIMINATION

There shall be no discrimination on the part of either the District or Association towards any employee on any of the bases forbidden by any state or federal law applicable to the District or Association.

SECTION 1.9 -- WATER CODE

The parties to this MOU recognize the existence of various sections of the Water Code of the State of California, particularly Division 12 relating to County Water Districts, which vest in the District's Board of Directors and the General Manager the power to exercise traditional prerogatives relative to management of the District's work force and control over performance of the District's work. The District is subject to the requirements of Title 22 and shall take all necessary actions to ensure compliance. To the extent that the District is required to take any actions under Title 22 that are inconsistent with the terms of this MOU, the parties agree to reopen the MOU to address the impacts of such actions.

ARTICLE 2 – PAY PRACTICES

SECTION 2.1 -- SALARY GRADE AND RATE RANGE ASSIGNMENTS

All positions within the Bargaining Unit are assigned a salary grade and rate range as denoted in Section 2.2 (Salary Range/Cost of Living Adjustment).

SECTION 2.2 -- SALARY RANGE/COST OF LIVING ADJUSTMENTS

A. Revised Effective July 1, 2026:

CLASSIFICATION	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	MAX
ACCOUNTING CLERK	\$5,274	\$5,406	\$5,541	\$5,680	\$5,822	\$5,968	\$6,117	\$6,270	\$6,427	\$6,588	\$6,753	\$7,091
ADMINISTRATIVE ASSISTANT	\$5,346	\$5,480	\$5,617	\$5,757	\$5,901	\$6,049	\$6,200	\$6,355	\$6,514	\$6,677	\$6,844	\$7,186
ASSISTANT ENGINEER	\$7,104	\$7,282	\$7,464	\$7,651	\$7,842	\$8,038	\$8,239	\$8,445	\$8,656	\$8,872	\$9,094	\$9,549
ASSOCIATE ENGINEER	\$8,675	\$8,892	\$9,114	\$9,342	\$9,576	\$9,815	\$10,060	\$10,312	\$10,570	\$10,834	\$11,105	\$11,660
CONSTRUCTION SUPERVISOR	\$7,592	\$7,782	\$7,977	\$8,176	\$8,380	\$8,590	\$8,805	\$9,025	\$9,251	\$9,482	\$9,719	\$10,205
CROSS CONNECTION SPECIALIST	\$6,836	\$7,007	\$7,182	\$7,362	\$7,546	\$7,735	\$7,928	\$8,126	\$8,329	\$8,537	\$8,750	\$9,188
CUST SERVICE FIELD REP	\$5,933	\$6,081	\$6,233	\$6,389	\$6,549	\$6,713	\$6,881	\$7,053	\$7,229	\$7,410	\$7,595	\$7,975
CUSTOMER SERVICE & ADMIN GENERALIST	\$5,765	\$5,909	\$6,057	\$6,208	\$6,363	\$6,522	\$6,685	\$6,852	\$7,023	\$7,199	\$7,379	\$7,748
CUSTOMER SERVICE CLERK	\$4,484	\$4,596	\$4,711	\$4,829	\$4,950	\$5,074	\$5,201	\$5,331	\$5,464	\$5,601	\$5,741	\$6,028
CUSTOMER SERVICE LEAD	\$6,228	\$6,384	\$6,544	\$6,708	\$6,876	\$7,048	\$7,224	\$7,405	\$7,590	\$7,780	\$7,975	\$8,374
CUSTOMER SERVICE SUPERVISOR	\$6,707	\$6,875	\$7,047	\$7,223	\$7,404	\$7,589	\$7,779	\$7,973	\$8,172	\$8,376	\$8,585	\$9,014
FACILITIES MAINTENANCE	\$5,330	\$5,463	\$5,600	\$5,740	\$5,884	\$6,031	\$6,182	\$6,337	\$6,495	\$6,657	\$6,823	\$7,164
OPERATIONS & MAINT. WORKER I	\$5,330	\$5,463	\$5,600	\$5,740	\$5,884	\$6,031	\$6,182	\$6,337	\$6,495	\$6,657	\$6,823	\$7,164
OPERATIONS & MAINT. WORKER II	\$5,933	\$6,081	\$6,233	\$6,389	\$6,549	\$6,713	\$6,881	\$7,053	\$7,229	\$7,410	\$7,595	\$7,975
OPERATIONS & MAINT. WORKER III	\$6,228	\$6,384	\$6,544	\$6,708	\$6,876	\$7,048	\$7,224	\$7,405	\$7,590	\$7,780	\$7,975	\$8,374
OPERATIONS & MAINT. WORKER IV	\$6,850	\$7,021	\$7,197	\$7,377	\$7,561	\$7,750	\$7,944	\$8,143	\$8,347	\$8,556	\$8,770	\$9,209
OPERATIONS & TELEMTRY TECH. I	\$5,703	\$5,846	\$5,992	\$6,142	\$6,296	\$6,453	\$6,614	\$6,779	\$6,948	\$7,122	\$7,300	\$7,665
OPERATIONS COORDINATOR I	\$5,933	\$6,081	\$6,233	\$6,389	\$6,549	\$6,713	\$6,881	\$7,053	\$7,229	\$7,410	\$7,595	\$7,975
OPERATIONS COORDINATOR II	\$6,526	\$6,689	\$6,856	\$7,027	\$7,203	\$7,383	\$7,568	\$7,757	\$7,951	\$8,150	\$8,354	\$8,772

PLANT MAINTENANCE SPEC	\$6,868	\$7,040	\$7,216	\$7,396	\$7,581	\$7,771	\$7,965	\$8,164	\$8,368	\$8,577	\$8,791	\$9,231
PROJECT COORDINATOR	\$6,294	\$6,451	\$6,612	\$6,777	\$6,946	\$7,120	\$7,298	\$7,480	\$7,667	\$7,859	\$8,055	\$8,458
REGULATORY & PUBLIC AFFAIRS SPECIALIST	\$6,951	\$7,125	\$7,303	\$7,486	\$7,673	\$7,865	\$8,062	\$8,264	\$8,471	\$8,683	\$8,900	\$9,345
SENIOR ENG TECHNICIAN	\$7,651	\$7,842	\$8,038	\$8,239	\$8,445	\$8,656	\$8,872	\$9,094	\$9,321	\$9,554	\$9,793	\$10,283
SR. INSPECTION & DESIGN SPECIALIST	\$8,548	\$8,762	\$8,981	\$9,206	\$9,436	\$9,672	\$9,914	\$10,162	\$10,416	\$10,676	\$10,943	\$11,490
SYSTEM OPERATOR I	\$6,670	\$6,837	\$7,008	\$7,183	\$7,363	\$7,547	\$7,736	\$7,929	\$8,127	\$8,330	\$8,538	\$8,965
SYSTEM OPERATOR II	\$7,002	\$7,177	\$7,356	\$7,540	\$7,729	\$7,922	\$8,120	\$8,323	\$8,531	\$8,744	\$8,963	\$9,411
WATER QUALITY & ASSET MANAGMENT SPECIALIST	\$6,951	\$7,125	\$7,303	\$7,486	\$7,673	\$7,865	\$8,062	\$8,264	\$8,471	\$8,683	\$8,900	\$9,345
SR WATER QUALITY & ASSET MANAGMENT SPECIALIST	\$7,716	\$7,909	\$8,107	\$8,310	\$8,518	\$8,731	\$8,949	\$9,173	\$9,402	\$9,637	\$9,878	\$10,372
WATER RESOURCES & EXTERNAL AFFAIRS SPECIALIST	\$6,951	\$7,125	\$7,303	\$7,486	\$7,673	\$7,865	\$8,062	\$8,264	\$8,471	\$8,683	\$8,900	\$9,345
SR WATER RESOURCES & EXTERNAL AFFAIRS SPECIALIST	\$7,716	\$7,909	\$8,107	\$8,310	\$8,518	\$8,731	\$8,949	\$9,173	\$9,402	\$9,637	\$9,878	\$10,372

- A. 1. Effective July 1, 2026, the monthly salary ranges shall be adjusted across the board by 4.0%, as reflected in Paragraph A, above.
2. Effective July 1, 2027, the monthly salary ranges shall be adjusted across the board based on the Consumer Price All Items Index for Urban Wage Earners and Clerical Workers (CPI-W) for Los Angeles-Long Beach-Anaheim for the period of March 2026 to March 2027 subject to a 3.0% minimum and a 6.0% maximum.
3. Effective July 1, 2028, the monthly salary ranges shall be adjusted across the board based on the Consumer Price All Items Index for Urban Wage Earners and Clerical Workers (CPI-W) for Los Angeles-Long Beach-Anaheim for the period of March 2027 to March 2028 subject to a 3.0% minimum and a 6.0% maximum.

C. Classification and Compensation Study

During the first year of the MOU, the parties agree to meet and confer over potential adjustments to salaries following the completion of a classification and compensation study by the District. There shall be no obligation by the District to meet and confer with AFSCME over the terms of the classification and compensation study.

D. MOU Signing Bonus

All full-time regular employees and full-time LTE employees in the bargaining unit that are employed by the Distict on the date that AFSCME provides written notification to the District of ratification of the MOU and who are still employed by the District on the date of payment, shall receive the amount of two thousand dollars (\$2,000.00) on a one-time basis. The employee may elect to receive the \$2,000.00 as compensation, subject to applicable taxes, or as deferred compensation to be deposited into a District-sponsored Section 457 Deferred Compensation Plan, or any combination of both.

SECTION 2.3 -- PAYROLL DAYS

A. 1. Pay Period Change

Effective December 26, 2025, the District shall transition from a semi-monthly payroll schedule to a bi-weekly payroll schedule. All future wages, differentials, premiums, and applicable benefits tied to payroll frequency shall be administered on a bi-weekly basis.

2. Hourly Pay and Timekeeping

Effective the same date as the payroll transition noted above, all bargaining-unit employees shall be paid on an hourly basis, with time recorded and compensated in 15-minute increments, consistent with the Fair Labor Standards Act and District timekeeping procedures.

3. Pay Day Schedule

In January of each year, the District shall provide a schedule of the paydays for the calendar year.

- B.** In the event of the death of an employee, any unpaid wages shall be paid to the deceased employee's designated beneficiary. Employees wishing to have their pay checks released to a friend or a spouse may fill out a release form which can be obtained from and filed with the Human Resources Department.

SECTION 2.4 -- OVERTIME

- A.** Employees shall be paid at one and one-half times their regular rate of pay for all hours worked in excess of forty (40) hours in a workweek as defined under Section 7.2 (Working Hours). Employees shall be compensated at double their regular rate for all hours worked in excess of twelve (12) hours in a single day. Time shall be recorded and compensated in fifteen (15) minute increments.
- B.** Employees are not permitted to work overtime without prior authorization or at the request of the employee's supervisors, except in case of emergency. Working overtime without prior authorization is grounds for discipline. If an emergency situation arises that requires an employee to work overtime, the employee must notify a supervisor as soon as possible and in no event will they notify later than the end of the day on which the emergency occurred.
- C.** Overtime which is scheduled at least 24 hours in advance will be offered first to employees within a specific job classification/family based upon the type of event outlined below:

Pipeline/ Lateral repairs	System Ops Events	Engineering Events	Community Outreach/ District Events
O&M Personnel on seniority	System Ops Personnel on Seniority	Engineering staff	Customer service personnel on seniority
Standby Rotation List	Standby Rotation List	Other qualified district staff	All other District Staff
Other qualified district staff	Other qualified district staff		

Any other type of event not specifically covered by the matrix above will be filled at Management's discretion. Overtime arising from an unexpected extension of a scheduled workday shall be performed by employees already on the job, if feasible.

D. Overtime Calculation

For purposes of determining overtime compensation, regular hourly rate of pay is,
at minimum: (Employee's monthly base salary) * (12) ÷ (2,080)

E. Overtime Meals

The employees of the District are occasionally called from their homes, or held over beyond their regular work hours, to perform work for the District. When an employee is asked to accept such assignments, the District recognizes that inconvenience is caused to the employee regarding the normal scheduling of meal periods. Therefore, it shall be the policy of the District to provide for the cost of meals and the time to eat such meals, in accordance with the following conditions:

1. When called for two (2) hours or more, one (1) meal. Additional meals will be at intervals of six (6) hours minimum.
2. When called and work continues into a regularly scheduled workday, a minimum of two (2) meals.
3. Time to eat overtime meals will be at the District's expense, not to exceed one-half (½) hour per meal.
4. It is intended that meals be provided at intervals of no less than six (6) hours. However, during periods of unusual or difficult circumstances, adjustments will be made as appropriate by the supervisor on-duty. A maximum of three (3) meals will be provided per any continuous 24-hour overtime period.
5. Receipts shall be furnished to the District for all meals. Reimbursement shall be made to the employee for actual costs incurred, not to exceed an average of \$10 per meal during any overtime period.

F. Compensatory Time

Notwithstanding the provisions above, an employee may opt, by written request, to be compensated at the rate of one hour of compensating time off (CTO) for each hour of overtime worked plus one-half hour at the regular rate for each hour of overtime worked up to a maximum accumulation of forty (40) hours. The District will permit the employee to use the CTO within a reasonable time after the employee's request. Upon the employee's request, the District will pay cash at the current rate of pay for CTO that has accrued for at least two pay periods. Any accrued CTO at the end of the last pay period in each calendar year will be paid at the employee's current rate of pay. Under no circumstance will the employee accrue more than 240 hours. Upon termination of employment, accrued compensating time off will be paid at the rate provided by law.

SECTION 2.5 -- SHIFT DIFFERENTIAL

An employee will be paid shift pay premium for all scheduled hours worked between 6:00 p.m. and 6:00 a.m. Shift pay premium shall be in the amount of twenty percent (20%) of the employee's regular hourly rate for hours worked between 6:00 p.m. and 6:00 a.m.

SECTION 2.6 -- PERFORMANCE EVALUATION

- A. To provide a fair evaluation of performance and productivity, employees will be appraised at six (6) months from date of hire. Thereafter, performance and productivity will be appraised annually around

the anniversary date of employment with the District or, if there has been a position change, the anniversary date of that position change. However, the evaluation shall be effective on the anniversary date and shall cover the year period prior. The evaluation shall be made on the appropriate District form by the employee's manager and discussed with the employee privately. Any use of sick leave accompanied by satisfactory documentation of an illness or medical/dental appointment will not be considered when evaluating an employee's attendance. The employee shall have the opportunity to respond to the evaluation and have the written response included in their personnel file, but unless the evaluation is reconsidered as provided below, it shall become final.

- B. Evaluations will be completed using the District evaluation form, which is based on Goals (30%), Competencies (35%), and Values (35%). Goals will be based on language consistent with the District Strategic Plan and as directed or agreed upon by the employee's supervisor at the beginning of the employee's evaluation period. Competencies and values will be based on observation of competencies and values by the employee's supervisor and other employees based on a "360" feedback process. The employee's manager is responsible for the recertifying and acknowledgement of understanding of the District Values Statement at the beginning of each evaluation period. The employee's manager is also responsible for providing consistent and timely constructive feedback, at no less than two documented instances per evaluation cycle. The District will endeavor to meet with each employee at the six-month mark of the evaluation period to provide feedback on performance.
- C. If an employee receives an evaluation rating indicating "Needs Improvement" or "Unacceptable", they shall be notified of their right to have an Association representative present during the evaluation discussion and reconsideration and their right to request reconsideration of the evaluation by the General Manager. The District will provide the rationale for the unsatisfactory evaluation that was given to the employee. The employee's signature on the evaluation only indicates that the evaluation form and any accompanying documents were received. The signature does not constitute an acknowledgment that the employee agrees with the ratings. The employee may submit a written rebuttal to the evaluation for inclusion in their official personnel file.

D. Evaluation Reconsideration

A request for reconsideration of the evaluation may be made orally or in writing but must be made personally to the General Manager or delivered to their office within five (5) working days after the employee receives the evaluation. The General Manager shall consider any oral and written response presented by the employee and shall confirm or modify the evaluation as they deem appropriate. The decision of the General Manager shall be made in writing and delivered to the employee. Such decision shall be final, binding and not subject to grievance.

- E. No employee shall suffer a salary reduction for an unsatisfactory performance evaluation if they remain in the same job classification. An employee shall only suffer a salary reduction if they are subsequently demoted as a result of an unsatisfactory performance evaluation with good and sufficient cause.
- F. During the first year of this MOU, the parties agree to reopen this Section for purposes of meeting and confer over revisions to the performance evaluation process.

SECTION 2.7 -- MERIT INCREASE PROGRAM

- A. Regular Employees shall be eligible for merit increase consideration. Approved merit increases

will become effective with the first pay period following approval.

- B.** Merit increases, within the established salary ranges, are not automatic, but will be granted based upon performance as determined during the employee's annual productivity appraisal and approved by the General Manager. A merit raise shall be that amount required to bring the employee's salary to the next higher rate step as shown on the range assignment table in Section 2.2 (Salary Range/ Cost of Living Adjustment). Employees who receive an "Outstanding" shall receive a three (3) step merit increase (7.5%). Employees who receive an "Exceeds Standards" performance rating shall receive a two (2) step merit increase (5.0%). Employees who receive a "Meets Standards" performance rating shall receive a one (1) step merit increase (2.5%). In no event shall a merit increase under this section entitle an employee to receive a salary increase beyond the top step of the applicable salary range as specified in Section 2.2 (Salary Range/ Cost of Living Adjustments).

SECTION 2.8 -- STANDBY COMPENSATION

- A.** To ensure qualified personnel are available in the event of emergency and critical customer service/operations, certain employees will serve standby duty during off-duty hours. Such employees shall receive three (3.0) hours compensation per standby shift on weekdays, three and one-half (3.5) hours per standby shift on weekends, and three and one-half (3.5) hours on a District holiday at one and one-half times (1 ½) the employee's regular rate of pay in addition to applicable holiday compensation.
- B.** Additionally, standby personnel who perform work remotely from a non-District facility will be paid for time actually worked for a minimum of thirty (30) minutes at their overtime rate. If the employee is required to report for duty, they will receive callback compensation as provided in Section 2.9 (Callback Compensation).
- C.** Such employees shall have the ability to be reached by District cellular phone at all times and be able to report to work within thirty (30) minutes if called.
- D.** While on standby duty, employees are to refrain from any activities which might impair their abilities to perform their duties. All standby duty employees are required to check that the standby phone is working properly by calling the number at 4:30 p.m. and 8:00 p.m. Monday-Friday and at 8:00 a.m., 12:00 p.m. and 8:00 p.m. on weekends and holidays.
- E.** Standby duty assignment will be offered to those qualified as determined by District Management and willing to take on such duty. These personnel will make up the Standby Rotation List. There will be two separate lists, one for system operators and one general list for all other maintenance and emergency response duties. For purposes of administering the rotation list, management unit employees will not be included in the list or used to fill standby or callback duty unless all other employees on the list reject the assignment. Where there is a shortage of personnel on the Standby Rotation List, the General Manager or designee will include all other employees who are required as part of their job description to serve standby duty. Standby duty assignment will be scheduled on an equal basis.
- F.** If an employee wishes to forego their standby duty due to vacation, non-illness, or non-family emergency situations, it is their responsibility to obtain coverage for that shift if the request is submitted less than thirty (30) days prior to the vacation date. If they can't find a replacement from the standby rotation list, then they will be required to perform the standby duty assigned. In mitigating situations where a substitution cannot be found, the General Manager or their designee may select any qualified employee, whether or not the selected employee is on the standby list, for that particular circumstance only.

- G.** An employee who calls off their regular shift due to illness or family emergency, will be ineligible to perform standby duties and the selection will be made from the Standby Rotation List. The Standby Rotation List will be established in rank order of District seniority. The person at the top of the Standby Rotation List will have first choice at accepting the assignment. If they do not accept that assignment, then the next senior person is offered the assignment. In the event that all employees reject the assignment then the Manager will assign the shift to someone on the Standby Rotation List or to a Supervisor who will be required to perform the duty.
- H.** If an employee calls off their regular shift for a non-illness, they will remain on standby rotation for that day provided they notify their Manager no later than half-way point of their shift for the day that they will be able to be available for standby rotation for the day. In the event that they do not provide such notification, the same replacement process above shall apply.
- I.** Employees who are on restricted duties due to injury or illness will not be allowed to take their shift in the rotation. Upon written receipt of clearance of all restrictions by the treating physician, the employee will return to their place in the Standby Rotation List.
- J.** A copy of this section will be provided to each employee eligible for standby on an annual basis, and the District shall obtain a signed acknowledgement from each employee that said language has been distributed.

SECTION 2.9 -- CALLBACK COMPENSATION

- A.** An employee who is called back to duty during off hours shall receive a minimum of two hours callback pay, which includes actual time worked and travel time to and from the District and the employee's residence. All callback pay shall be at a rate of time and one-half. An employee who is called back to duty during an actual holiday shall receive a minimum of four (4) hours callback pay to paid at the rate of double time holiday pay, which includes actual work time and travel time to and from the District and the employee's residence. Travel time shall be limited to a one-hour maximum per callback event.
- B.** An attempt to notify by telephone a Supervisor or the Manager shall be made by the caller for all work requiring callback personnel. A Supervisor or the Manager will always have the option to report to duty themself based on their judgment of the emergency situation and the need for supervision or assistance to the callback personnel.
- C.** If personnel in addition to the standby person are needed, callback will be offered from the Standby Rotation List in the order of seniority. The person at the top of the Standby Rotation List will have first choice at accepting the assignment. If they do not accept the assignment, then the next senior person is offered the assignment. If sufficient personnel are not available, a Supervisor or the Manager may offer callback assignments to any other available personnel, starting with O&M based on seniority, then all other qualified District staff by seniority.
- D.** The person making the callback attempts should sufficiently document the communications on the call back log form and turn in this form with the time sheets.

SECTION 2.10 -- WORKING OUT OF CLASS

- A.** For the purpose of this section, an out-of-class assignment is the full-time performance of a majority of the duties in a higher paying position by an individual in another position. The assignment may only be made in writing by the General Manager.
- B.** It is the intent of the District to avoid, whenever possible, working an employee on an out-of-class assignment for a prolonged period.
- C.** If an employee is assigned to an out-of-class assignment and works out-of-class as defined above for more than fifteen (15) consecutive working days, the employee shall receive up to a 10% base rate increase retroactively effective the first day of the assignment. In no event shall an employee working out-of-class receive pay higher than the range of the position to which they are temporarily assigned.
- D.** If, at the time of appointment, the supervisor knows that the employee will be on an out-of-class assignment for more than fifteen (15) consecutive working days, then the employee shall receive the increase at the beginning of the assignment.
- E.** The temporary assignment shall not continue beyond six (6) months or 960 hours, whichever is less. However, if the individual vacated their position due to a work-related injury, the assignment shall not continue beyond twelve (12) months. If the assignment continues beyond the prescribed time, the employee shall be promoted to the new position.

SECTION 2.11 --- LONGEVITY PAY

- A.** In recognition of situations where long-term District employees may reach the top of the established salary range for the employee's current position, such employees will receive additional pay related to their longevity and productivity with the District, provided the employee has been employed by the District for at least 10 years, and has been at the top of their salary range in the same position for at least one year.
- B.** In recognition of employees who have been employed by the District for 10 years or more, a gift certificate equal to \$10/year of service will be given only in and for the year it is earned based upon the following formula:

10 years	\$100 gift certificate
15 years	\$150 gift certificate
20 years	\$200 gift certificate
25 years	\$250 gift certificate
30 years	\$300 gift certificate
35 years	\$350 gift certificate
40 years	\$400 gift certificate
45 years	\$450 gift certificate
50 years	\$500 gift certificate

SECTION 2.12 – FATIGUE TIME

- A.** The intent of fatigue time is to provide a sufficient time for rest between work time and the start of

the next regularly scheduled workday, in order to provide a safe working environment for the employees and the public.

An employee will be eligible for fatigue time if any of the following apply:

1. The employee has worked an extension of their workday and their extension has been completed with less than eight (8) hours, plus travel time to and from a location of rest, between the completion of the extension and the start of the employee's next regularly scheduled shift.
2. The employee has worked scheduled overtime on a day off, overtime has been completed with less than eight (8) hours, plus travel time to and from a location of rest, between the completion of the overtime and the start of the employee's next regularly scheduled shift.
3. The employee has actually worked at least four (4) hours as a result of call backs pursuant to Section 2.9 – Callback Compensation.
4. The employee has worked a portion of their regular work shift and is excused to rest prior to working later that same workday.

B. When an employee is eligible for fatigue time, they will not be required to report to work for up to eight (8) hours plus commute time to and from a location of rest after the completion of the overtime or the extension of their workday and will receive full pay for any regularly scheduled hours not worked. If an employee still has hours of their regular shift to complete, the employee must either return to work for the remainder of the shift or use leave in place of returning to work.

ARTICLE 3 -- LEAVE BENEFITS

SECTION 3.1 -- HOLIDAYS

A. Designation

1. All full-time regular employees and qualified part-time employees, including probationary employees, shall observe the following paid holidays. Regular and part-time employees who are scheduled to work at least 1,040 hours per year shall earn a pro-rated amount relative to 2,080 hours per year. To be entitled to pay for a paid holiday, an employee must be entitled to full pay for the scheduled working day both before and after said paid holiday. Temporary employees are not entitled to holiday benefits. When a holiday falls on a regularly scheduled workday, an employee shall receive holiday pay equivalent to the number of hours for that shift.

New Year's Day (January 1)

President's Day (third Monday in February)

Memorial Day (last Monday in May)

Juneteenth (June 19)

Independence Day (July 4)

Labor Day (first Monday in September)

Veteran's Day (November 11)

Thanksgiving Day (fourth Thursday in November)

The day after Thanksgiving

Christmas Eve (December 24)

Christmas Day (December 25)

New Year's Eve (December 31)

Three floating holidays per calendar year to be used at the discretion of the employee upon prior approval from the employee's supervisor and General Manager. Employees are encouraged to use these days as early as possible. Floating Holidays cannot be carried over from one calendar year to the next except for additional hours earned after the Veteran's Day holiday. Floating Holidays may not be available to take during the holiday period depending upon staffing requirements. The District waives Labor Code Section 227.3 as it pertains to compensation for floating holidays.

2. The General Manager may elect to maintain a minimum staff on any holiday. When a paid holiday falls on a scheduled Saturday off, the previous Friday shall be deemed the paid holiday. When a paid holiday falls on a scheduled Sunday off, the following Monday shall be deemed the paid holiday. When a paid holiday falls on any other scheduled day off, eight (8) hours of floating holiday will be added to the employee's floating holiday balance.
3. The floating holiday benefit shall be prorated down to the nearest full hour for new employees starting with the District during the calendar year.

B. Compensation for Holidays Worked

Any employee who works on a paid holiday shall receive their regular holiday pay plus overtime rate of pay for actual hours worked.

SECTION 3.2 -- VACATION

A. Definition

1. Regular employees shall be entitled to vacation in accordance with the following schedule:

Length of Service	No. Annual Vacation Hours
1 to 4 years	80
5 to 15 years	120
16 years to 25 years	160
26 years to 27 years	168
28+ years	176

2. No employee shall be entitled to use any vacation until the completion of six (6) months of the probationary period. Temporary employees are not entitled to vacation benefits. Part-time employees working 1,040 hours or more per year shall earn prorated vacation according to schedule, in the proportion of the actual number of hours worked in the year preceding the employee's last anniversary date relative to 2,080 hours.
3. An employee who is on leave of absence without pay in excess of five (5) consecutive full working days shall not receive credit for service while on such leave.
4. An employee who terminates their employment and is subsequently rehired shall receive no vacation credit for the prior period of service.

B. Method of Accrual

1. Upon the first day following successful completion of six (6) months of the probationary period, every eligible employee of the District shall be entitled to forty (40) hours of vacation.
2. Employees shall thereafter accrue hours based upon years of service, including the probationary period, as follows:

Length of Service	Semimonthly Accrual
1-4 Years	3.33 Hours
5-15 Years	5.00 Hours
16 Years to 25 years	6.67 hours
26 to 27 years	7.00 hours
28+ years	7.33 hours

C. Accrual During Absence

Absence because of injury or sickness which is covered by accumulated sick leave shall not affect the accrual of vacation described above. Vacation accrual will be prorated during any pay period an employee is absent without pay for one (1) or more workdays.

D. Carryover of Accrued Vacation

3. The maximum vacation hours that may be carried over by any employee at the end of a calendar year shall be 160 hours.

4. Employees shall be compensated at their current rate of pay for any unused accrued vacation in excess of the maximum allowable carryover as of the end of the last pay period in each calendar year unless accumulation of vacation leave in excess of the maximum allowed by any employee is approved in writing by the General Manager. Employees shall be compensated for carryover of accrued vacation upon satisfaction of a minimum of 40 hours of time taken off during the calendar year, which may include any combination of vacation, floating holiday hours, or compensatory time off.

E. Effect of Holidays

When an approved holiday falls within a vacation period, an employee on vacation shall be entitled to the holiday in addition to their regular vacation, resulting in one fewer day deducted from the vacation accrual.

F. Scheduling

Vacation requests are subject to prior approval from the employee's supervisor. A request for vacation leave shall only be denied for a good and sufficient business reason. In the event that two or more employees request vacation leave simultaneously, vacation leave requests shall be considered on a District seniority basis.

G. Minimum Charge to Vacation

Minimum charge to the employee's vacation account shall be one quarter (1/4), and thereafter in one-half hour increments.

H. Payment for Unused Vacation Upon Termination

Eligible employees terminating employment with the District shall be compensated for unused vacation hours at their then-current rate of pay. When separation is caused by death of an employee, payment for unused vacation time shall be made to said employee's designated beneficiary.

SECTION 3.3 -- SICK LEAVE

A. Definition

Sick leave is a benefit provided by the District to promote the health and welfare of its employees. It is not an earned right to take time off from work. Sick leave is defined as the absence from duty of an employee because of a bona fide illness, injury, pregnancy, or to attend to the illness or injury of a family member as hereinafter defined. Temporary employees are entitled to three (3) days of sick leave benefits. Part-time employees working 1040 hours or more per year shall earn sick leave prorated to a 2080-hour work year.

B. Method

1. Regular employees of the District shall accrue three and two-thirds (3.67) hours of sick leave with pay per pay period. The General Manager may grant up to three (3) days of advance sick leave if the employee does not have enough accrued leave to cover an absence due to illness.
2. An employee shall not accrue sick leave credit during any pay period in which they are absent without pay for more than three (3) full working days. In the event an employee is required to work part-time by direction of their physician and the District agrees to return

them to work on that basis, sick leave credit shall be prorated, except that sick leave shall continue to accrue if an employee is absent due to an injury arising out of or in the course of their employment and is entitled to Workers' Compensation benefits.

C. Permissible Uses

Sick leave may be applied only to:

1. Absence due to illness, injury or pregnancy of an employee.
2. Absence due to medical and dental office appointments of an employee when approved in advance by the employee's supervisor. Any denial pertaining to this will only be for a good and sufficient business reason.
3. Absence due to domestic violence, sexual assault, and stalking.
4. Absence not to exceed 88 hours per calendar year, for immediate family care or parental leave. For purposes of this section, immediate family shall mean father, father-in-law, mother, mother-in-law, brother, sister, husband, wife, child, grandparent, legal guardian, or any family member with whom the employee resides.
5. Absence due to a job-related injury. See Section 7.3 (Work-Related Illness or Injury)

D. General Provisions

1. To qualify for sick leave pay, the District must be notified at least one-half (½) hour in advance of the time they are scheduled to report for duty.
2. Minimum charge to an employee's sick leave account shall be one-quarter (1/4) hour increments.
3. The General Manager is responsible for control of abuse of the sick leave privilege. Employees may be required, at any time, to furnish a certificate issued by a licensed health care provider, or other satisfactory evidence of incapacity if a pattern of leave abuse is established; however, for absences of five (5) working days or more, a request for leave and a medical certification, on prescribed forms, stating expected date of return must be submitted to the General Manager or Human Resources. If a certificate issued by a licensed health care provider is requested, it must be furnished prior to the employee's shift beginning in order to report for duty.

E. Redemption of Unused Sick Leave

An employee may accumulate sick leave up to a maximum of 360 hours. Any excess over 360 hours at the end of the last period of each calendar year will be paid in cash at the employee's then current rate of pay.

F. Sick Leave upon Separation of Employment

1. Upon separation from the District, personnel will be paid for unused sick leave based upon the following: 50% of unused sick leave shall be paid to employees who resign from the District, 75% of unused sick leave shall be paid to employees who retire from the District under Article 5, and 100% of unused sick leave will be paid to the employee's estate if separation is by death. No payment for sick leave will be made if the employee is terminated for cause.
2. Employee may elect to have this payout contributed to their deferred compensation account in lieu of a cash payment up to the amount allowable by law.

G. Leave Donation Program

1. The Leave Donation Program is designed to provide a mechanism to assist employees who have exhausted paid leave due to a serious or catastrophic illness or injury. This program allows employees who accrue leave to donate accrued sick leave hours to a specific employee who has exhausted their own available leave balances. To receive leave donations, an employee:
 - a. Must have been employed in a regular position for a minimum of six months or in a temporary position for a minimum of 12 months and worked more than 1,250 hours in the previous 12 months.
 - b. Must be absent from work due to their own illness or injury for more than 20 consecutive work days (as verified by a physician's statement) or be absent from work for more than 20 consecutive days in order to attend to an ill or injured parent (including in-law), grandparent, child, or spouse.
 - c. Must have exhausted all applicable leave balances, including sick leave; however, the General Manager may approve the solicitation/acceptance of leave donations prior to all balances being exhausted when the physician's statement indicates the probable exhaustion of balances within two pay periods.
2. Donations are voluntary and made from accrued sick leave balances in whole-hour increments, but for a minimum of eight (8) hours.
 - d. The donor must retain at least 80 hours of sick leave in their own sick leave account.
 - e. The total donations received into an employee's annual leave balance normally shall not exceed 200 hours unless approved by the General Manager. Such donations shall not be eligible for payout above the maximum annual sick leave accrual under Paragraph E or payment on separation under Paragraph F.
 - f. A request for donations shall be made in writing by the receiving employee (or legal representative if the employee is incapacitated) and approved by the General Manager. Upon approval of a request for donations from an employee or their guardian if employee is incapacitated, the District shall, at the employee's (or legal representative) request, post a notice of the eligible employee's need for donations on District bulletin boards accessible to employees and/or via e-mail. Confidential medical information shall not be included in the notice.

SECTION 3.4 -- JURY DUTY

- A. Any Regular Employee called for jury duty shall, on prescribed forms approved by the General Manager, be entitled to their regular pay for those hours of absence due to performance of the jury duty, up to a maximum of ten (10) working days, provided that their fees for such service, exclusive of mileage, are remitted to the District.
- B. An employee serving jury duty must submit the Notice to Appear and obtain an attendance slip from the court to be submitted to Accounting with their timesheet in order to be eligible for regular pay for those hours of absence due to jury duty.
- C. To be entitled to receive regular pay for such jury duty leave, the employee must report for work at the District for time not actually retained on jury service of one (1) hour or more prior to and/or upon completion of each day's service, exclusive of travel time.

SECTION 3.5 -- COURT LEAVE

- A.** Any employee, who is required to attend a court proceeding or administrative hearing in which the District is an interested party will receive leave with pay for the time they are required to be absent from work. If such attendance occurs on a day off, the employee will receive pay at the overtime hourly rate. Leave with pay will also be provided to any employee required to be absent from work by a witness subpoena, excluding defendant, plaintiff, or expert witness appearances.
- B.** To be entitled to receive regular pay for any court leave, the employee must report for work at the District for time not actually retained on service of one (1) hour or more prior to and/or upon completion of each day's service, exclusive of travel time.

SECTION 3.6 -- MILITARY LEAVE

- A.** Employees are entitled to military leave as provided by Sections 395 through 395.05 of the California Military and Veterans Code and the Uniformed Service Employment and Reemployment Act. Employees may be entitled to leave without loss of pay pursuant to state law, as limited by Military and Veterans Code section 395.03. Military leave for inactive duty training is without pay unless the employee, at their option, elect to use accrued paid leave.
- B.** A request for military leave shall be made upon prescribed forms approved by the General Manager and shall state the date when it is desired to begin the leave of absence and the date of anticipated return. A copy of orders requiring such military service shall be submitted with the request.

SECTION 3.7 -- BEREAVEMENT LEAVE

- A.** Upon request, and with the approval of the General Manager, regular employees, including probationary employees, may receive necessary time off with pay, not to exceed four (4) days for an in-state occurrence and five (5) days for an out-of-state occurrence in any one instance, to arrange for or attend a funeral of a member of their immediate family.
- B.** For purposes of this section, immediate family shall mean father, father-in-law, mother, mother-in-law, brother, brother-in-law, sister, sister-in-law, spouse, child, grandchild, grandparent, or spouse's grandparent, aunt, uncle, niece, nephew, adopted child, or any other legal dependent in their care.

SECTION 3.8 -- LEAVE OF ABSENCE WITHOUT PAY

A. Eligibility

In order to be eligible for either a Medical Leave of Absence or a Family Leave of Absence under Subsections B and C below, an employee must meet the following requirements:

- 1. The employee must have been employed by the District for at least 12 months, as defined under the Family and Medical Leave Act and the California Family Rights Act;
- 2. The employee must have worked at least 1,250 hours in the 12 months immediately preceding the commencement of the leave.

B. Medical Leave of Absence

- 3. Eligible employees (as defined above) who are unable to work because of a serious non-occupational health condition, illness, injury, or disability (except for disability on account of pregnancy, childbirth, or related medical conditions, which is covered by pregnancy disability leave), are entitled to an unpaid Medical Leave of absence of up to twelve (12)

weeks during a twelve (12) month period. A doctor's medical statement confirming the health condition, illness, injury, or disability and stating the expected date of return shall be submitted with the request for Medical Leave. The District may require a written doctor's release upon return to work if the leave of absence is less than thirty (30) calendar days provided the District notifies the employee at least five (5) working days prior to their expected date of return. However, if the leave of absence extends beyond thirty (30) calendar days, a written doctor's release must be submitted to the General Manager upon return to work.

4. Employees may elect to utilize accrued sick, vacation time, or any combination thereto. Employees must utilize all accrued sick leave before unpaid Medical Leave commences.
5. Employees on Medical Leave shall be entitled to up to twelve (12) weeks of continued coverage under the District's group health insurance, to the same extent as though the employee had continued working.

C. Family Leave of Absence

1. Eligible employees (as defined above) are entitled to unpaid Family Leave of absence of up to twelve (12) weeks during a twelve (12) month period to accommodate the employee's pregnancy or childbirth, caring for a newborn child, for the placement for adoption or foster care and care for the newly placed child, or for caring for a family member (including domestic partner), with a serious health condition, or because of any qualifying exigency arising out of the fact that the employee's spouse, child, or parent is a U.S. National Guard or Reserve member on active duty (or has been notified of an impending call or order to active duty status) in support of a contingency operation.
2. Employees who have been employed by the District for at least 12 months, and who have actually worked at least 1,250 hours of service during the 12 month period are entitled to unpaid Family Leave (FMLA leave) to care for a covered servicemember with a serious injury or illness if the employee is the spouse, child, parent, or next of kin of the servicemember.
 - a. An employee's entitlement under this section is limited to a total of twenty-six (26) workweeks of leave during a single 12-month period to care for a covered servicemember with a serious injury or illness. The "single 12-month period" in which the 26-weeks-of-leave-entitlement described in this begins on the first day an employee takes leave to care for the covered servicemember.
 - b. During the "single 12-month period" described above, an employee's Family leave entitlement is limited to a combined total of twenty-six (26) workweeks of Family leave for any qualifying reason.
3. The District may require certification, on a periodic basis, of the employee's or family member's health condition by their physician or confirmation of the legal or administrative proceedings relative to adoption or foster care placement.
4. Sick leave accruals may be applied to absence(s) for Family Leave. For purposes of this section, family shall be defined as father, father-in-law, mother, mother-in-law, brother, sister, spouse, child, grandparent, legal guardian, or any family member with whom the employee resides. Child is defined as biological, adopted, or foster child, stepchild, legal ward, or child of a person standing in loco parentis regardless of age or dependency status.
5. Employees may elect to utilize accrued sick, vacation time, or any combination thereto. Should the employee elect for unpaid leave, they may do so only in the event they have

utilized all accrued vacation and sick leave

6. Employees on Family Leave shall be entitled to up to twelve weeks of continued coverage under the District's group health insurance, to the same extent as though the employee had continued working.

D. Personal Leave of Absence

Any employee may be granted a Personal Leave of absence to attend to personal matters when the General Manager, in their sole discretion, determines that an extended leave of absence is appropriate. Employees must utilize all accrued vacation time before unpaid Personal Leave commences.

E. General Provisions

1. Where foreseeable, the employee shall request unpaid leave at least thirty (30) days before the leave of absence is to commence.
2. An approved leave of absence may be extended upon request by the employee and approval by the General Manager. Such extension request should be made at least two (2) weeks prior to the expiration of the original leave and is subject to the same terms as the original leave.
3. If an employee is involuntarily terminated, or terminated because they did not return to work at the end of an approved leave, and then is rehired within one year, the District will bridge the service date so that the employee may receive credit for previous service for all purposes under this MOU, excluding CalPERS retirement, unless otherwise specified herein. Vesting and reinstatement of benefits will be in accordance with the provisions of the District's retirement plans.

SECTION 3.9 -- UNSCHEDULED PERSONAL LEAVE

- A. An employee is entitled to eighteen (18) hours of Unscheduled Personal Leave (UPL) per calendar year. Such leave may be taken for any non-medical personal reason which actually prevents the employee from coming to or remaining at work.
- B. UPL is subject to approval by the employee's supervisor or, in his/her/their absence, the next available supervising or management representative. Request or notification shall be made on or before the same business day as the emergency circumstances requiring the UPL.
- C. As soon as possible, a request for UPL on prescribed forms, approved by the employee's supervisor or other appropriate management representative, must be submitted to the General Manager or Secretary-Treasurer/Director of Finance and Administration. Approved UPL shall be charged against an employee's personal holiday allowance under Section 3.1 or vacation under Section 3.2. If no such allowance remains at the time of the UPL, then the leave shall be without pay. Minimum charge to the employee shall be one (1) hour, and thereafter in one-half (1/2) hour increments.

ARTICLE 4 -- INSURANCE BENEFITS

SECTION 4.1 -- MEDICAL

A. Coverage for Employees

Medical/hospitalization insurance is provided for all full-time regular employees upon completion of 60 days of employment. Cost of coverage for the employee and either one eligible dependent or spouse is paid by the District. An employee may opt for any medical plan ACWA offers; however, District payment shall not exceed the premium of ACWA's HBA Blue Cross-California Care HMO Plan. Coverage for a higher-cost plan or additional eligible dependents may be provided at the employee's expense. Employee payment for this coverage shall be made through payroll deductions.

B. Coverage for Retirees (Date of Hire Prior to July 1, 2008)

1. The District pays the cost to continue current medical/hospitalization insurance coverage for a retired employee and eligible spouse (but not other dependents) whose date of hire is prior to July 1, 2008 and whose date of retirement occurs during the period this MOU is in effect, at the same level described in Section 4.1(A) above for full-time employees. Coverage will be maintained under its group benefit agreement until the retiree elects to discontinue coverage. When an active employee who will be age 65 or older retires, enrollment in Medicare Parts A and B will be required at the time of retirement. When an employee retires before age 65, enrollment in Medicare Parts A and B is required when the retiree or spouse reaches age 65. If this enrollment does not take place, the Medicare-eligible but not Medicare-enrolled retiree will no longer be eligible for participation in the District's medical plans.
2. In order to qualify for the medical/hospitalization retirement coverage herein described, an employee must be at least 50 years of age and must have been employed by the District for minimum of ten (10) consecutive years at the date of retirement. Retirees wishing to obtain coverage for a higher-cost plan, or their eligible dependents shall be required to pay the full yearly premium cost to the District, for each year continued coverage is desired, at a time specified by the District.
3. This policy shall conform to all Federal and State laws that may pertain to providing or continuing health insurance coverage. Furthermore, all provisions and definitions contained in this policy shall be in accordance with the District's Group Health Insurance Benefit Policy in effect at the time.

C. Coverage for Retirees (Date of Hire on or after July 1, 2008)

4. For employees whose date of hire is on or after July 1, 2008, the District will pay the cost to continue current medical/hospitalization insurance coverage for a retired employee and eligible spouse (if covered at time of retirement) at the same level described in Section 4.1(A) as applicable for full-time employees, if the employee has completed twenty (20) years of cumulative service with the District. For such employees retiring with less than twenty (20) years of cumulative service, the District will pay only a percentage of the cost to continue current medical/hospitalization insurance coverage for the retired employee and eligible spouse (but no other dependents) based on the number of years of cumulative service with the District, as follows:

<u>Cumulative Years of Service</u>	<u>Percentage of Cost Paid by District</u>
10 years	50%

11 years	55%
12 years	60%
13 years	65%
14 years	70%
15 years	75%
16 years	80%
17 years	85%
18 years	90%
19 years	95%
20 years	100%

The retired employee or eligible spouse as the case may be, shall be solely responsible for payment of the remaining cost to continue the medical/hospitalization insurance coverage. Such coverage will be maintained under the District's group benefit agreement until the retiree elects to discontinue coverage or the coverage lapses as provided below.

When an active employee who will be age 65 or older retires, enrollment in Medicare Parts A and B will be required at the time of retirement. When an employee retires before age 65, enrollment in Medicare Parts A and B is required when the retiree or spouse reaches age 65. If this enrollment does not take place, the Medicare-eligible but not Medicare-enrolled retiree will no longer be eligible for participation in the District's medical plans.

5. The District shall provide written notice to the retired employee or their eligible spouse of such person's share of the cost to continue the current coverage, which sum shall be paid to the District within fifteen (15) days of the date of the notice. If the retired employee or eligible spouse fails to pay the specified amount to the District within the timerequired, the District shall advance the funds necessary to continue the coverage for up to two (2) months and, every fifteen (15) days during that two (2) month period the District shall provide the retired employee or eligible spouse with written notice of the amount(s) advanced by the District and owed by them to the District to continue the full coverage.
6. If the retired employee and/or eligible spouse fails to reimburse the District for all sums advanced within the two (2) month period set forth above, the District may allow the coverage to lapse and shall give written notice to the retired employee and/or eligible spouse of the lapse of coverage, with a copy to AFSCME and the Association at the address specified in Section 1.2A of this MOU.
7. If the medical/hospitalization coverage lapses due to the retired employee's or eligible spouse's failure to pay their percentage share of the cost to continue the coverage, the District shall thereafter pay the amount of money it would otherwise have paid to continue such coverage, to be administered as a health savings account ("HSA") managed and administered by the District for the benefit of the retired employee or eligible spouse during their lifetime. The HSA funds shall be used solely for the payment of medical-related expenses. In addition, the District may withhold from such payments the amount of money advanced by the District on the retired employee's or survivor's behalf, to continue the full medical/hospitalization insurance coverage prior to its lapse. After lapse of the coverage, the District's sole and only obligation owing to or for the benefit of the retired employee or eligible spouse under this Section 4.1 shall be to deposit the monthly payments into the HSA. The District shall pay any HSA administrative costs not covered by investment growth.

D. Coverage for Survivors

Medical coverage shall be provided for the surviving spouse of a retired employee and surviving spouse of an active employee who upon death had met the eligibility requirements specified in Sections 4.1A, above, on the same basis as provided active employees. In such instances, the District shall pay 100% of the premium for the surviving spouse at the time of retirement or death, respectively.

E. Continuation Coverage

1. Medical, dental, and vision coverage for employees and/or their dependents whose coverage would otherwise terminate due to qualifying events as defined by the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) including, but not limited to, termination of employment, reduction in working hours, divorce, or overage dependent, are eligible to continue their coverage for a specific period of time at their expense.
2. Under the District's group medical, dental, and vision plan, employees and dependents that are enrolled in the group plan sponsored by the District are provided with detailed information regarding continuing coverage upon hire. It is the employee's responsibility to inform the District of an event that qualifies a dependent for continued coverage.

F. Employees hired after June 30, 2019 shall not be eligible for retiree medical insurance benefits.

SECTION 4.2 -- DENTAL AND VISION

A. The District shall provide its employees with dental insurance equal to or better than ACWA's HBA Delta Dental #399 Core Plan B with Child Orthodontics, two (2) party insurance. Additional coverage for dependents shall be by voluntary payroll deduction. If this plan is no longer offered by ACWA the district will base the provided plan on a plan with similar benefits.

B. The District shall provide its employees with Vision Service Plan, plan B with \$20 - \$20 co-pay and the family composite provision. If this plan is no longer offered by ACWA the district will base the provided plan on a plan with similar benefits.

C. Eligibility

Regular District employees and part-time employees working 1,040 hours or more per year, and their eligible dependents, will be covered for dental and vision care benefits on or before the 60th day of employment.

SECTION 4.3 -- LIFE

The District provides all full-time employees with basic Life Insurance and Accidental Death & Dismemberment Insurance of \$50,000, subject to the Group Insurance Certificate terms, conditions, and requirements, a copy of which is given to all new employees. Additional copies are available from the Human Resources Department.

Regular District employees and part-time employees working 1,040 hours or more per year will be covered for life insurance and accidental death & dismemberment insurance benefits on or before the 60th day of employment.

SECTION 4.4 -- DISABILITY

The District participates in the State Disability Insurance Program. All employees are covered under said plan which provides financial assistance in the event of illness or injury that is not work related. Cost for this insurance, which is administered by the State of California, is paid by each employee through

required payroll deduction.

SECTION 4.5 -- LONG TERM DISABILITY

The District provides all regular employees with Long Term Disability Insurance subject to the Group Insurance Certificate terms, conditions, and requirements, a copy of which is given to all new employees. Additional copies are available from the Human Resources Department. Regular District employees and part-time employees working 1,040 hours or more per year will be covered for long term disability insurance on or before the 60th day of employment.

SECTION 4.6 -- UNEMPLOYMENT

All employees are covered under State Unemployment Insurance at no cost to the employee.

ARTICLE 5 -- RETIREMENT BENEFITS

SECTION 5.1 -- SOCIAL SECURITY AND MEDICARE

The District and its employees are required to participate in Social Security and in the Medicare portion thereof.

SECTION 5.2 -- PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

A. The District is a member Agency of the State of California Public Employees' Retirement System for local miscellaneous employees. A self-explanatory booklet describing the benefits will be given each new employee when hired. All regular and part-time employees of the District, who work a minimum of 1,000 hours per year, are members of the Public Employees' Retirement System (PERS). There are currently two levels of benefits available to District employees, depending on the employee's date of hire with the District and their status as a "new" member or "classic" member, as defined by CalPERS and the Public Employees Retirement Law.

B. Employees Hired Before January 1, 2013 or Classic Members

The benefits described in this section 5.2.B. shall be available to all members hired by the District before January 1, 2013, and to all members who are not a "New member" as defined by Government Code Section 7522.04(f). The 2% at 55 benefit formula shall be available to all employees covered by this section 5.2.B. As an additional benefit, the District will contribute the 7% required employee contribution, as defined by PERS regulations, on behalf of each employee ("EPMC"). Final compensation for employees covered under this section shall be based on the employee's highest 12 consecutive months of pensionable compensation, as set forth in Government Code Section 20042.

C. Employees Hired On or After January 1, 2013

The benefits described in this section 5.2.C. shall be available to all members hired by the District on or after January 1, 2013 and who are a "New member" as defined by Government Code Section 7522.04(f). The 2.0% at 62 benefit formula shall be available to all employees covered by this section. Employees covered under this section 5.2.C. shall contribute 50% of the normal costs, as established by CalPERS. The District shall not pay any portion of the required employee contribution. Final compensation for employees covered under this section 5.2.C. shall be based on the employee's highest 36 consecutive months of pensionable compensation, as set forth in Government Code Section 7522.32.

D. Other retirement benefits provided by the District are explained in this MOU under the appropriate section for Medical Insurance and Sick Leave.

SECTION 5.3 -- DEFERRED COMPENSATION PLAN

Deferred compensation plans have been adopted and implemented for District employees as a means of augmenting the District's retirement plan and increasing retirement benefits. Contributions are on a voluntary basis. Provisions of plans available through providers are explained in detail on brochures and prospectus' available from the Human Resources Department.

The District shall match employee contributions to the District-sponsored Section 457 Deferred Compensation Plan on a dollar-for-dollar basis up to three percent (3.0%) of the employee's base salary per pay period. The District's matching contribution shall be deposited in the employee's Section 457 account in accordance with the plan administrator's procedures and applicable federal and state law. Contributions are subject to the annual limits established under Section 457 of the Internal Revenue Code.

ARTICLE 6 – OTHER BENEFITS

SECTION 6.1 -- UNIFORMS, TOOLS

Where applicable, uniforms, rain gear, and tools are furnished without cost to the employee. Upon termination, such furnished clothing and equipment provided the employee must be returned to the District or the cost thereof will be deducted from the employee's final paycheck or otherwise charged to the employee. In addition, the District shall provide applicable employees steel-toed safety shoes as needed at a cost not to exceed \$325 per pair

SECTION 6.2 -- EDUCATIONAL ASSISTANCE

A. Employee Eligibility

Regular employees may receive reimbursement for eligible education expenses under this Section 6.3. Probationary employees may be eligible upon prior written approval by the General Manager.

B. Provisions

1. Eligible courses are those taken for credit and related to the work of the employee's position, occupation, or advancement within the District. This includes courses which are prerequisites for work related courses and those that are required to obtain a degree in a work-related field.
2. Eligible courses are those taken at an accredited institution. Correspondence courses from reputable institutions will be considered when equivalent courses are not available at local accredited schools, or when the employee's circumstances prevent attendance at courses offered locally.
3. Courses shall be taken on employee's time, unless special circumstances warrant otherwise, and prior arrangements have been made with their supervisor and approved by the General Manager.
4. If the employee voluntarily terminates their employment with the District within two years after completion of their course of study, the employee is required to repay the District all educational reimbursements made to the employee during the two year prior to their termination. The repayment will be calculated by crediting the employee one-twenty-fourth (1/24th) of the reimbursement made for each month worked after the reimbursement was made.

C. Reimbursement

1. Eligible expenses are tuition, registration, parking, laboratory/material fees and books.
2. Reimbursement shall be made to the employee upon completion of the course with minimum final grade of "C". For graduate coursework, a grade acceptable for credit to the institution must be earned.
3. The District shall provide 100% reimbursement to employees for all eligible expenses for courses required by the District or necessary for the employee to meet State Water Resources Control Board and California Water Environment Association requirements for their current job assignment. Otherwise, the District shall only reimburse employees for 50% of eligible expenses each calendar year not to exceed \$2,000 in any calendar year.
4. No employee will be reimbursed for expenses totaling less than \$5 per semester or quarter, whichever is applicable.

5. Funds received from outside sources such as scholarship grants or Veterans Educational Benefits must be applied toward the cost of the course before the District's reimbursement is applied.
6. All funds received by an employee under this program within a six (6) month period prior to the date of voluntary termination of employment with the District shall be deducted from the employee's final paycheck.
7. All employees will receive the reimbursement of expenses from the District no more than thirty (30) days after the submission of verification of course completion and/or final grade where applicable.

D. Procedure

1. The employee shall fill out an Educational Assistance Request form and submit it to their supervisor and the General Manager for approvals within thirty (30) calendar days after the starting date of the course.
2. Upon satisfactory completion of a course, the employee shall submit their grade report and evidence of fees paid to the Human Resources Department for authorization of reimbursement.

SECTION 6.3 – MILEAGE REIMBURSEMENT

Employees authorized by the General Manager to use their private automobile in the performance of duties shall be reimbursed for such mileage at the standard rate permitted by the IRS at the time. Mileage reimbursement shall automatically be adjusted whenever the IRS adjusts the permitted rate. Employees using their private automobiles in the performance of duties shall be required to provide the District with proof of insurance in minimum coverage amounts to be established by the General Manager.

SECTION 6.4 -- SPECIAL LICENSING COMPENSATION

- A. Any employee who obtains a Water Treatment, Water Distribution, Wastewater Certification, Class A/B Commercial Driver's License, or professional license or certification required by the District, or any other State-issued licensing or certification including back flow/cross connection recertification every three years, shall receive a one-time bonus of \$400 for each level of license, certification or recertification.
- B. All primary fees, certification fees, and renewal fees for District-required certifications will be reimbursed by the District.
- C. In the instance an employee is designated a position where the employee is not certified at the level specified by the job description, the employee shall obtain the required certificates, licensing, and/or other requirements within an 18-month period.
- D. All required certificates, licensing, and/or other requirements will be maintained appropriately, and failure to do so may result in disciplinary action including demotion.

SECTION 6.5 -- SEVERANCE PAY

- A. Severance pay will be paid to employees if they have worked full-time for at least a year and are terminated because of:
 1. A permanent reduction in force (unless the employee refuses a transfer);
 2. The elimination of the job or position;
 3. Voluntary acceptance of a District-sponsored early retirement program.
- B. When severance pay is granted, eligible employees will receive one week's regular straight time

pay for each full year of continuous service. Unless otherwise provided, payment will be made in a lump sum at the time when final termination pay is rendered.

ARTICLE 7 – WORKING CONDITIONS

SECTION 7.1 -- EMPLOYEE SELECTION AND CLASSIFICATION

A. Decisions on employment are to be based upon an individual's qualifications for the position being filled as described below.

B. Job Bidding Procedures

1. District employees shall be given first consideration for filling all positions as provided in this MOU.
2. Posting is required if:
 - a. The position is a classification listed in Section 2.2 (Salary Range/ Cost of Living Adjustment); or
 - b. It is a new position.
3. The position will be posted at all District offices for bidding by interested employees. Postings include: The title and salary range for the position, a brief description of the duties, the minimum requirements, special requirements, the locations and work unit of the position, and the deadline for filling the application. Posting time will normally be ten working days. Posting may be withdrawn only with the approval of the General Manager.
4. Applications will be available at the District office. Employees shall complete the application stating how they meet the minimum and special requirements for the position and forward it to the District. If an interview is scheduled, supervisors will be appraised in order to arrange for release time.
5. If an employee is on leave during the entire period of posting, they may bid on that posting after the closing date and until such time that the first interview begins or selection is made. If an employee bids on a job posting and then goes on leave, it shall be the responsibility of the employee to stay informed about the bidding process and to be available if a test or interview is conducted or waive any right to be considered.
6. A selection may be made from available qualified candidates after the closing date as determined by the General Manager.
7. When an applicant has been selected to fill a posted position, the District will post a notice regarding the name of the successful bidder.
8. Successful bidders should be assigned to the posted position no later than 45 calendar days after acceptance.

C. Selection of Employees

1. All persons considered for employment with the District shall be qualified to perform the duties of the position for which they are employed. Before reporting for their first day of work, all employees will be required to undergo a medical examination, which confirms their ability to perform the essential functions of the job. All employees shall be required to sign an Oath of Allegiance pursuant to State law.
2. All employees must provide necessary documentation to prove identity and the right to work in the United States in accordance with Federal and State Immigration and Naturalization laws. Failure to provide such documentation will result in disqualification from selection and/or grounds for immediate termination.
3. Relatives will not be eligible for employment with the District where potential problems of supervision, safety, security, morale, or conflicts of interest exist. Relatives include an

employee's parent, child, spouse, domestic partner, brother, sister, in-law and step-relationships.

If two (2) employees marry or become involved in a romantic relationship, and the potential problems noted above exist, only one (1) of the employees will be permitted to stay with the District unless reasonable accommodation can be made to eliminate the potential problems

relatives than for other persons. If District employees marry, the District shall make reasonable efforts to assign job duties so as to minimize problems.

D. Promotion

Qualified employees may be promoted (without job bidding) into a position in a higher salary range within their job family as defined below and shall receive a salary adjustment of at least one rate step in the new salary range above their current salary. Upon promotion, the employee shall maintain eligibility for salary adjustment in accordance with the procedures set forth in this MOU. Employees may opt to return to their previous position within 30 days by notifying the General Manager in writing.

<u>O & M</u> Operations Coordinator O&M I O&M II O&M III O&M IV	<u>Customer Service</u> Customer Service Clerk Customer Service and Admin Generalist Customer Service Field Rep Customer Service Lead Customer Service Supervisor
<u>System Operations</u> System Operator I System Operator II System Operator III	<u>Regulatory</u> Water Resources & External Affairs Specialist Sr. Water Resources & External Affairs Specialist
<u>Engineering</u> Project Coordinator Assistant Engineer Water Quality & Asset Management Specialist Sr. Engineering Technician Sr. Water Quality & Asset Management Specialist Sr. Inspection and Design Specialist Associate Engineer	

E. Authorized Positions

1. The authorized classifications and positions are as listed in Section 2.2 (Salary Range/ Cost of Living Adjustment).
2. The General Manager is authorized to establish new positions where required in conducting District's affairs, subject to the approval of the Board of Directors, and after meeting and conferring with the Association.
3. Should the District find a need to modify or delete any bargained classification, they shall notify the Association and meet and confer over any such changes with the Association.

F. Regular Employees

Regular employees are those who are scheduled to work at least 30 hours per week, are not temporary employees, and who have successfully completed the probationary period. Regular employees are entitled to the appeal procedures set forth in this MOU under Section 9.4 (Appeal Procedure).

G. Part-time Employees

Employees who have served the required probationary period satisfactorily and are scheduled to work less than 30 hours per week in an established position on a year-around basis are part-time employees.

H. Probationary Employees

1. All District employees will be considered probationary employees from their date of hire until the close of business on the last day of the pay period during which they complete one thousand five hundred sixty (1,560) hours of straight time hours worked with the District. The probationary period is a period of provisional employment during which the employee's supervisors will have the opportunity to observe and appraise the abilities, performance, attitude, conduct, and qualifications of the probationary employee for the given position.
2. Because the probationary period is considered an extension of the selection process, a probationary employee may be dismissed for any lawful reason, with or without cause, and without right of hearing or appeal, except that such dismissal shall not be arbitrary, capricious or based on unlawful discrimination or retaliation.
3. At or near the midpoint of the probationary period, the employee and the employee's supervisor shall meet to discuss the employee's performance. Then, at the end of the probationary period, there shall be a written report of probationary performance which will document whether the probationer is to become a regular employee.

I. Temporary Employees

Employees serving in a position in which the requirements of the services are temporary in nature are temporary employees. A temporary employee classification shall not exceed twelve (12) months. This classification includes, but is not limited to, personnel employed for the following: seasonal peak workloads, emergency extra workloads, necessary vacation relief, or special investigative study workloads. Temporary employees are not eligible for any employee benefits, except where required by State or Federal Law. A temporary employee may take time off without pay with the approval of the General Manager and shall take time off for District holidays without pay. Temporary employees who become hired as full-time District employees shall have all time worked as a temporary employee qualify toward completion of their probationary period as well as for accrual of all other benefits to which the employee may be entitled under this MOU.

J. Limited Term Employees

Bargaining Unit employees serving in a position in which the requirements of the services are for a defined period are Limited Term Employees. An employee hired as a Limited Term Employee following approval of this MOU shall serve an initial limited term of one (1) year, but may be extended at the District's discretion for up to two (2) additional one-year terms. This includes, but is not limited to, personnel employed for the following: pilot programs, special projects or workload spikes. Limited Term Employees are eligible for all employee benefits covered under this MOU. Limited Term Employees who become hired as full-time District employees shall have all time worked as a Limited Term Employee qualify toward completion of their probationary period as well as for accrual rate of all other benefits to which the employee may be entitled under

this MOU. A Limited Term Employee shall serve a 1560 hour probation period during which they may be terminated with or without cause and without appeal rights. Following the completion of probation, an employee who is terminated for misconduct or performance prior to the completion of their limited term shall have appeal rights pursuant to the procedures set forth in this MOU. However, a Limited Term employee shall not have any appeal rights to challenge separation from employment resulting from the expiration of their term.

When practicable, the District will endeavor to hire regular employees rather than exclusively Limited Term Employees. The District will endeavor to notify AFSCME Local 1902 no less than thirty (30) calendar days prior to the hiring of a Limited Term Employee. Upon request, the District will meet with AFSCME to discuss the reason for the hiring of the Limited Term Employee.

Limited Term Employees are permitted to apply for any open position in accordance with the recruitment section of the MOU for internal candidates.

When a regular position in the bargaining unit becomes vacant and the District wishes to fill the vacancy, the District will first attempt to recruit for a regular employee before considering a Limited Term Employee to fill the vacancy.

SECTION 7.2 -- WORKING HOURS

A. Working Hours

1. The official workweek of the District shall consist of a forty (40) hour workweek within the period between midnight Friday and the following Friday midnight. The General Manager or their designee may require any employee temporarily to perform service in excess of the scheduled workday when public necessity or convenience so require for the effective conduct of District business. The General Manager shall be responsible for the determination of offices remaining open or closed or maintaining minimum staff in any unusual circumstances such as disaster situations.
2. The following are authorized work schedules:
 - a. Five-eights (5-8)
A five-eight work schedule shall consist of five (5) consecutive eight-hour days.
 - b. Four-ten (4-10)
A four-ten work schedule shall consist of four (4) consecutive ten-hour days. These can either be the same days each week or alternate between Monday-Thursday and Tuesday-Friday.
 - c. Nine-eighty (9-80)
The nine-eighty (9-80) work schedules shall consist of four consecutive nine-hour days with the fifth consecutive day as an eight-hour day or a regular day off. The eight-hour day and the regular day off shall alternate from week to week. The work week for employees on the nine-eighty schedules shall begin and end four hours after the regular start time for the eight-hour day.
3. During the term of this MOU, the District shall not implement any new work schedule without first meeting and conferring with the Association.

B. Rest Periods

Employees are allowed one (1) rest period not exceeding fifteen (15) minutes during each four (4) consecutive hours of work. Rest periods shall be scheduled in accordance with the requirements of the division, but in no case shall rest periods be scheduled within one (1) hour of the beginning

or ending of a work shift. Rest periods are considered hours worked and employees may be required to remain on District premises or at the work site in the event circumstances require the employee to return to work.

C. Meal Periods

1. Employees shall be allowed a meal period, of either thirty (30) minutes or one (1) hour in length, as may be determined by the division. Normally, meal periods are taken at or near the middle of the shift and are not considered hours worked for pay purposes.
2. Meal periods shall be duty free with no restrictions.

D. Makeup Time

If an employee needs to take time off and desires to make up the time rather than to be docked or have the time charged to the appropriate accumulated leave balance, the employee may make up the time, with the prior approval of their supervisor, provided they do so within the same pay period in which the time off was taken.

SECTION 7.3 -- WORK RELATED ILLNESS OR INJURY

- A.** Whenever an employee sustains an injury or disability arising out of and in the course of District employment and requires medical care, the employee shall obtain treatment according to the provisions of the California Labor Code, Section 4600 et seq. and shall receive compensation for hours not worked while obtaining such medical care. As soon as practical after a work-related injury, the affected employee shall report the incident to their supervisor or management personnel and fill out an appropriate incident report on a form provided by the District's workers' compensation insurance carrier.
- B.** Whenever an employee is compelled by direction of their physician to be absent from duty on account of such injury or disability, such employee shall be placed on Workers' Compensation leave of absence. The employee shall receive full compensation for the first three (3) calendar days following the day of the injury. The employee shall elect before the end of the next pay period after the injury whether or not to apply accrued leave to such absence to receive compensation therefore in an amount equal to the difference between the benefit to which they are entitled under the Workers' Compensation Act and their regular pay, until such accrued leave is exhausted. An employee who elects to receive Workers' Compensation benefits only and not use accrued leave to receive full compensation shall continue to accrue sick leave and vacation for an accumulation of twelve (12) months, and then such accruals will cease. An employee who elects to use accrued leave will continue to accrue sick leave and vacation until accrued leave is exhausted.
- C.** Workers' Compensation benefits begin with the fourth full consecutive calendar day of missed work; however, if the absence continues beyond fourteen (14) days, Workers' Compensation will then pay the applicable benefits for the first three (3) days of missed work. When this occurs, an amount equal to the Workers' Compensation benefits received for those three (3) days shall be deducted from future compensation due to that employee.
- D.** An employee who is on a Workers' Compensation leave of absence more than ninety (90) days and who is covered by long-term disability insurance when the work-related injury or illness occurred, may be eligible for disability benefits. The total compensation to which an employee is entitled from Workers' Compensation benefits and long-term disability shall not exceed the employee's regular pay.
- E.** Supervisors are required to complete prescribed reporting forms whenever an employee is injured and/or placed on Workers' Compensation leave of absence. Employees may be required to provide the District with information regarding the nature and extent of the injury, and the

anticipated return date.

F. Return to Work

Subject to the limitations and obligations imposed by law, the decision to return an employee to work or place an employee back on the job with or without modified work shall be made by the District. The District has the right to fill the position due to business necessity. The District may require a written doctor's release upon return to work if the leave of absence is less than thirty (30) calendar days provided the District notifies the employee at least five (5) working days prior to their expected date of return. However, if the leave of absence extends beyond thirty (30) calendar days, a written doctor's release must be submitted to the General Manager upon return to work.

SECTION 7.4 – LAYOFF

A. Definitions

1. *Displacement* - shall mean the replacement by one employee of another employee.
2. *Layoff* - shall mean terminating an employee for non-disciplinary reasons.
3. *Recall* - shall mean the notification of an employee who was laid off of potential reinstatement.
4. *Reinstatement* - shall mean the reemployment of an employee who was laid off.
5. *Surplus* - shall mean a position or skill not needed by the District, as determined by management.

B. Reason for Layoff

A layoff may be initiated with the approval of the General Manager, when necessary for reasons of economy or lack of work.

C. Order of Layoff

1. Prior to a layoff, the General Manager will determine the total length of service by last date of hire of each employee and their performance evaluation ratings. A composite listing of all employees will be prepared, listing their length of service and evaluation ratings.
2. The information developed pursuant to Paragraph 1 above will be used to develop a list of each employee's layoff ranking. The layoff ranking shall be calculated by computing three (3) points for each year of service for no more than seven (7) years, three (3) points for each evaluation rating of "Outstanding", and one (1) point for each evaluation rating of "Meets Expectations". The evaluation rating shall be assumed to be "Meets Expectations" for each year an evaluation has been unrecorded.
3. In the event two or more employees have the same layoff ranking, the employee with the greater length of service shall receive the higher ranking. If a tie still exists, the employee with the earlier birth date shall receive the higher ranking.
4. The lists will be shared with the Association.
5. The General Manager will determine the organizational unit and position(s) to be affected by a layoff and/or the skill(s) determined to be surplus.
6. Using the information developed by the General Manager, each organizational unit affected by the layoff will develop a ranking list which will show the layoff ranking of employees within the organizational unit. The organizational unit manager will identify and separate the names of employees by position and/or skill groups.
7. In case there are two or more employees in the position from which layoff is to be made,

such employees shall be laid off on the basis of lowest layoff ranking first, except employees with “Needs Improvement” or “Unacceptable” ratings on record in their personnel folder for at least 30 days shall be laid off first regardless of their layoff ranking.

8. The results of Paragraphs 4 through 7 above shall be sent in writing to the Association.

D. Notice of Layoff

The Notice of Layoff shall include:

1. A statement that the employee’s job is surplus or that they are being laid off due to the exercise of displacement rights of another employee.
2. The effective date of the layoff;
3. The length of service and performance ratings of the employee;
4. A copy of the employee’s displacement and reinstatement rights.
5. A copy of the employee’s severance rights, if any.

E. Displacement

1. Displacement will be permitted provided the displacing employee has demonstrated, on the job within the last five (5) years that they have the skills required for that position.
2. A request for displacement must be made in writing to the General Manager within five (5) working days following delivery of the Notice of Layoff.
3. Employees to be laid off due to the exercise of displacement rights by an employee with a higher layoff ranking shall be given a Notice of Layoff. Employees so notified will have all rights to which employees who have received Notice of Layoff are entitled.

F. Reinstatement

1. Employees who are laid off and desire to be reinstated at a later date must request reinstatement in writing to the General Manager within 2 weeks of the effective date of the layoff. Priority will be given to the reemployment of each laid-off employee.
2. The General Manager will maintain a list of the names of laid-off employees who have requested reinstatement.
3. Those employees on the reinstatement list shall be recalled only for positions which the General Manager determines they have demonstrated on the job within the last five (5) years that they have the skills required for that position, and that they meet the minimum requirements as stated in the job description. Subject to the qualification criteria listed above, recall of employees from the reinstatement list will be made in reverse order of layoff.
4. Each employee on the reinstatement list will be responsible for keeping the District advised of their current home address, and upon notification of reinstatement, will be required to respond in person or in writing within six (6) working days following the notification of recall. Recalled employees will be required to report for work within fifteen (15) calendar days following the date of notification. Failure to comply with these requirements will result in the employee’s name being removed from the reinstatement list.
5. The name of a laid off employee will be removed from the reinstatement list eighteen (18) months following the effective date of the layoff.

SECTION 7.5 -- HONORARIA

It is the policy of the District that honoraria for presentations accomplished on District time by District employees shall be paid to and retained by the District.

SECTION 7.6 -- ROYALTIES

It is the policy of the District that royalties for publication of work accomplished on District time by District employees shall be paid to and retained by the District.

SECTION 7.7 -- ELECTRONIC USE

- A.** District equipment and resources may only be used to conduct District business, except for incidental personal use that is consistent with this policy. As a result, District equipment and resources are non-public forums. Every District employee is required to adhere to this policy.
- B.** District equipment or resources is any District-owned or supplied item or resource, including, but not limited to: intellectual property (e.g., photographs, plans, drawings, formulas, customer lists, designs, formulas), vehicles, telephones, cell phones, pagers, tools, machines, supplies, copy machines, facsimile machines, desks, office equipment, computers (including hardware and software), file cabinets, lockers, Wi-Fi, internet, intranet, District network, data systems, routers, voice mail, servers, and email or voice mail communications stored in or transmitted through District electronic resources or equipment.
- C.** The District periodically and without prior notice, monitors, reviews, accesses, or retrieves data from its equipment or resources, including electronic communications and content contained in or transmitted through District networks or electronic resources. District employees must provide the agency with the employee's username or password for any District issued equipment or resource. The existence of passwords or delete functions does not restrict the District's access. As a result, District employees have no expectation of privacy in their use of any District equipment or resources.
- D.** Employees may only use District equipment or resources in compliance with District policies. Except as authorized by this policy, employees are expected to avoid any use or communication which is unrelated to District business, destructive, wasteful, or illegal. The District has discretion to restrict or rescind employee access to District equipment or resources. The following are examples of misuse of District equipment or resources:
 - 1. Any use that violates applicable law and/or District policies, rules or procedures;
 - 2. Exposing others to material which is offensive, harassing, obscene or in poor taste. This includes information which could create an intimidating, offensive or hostile work environment;
 - 3. Any use that may create or further a hostile attitude or give offense on the basis of race, color, religion, sex, gender, gender expression, gender identity, national origin, ancestry, citizenship, age, marital status, physical or mental disability, medical condition, genetic information, sexual orientation, veteran status or any other basis protected by law;
 - 4. Communication of confidential District information to unauthorized individuals within or outside of District;
 - 5. Unauthorized attempts to access or use District data or break into any District or non- District system;
 - 6. Theft or unauthorized transmission or copying of paper or electronic files or data;
 - 7. Initiating or sustaining chain/spam letters, e-mail or other unauthorized mass communication;
 - 8. Misrepresentation of one's identity for improper or illegal purposes;
 - 9. Personal commercial or business activities (e.g., "for sale" notices, personal ads, etc.)
 - 10. Transmitting/accessing obscene material and/or pornography;
 - 11. E-Commerce;

12. Online gambling;
 13. Installing or downloading unauthorized software or equipment;
 14. Violating terms of software licensing agreements; and
 15. Any unauthorized access to District equipment or resources, including: using keys or key cards; using or disclosing the username or password of another person or employee to gain access to their email or other electronic resources; or making District equipment or resources available to others who would otherwise have no authorized access.
 16. Using District equipment or resources to speak on the District's behalf without authorization.
- E. The District's email system is an official communication tool for District business. The District establishes and assigns official email addresses to each employee as the District deems necessary. Employees must send all District communications that are sent via email to and from their official District email address. Employees are prohibited from using their private email address when communicating District business via email. Should an email related to District business be sent to an employee's personal email account, the email should be immediately forwarded to the employee's District email account and responded to accordingly.
- F. Employees may use District telephones, cell phones, internet access, e-mail, and social media for incidental personal communications provided that the use:
1. Is kept to a minimum and limited to break times or non-working hours;
 2. Does not interfere or conflict with District operations or the work performance of any District employees;
 3. Allows the employee to more efficiently perform District work;
 4. Is not abusive, illegal, inappropriate, or prohibited by this policy (for example, no electronic dating, no gaming); and
 5. Clearly indicates it is for personal use and does not indicate or imply District sponsorship or endorsement.
- G. District employees may use personal electronic devices (e.g. cell phones, computers, tablets) to access district email or other resources. Use of personal devices must be pre-authorized by the District for each device. Any use of District equipment or resources on personal devices must adhere to District policy and are also subject to the Section 1210.3 "No Expectation of Privacy" clause. Employee may request to be present in the event that District staff needs to review content on private devices

SECTION 7.8 -- NO SOLICITATION BY EMPLOYEES

Employees shall not solicit customers of the District for any purposes while on duty, during working hours or while wearing a District uniform. Likewise, employees shall not solicit co-workers for any purpose or distribute literature to co-workers on District property or at work sites while on duty or during working hours. When an employee is on their rest or meal periods, he shall not be considered to be "on duty" and suchtime shall not be considered to be "during working hours".

SECTION 7.9 -- DISTRICT RIGHTS

Subject to limitations and obligations imposed by law, and except where specifically limited by this MOU, the District retains, exclusively, all of its inherent rights, powers, functions, duties, and responsibilities as an employer. It is expressly recognized that the retained rights of the District include, but are not limited to, the exclusive right to: consider the merits, necessity, or organization of any service or activity; determine the mission of its constituent departments, commissions, and boards; set standards of service; determine the procedures and standards for selection for employment and promotion; direct its employees; take disciplinary action involving its employees; relieve its employees from duty because of lack of work or other legitimate reasons; maintain the efficiency of District operations; determine the method, means, and personnel by which the District operations are to be conducted, including use of outside contractors;

determine the content of job descriptions, including the updating of job titles for all District employees; take all necessary actions to carry out its missions and to deal with emergencies; and exercise complete control and discretion over its organization and the technology of performing its work.

SECTION 7.10 -- CONTRACTING OUT

The District shall not contract work currently performed by the bargaining unit to an outside contractor without first meeting and conferring with the Association unless such work is of short duration and would require additional staff or is necessary due to a catastrophic emergency.

ARTICLE 8 – HEALTH AND SAFETY

SECTION 8.1 -- POLICY REGARDING SMOKING

To promote a smoke-free workplace, smoking is not allowed in any District facility, District vehicle, or where otherwise posted.

SECTION 8.2 -- HEALTH AND SAFETY COMMITTEE

The parties agree as soon as possible following the implementation of this MOU to reestablish a safety committee consisting of the Group Managers, an Association appointed representative, an employee representing the field, and an employee representing the office. This committee will meet quarterly to discuss and resolve health and safety issues. The parties agree to discuss options for a wellness pilot program during the first year of the term of this MOU.

SECTION 8.3 – WELLNESS ACCOUNT

The District agrees to establish a Wellness Account in the amount of \$300 per year per employee to cover such items & services pertaining to fitness and wellbeing such as but not limited to, heart monitors, fitness apps, fitness programs, health & fitness memberships, calorie counting, addictive health changes, cholesterol management, training equipment i.e. yoga mats & blocks, jump ropes, weights and related items.

ARTICLE 9 – DISCIPLINARY PROCEDURE

SECTION 9.1 -- RIGHT TO ASSOCIATION/ UNION REPRESENTATIVE

- A.** The Association shall provide the District with a written list of persons who have been selected as Association/ Union representatives. Such list will include at least three (3) District employees.
- B.** If an employee reasonably believes that a meeting with a supervisor may result in disciplinary action against them, they may request the attendance of an Association/ Union representative in the meeting. This includes the right to have an Association/Union representative present at the site of a workplace accident and during safety investigations, if possible. If the meeting will result in disciplinary action against the employee, and the Association/ Union representative is not available at the time of the meeting, an alternative meeting will be arranged as soon as possible, but at least within five (5) working days.
- C.** An employee may be assisted in a grievance or disciplinary matter by an Association/ Union representative selected by the employee. An employee may request the attendance of an Association/ Union representative in the evaluation meetings as specified in Section 2.6(c).
- D. Release Time**
 - 1. Affected employees and the authorized Association/ Union representative shall receive release time to attend an investigatory, grievance or disciplinary meeting. No more than three (3) grievants shall be authorized release time to attend any single grievance meeting.
 - 2. An employee or the Association/ Union representative may request reasonable release time to discuss an issue.
 - 3. Such release time, if during the employee's scheduled working hours, will be considered as duty time, and no penalty shall be assessed.
 - 4. The Association/Union Chapter President, or designee shall be entitled to up to 48 hours paid release annually in order to attend AFSCME Local 1902 Executive Board meetings, providing that doing so shall not unduly impact the operations or day-to-day business of the District. The attendee shall be fully compensated by the District for time spent at the meeting during regular work hours. The Union will provide the District with meeting dates for the calendar year by the second week of January. The Union must notify the District of the attendee at least 2 weeks in advance of each meeting. The attendee must return to work following the completion of the meeting if there is at least one (1) hour remaining in their regular work schedule.
 - 5. All release time shall be scheduled and approved by the employee's immediate supervisor, Director, or General Manager at least five (5) working days prior to the event. If urgent issues arise, or an event is scheduled with less than five working days prior to the event, notification shall be given to the supervisor as soon as practicable.
 - 6. Union Meeting Release Time: A maximum of six (6) AFSCME Local 1902 group meetings shall be held on District time each year, subject to the following limitations. AFSCME Local 1902 shall arrange for the group meetings by providing at least two (2) weeks advance notice to appropriate District management. Subject to operational needs, each employee shall be granted 30 minutes paid release time in conjunction with their 30 minute unpaid lunch time for a total of one (1) hour to attend such meetings.

SECTION 9.2 -- DISCIPLINARY ACTION

- A. Reasonable Cause**

1. District Management has authority to impose discipline for reasonable cause including the right to terminate, demote, reduce in pay, suspend without pay, or reprimand any employee of the District.
2. Reasonable cause for the discipline imposed includes but is not limited to:
 - a. Absence without approved leave.
 - b. Excessive absence or tardiness.
 - c. Actions contrary to District policies, practices, rules, or regulations.
 - d. Inefficiency or incompetence.
 - e. Willful disobedience, insubordination, or actions contrary to specific directions given by a supervisor.
 - f. Dishonesty.
 - g. Intoxication while on duty.
 - h. Reporting for work or, while on duty, being impaired by or under the influence of unlawful drugs or other controlled substances.
 - i. Unprofessional, disorderly, or illegal conduct while on duty, in a District uniform, or using a District vehicle.
 - j. Conviction of a felony if it affects their ability to perform job duties.
 - k. Neglect of duty.
 - l. Possession of dangerous weapons, firearms or explosives while on duty, on District property, or in District vehicles.
 - m. Failure to follow safe working practices.
 - n. Failure to promptly report a work-related injury.
 - o. Harassing, threatening, or attacking another employee while on duty.
 - p. Falsification of District records.
 - q. Moving traffic violations in the use of a District vehicle, the loss of insurability, or the loss of a driver's license if it affects their ability to perform job duties.
 - r. Causing damage to, or the theft, misuse, or abuse of District property.

B. If an employee receives a "Unacceptable" or "Needs Improvement" evaluation, a written improvement plan will be provided to the employee to sign, and another performance evaluation will be prepared in three (3) months. A second unsatisfactory evaluation will be grounds for discipline, up to and including termination.

SECTION 9.3 -- PRE-DISCIPLINARY PROCEDURE

If a non-probationary, permanent employee is to be suspended for forty (40) straight time hours or more, reduced in pay, demoted, or discharged, they shall:

1. Receive written notice of the intended action at least five (5) working days before the date it is intended to become effective, stating the facts constituting reasonable cause and upon which the action is based and notifying them of the right to respond to the charges to the General Manager, or in the General Manager's absence, the General Manager's designee, either orally or in writing, at least one (1) working day before the disciplinary action is intended to become effective;

2. Receive copies of any known materials, reports or other documents upon which the intended action is based;
3. Waive their right to respond prior to the action, if they do not respond by the designated time; and
4. Be provided the written decision of the General Manager or their designee, prior to the disciplinary action becoming effective.

SECTION 9.4 – APPEAL PROCEDURE

- A.** The following items or actions are subject to appeal:
- 1-Termination
 - 2-Suspension of forty (40) hours or more
 - 3-An alleged misapplication of the MOU
 - 4-Demotion
- B.** Prior to initiating the appeal procedure, the parties may mutually agree to non-binding mediation by the State Mediation and Conciliation Service as an attempt to resolve any dispute. Any decision reached by way of mediation shall only be binding if the parties mutually come to an agreement and reduce any such agreement to writing. All fees shall be borne equally by both parties.
- C.** After disciplinary action has been imposed pursuant to Section 9.3 (Pre-Disciplinary Procedure), the employee shall have the right to appeal the action to the Board of Directors, or if the Board so chooses, to a hearing officer selected from a list of hearing officers provided by the American Arbitration Association or the State Mediation and Conciliation Service either by mutual agreement of both parties and striking alternatively until one name remains. The hearing officer's fees shall be borne equally by both parties.
- D.** The appeal must be initiated by the employee by delivering a written notice of appeal to the office of the General Manager within seven (7) calendar days after the employee receives a copy of the General Manager's decision or the date of mailing of the written decision to the employee by certified mail, whichever event is the first to occur.
- E.** Appeal Hearing – The Board of Directors or the selected hearing officer shall conduct a hearing on the appeal of any disciplinary action pursuant to this Section upon notice to the employee, the Association, and the General Manager. After the hearing, the Board of Directors, or the selected hearing officer shall render a decision that will be final and binding.

SECTION 9.5 -- SHORT-TERM SUSPENSION, REPRIMANDS, WARNINGS

- A.** An employee who receives discipline consisting of suspension without pay of less than forty (40) straight time hours, a written or oral reprimand, or any lesser form of discipline, will be orally notified of the intended action and the date it is to become effective. Within ten (10) working days of the date the employee is orally notified, the employee shall be notified in writing of the suspension and its duration (if applicable), the reason for the suspension or other disciplinary action and be provided with a copy of the charges and all materials upon which the suspension or other disciplinary action is based. The employee will also be notified of their right to request reconsideration of the disciplinary action by the General Manager.
- B.** The request for reconsideration can be made orally or in writing but must be made to the General Manager personally or delivered in writing to their office within five (5) working days after receipt of the written notice of the disciplinary action. The General Manager, or in their absence the

General Manager's designee, shall review any oral or written response to the charges submitted by the employee and shall sustain, revoke or modify the action by providing for a lesser penalty. The decision of the General Manager or their designee shall be final and binding.

SECTION 9.6 -- FINALITY OF DISCIPLINARY ACTION

The right to appeal or to request reconsideration of disciplinary action as provided in this Article shall be the sole and exclusive means by which an employee may contest the nature and extent of disciplinary action taken against him; provided, however, any failure by the District to follow the steps of the disciplinary procedure may be the subject of a grievance under Section 9.7 (Grievance Procedure), but such grievance shall be limited to ensuring compliance with the disciplinary procedure and shall not include or seek revocation or modification of the nature or extent of the disciplinary action itself.

SECTION 9.7 -- GRIEVANCE PROCEDURE

A. Definitions

1. A grievant is an employee, a group of employees, or Association. Alleged grievances which affect more than one employee in a substantially similar manner normally will be consolidated.
2. A grievance is an alleged misapplication of a specific provision of this MOU or other rules or regulations governing personnel practices and other terms and conditions of employment within the scope of negotiations which has not otherwise been excluded from the grievance procedure under this MOU (see Section 2.5 and 9.6).
3. A written grievance is a grievance as defined above, which has been reduced to writing on a form provided by the District. The written grievance shall include the employee's name, position, Group Manager's name, and representative's name, if any. It must also include the specific section or provision alleged to have been misapplied, a clear and concise description of the alleged grievance with the circumstances supporting the employee's allegation, and the specific remedy requested to resolve the grievance.
4. A "day" is any day in which the Headquarters of the District is open for business.

B. Waivers and Time Limits

1. Any level of review or any time limits established in this Section may be waived or extended by mutual agreement confirmed in writing.
2. Failure by management to reply to the grievance within the time limits specified in this Section automatically grants to the grievant the right to proceed to the next level in the grievance process.
3. If a grievant fail to appeal from one level to the next level within the time limits established in this grievance procedure, the grievance shall be considered settled on the basis of the last response by management and the grievance shall not be subject to further processing.

C. General Provisions

1. Association agrees to use the District's standard grievance form when processing formal grievances.
2. The grievant shall be bound by the statement of the grievance as originally defined. Non-related issues shall not be considered.
3. If the grievant is not represented by the Association, the Association shall be notified of a proposed settlement between the District and the grievant at any formal level of the procedure which settlement is acceptable to both the grievant and the District prior to the

settlement being finalized. The purpose of this step is to allow Association to state its position for the record. If Association does not provide a written response within five (5) days after notification, such opportunity to respond shall be considered waived, and the proposed settlement shall be implemented, and the matter closed.

D. Informal Complaint

1. Before filing a written grievance, the employee shall attempt to resolve the problem by meeting with their Group Manager within fifteen (15) days after the event giving rise to the grievance or from the date the grievant could reasonably have been expected to have had knowledge of such event.
2. The Group Manager shall give a written response on the grievance form to the employee within three (3) days of the date the issue was raised by the employee.

E. Formal Grievance

1. Level I
 - a. If the grievant is not satisfied with the written response of the Group Manager, the grievant may, within three (3) days from receipt of such response, file a grievance with the General Manager on the original grievance form.
 - b. Within four (4) days of receipt of the written grievance, the General Manager, or in their absence the General Manager's designee, shall meet with the grievant and if deemed necessary, shall investigate the grievance, including meeting with the supervisor, and within three (3) days from the meeting with the grievant, give a written response to the grievant on the original form.
2. Level II
 - c. If the grievant is not satisfied with the written response of the General Manager or ~~his~~ designee, the employee may, within three (3) days from receipt of such response, file the grievance with the Board of Directors on the original grievance form, including the written reason why the response is unacceptable, by delivering it to the office of the General Manager.
 - d. After such filing, the Board of Directors shall investigate the grievance as it may deem necessary and, as soon as practical, conduct a grievance meeting with the grievant. After the meeting, the Board shall give its written decision to the grievant on the original form.
 - e. The decision of the Board of Directors is final and binding.

ARTICLE 10 – ASSOCIATION BUSINESS

SECTION 10.1 -- DISTRICT BULLETIN BOARDS

- A.** Space shall be available on District bulletin boards for posting of Association/AFSCME activities and policies.
- B.** All such materials posted on District bulletin boards shall indicate the name of the organization responsible for the material and clearly indicate the author's identity, preferably by signature by an official of the Association/AFSCME. Unless otherwise agreed by the District, such material shall not be considered official or endorsed by the District.
- C.** In no event shall obscene, defamatory or personal material, including personal attacks on any District employee be posted on any District bulletin board. In the event objectionable or inappropriate material is posted, the General Manager or any Group Manager may remove the material from the bulletin board without notice. Any person or organization objecting to such removal shall direct such objection to the General Manager who shall promptly review the circumstances and determine whether removal of such material is appropriate. The decision by the General Manager shall be final.
- D.** The Association/AFSCME shall not post, nor authorize its members to post, any materials on District property except on District bulletin boards as herein provided. The District may remove or relocate any of its bulletin boards in the event of violations of this section or for reasons such as alterations in the physical facilities, etc. In the event of such relocation or removal, the District will inform the Association/AFSCME prior to removal or relocation of such bulletin boards.

SECTION 10.2 – PAYROLL DEDUCTIONS OF UNION DUES

- A.** Union dues will be deducted in equal installments, semi-monthly, and one check covering all members' dues will be sent to AFSCME Local 1902 on the first day of each following month. Deductions will not be made for probationary or temporary employees.
- B.** Upon notification by AFSCME Local 1902, the District agrees to deduct all authorized voluntary contributions, including AFSCME PEOPLE, to the extent permitted by law, from AFSCME Local 1902 members who have approved such deductions.

SIGNATURE PAGE

Dated: _____, 2026

Crescenta Valley Water District

By: _____
James Lee, General Manager

Dated: _____, 2026

Employees Association of Crescenta Valley Water District

By: _____
Pete Hilke, President

By: _____
Alan Shanahan, Executive President
AFSCME Local 1902

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 6

May 26, 2026

To: Honorable President and Members of the Board of Directors

From: James Lee – General Manager

Subject: Employment Terms and Conditions

ACTION ITEM:

Consideration and possible motion to ratify the Employment Terms and Conditions for the Management group.

DISCUSSION:

The management unit at Crescenta Valley Water District periodically reviews the terms and conditions by which they are employed by the District. The unit provides feedback to the General Manager. The General Manager and the Board of Directors have discussed recommended changes, as summarized below:

- **Section 1.3 Term** – A 3-year term from January 1, 2026 through December 31, 2028.
- **Section 2.1 Salary Range/Cost of Living Adjustment** –
 - Effective July 1, 2026, the monthly salary ranges shall be adjusted across the board by 4.0%.
 - Effective July 1, 2027 and July 1, 2028, the monthly salary ranges shall be adjusted across the board based on the Consumer Price All Items Index for Urban Wage Earners and Clerical Workers (CPI-W) for Los Angeles-Long Beach-Anaheim for the period of March 2026 to March 2027 subject to a 3.0% minimum and a 6.0% maximum.
 - All Management Unit employees that are employed by the District on the date that Terms and Conditions are signed and who are still employed by the District on the date of payment, shall receive the amount of two thousand dollars (\$2,000.00) on a one-time basis. The employee may elect to receive the \$2,000.00 as compensation, subject to applicable taxes, or as deferred compensation to be deposited into a District-sponsored Section 457 Deferred Compensation Plan, or any combination of both.
- **Section 3.1 Administrative Leave** – Adds the ability to carry over 32 hours of Admin Leave with a cap of 97 total hours.
- **Section 4.2 Dental and Vision** – Increases the reimbursable amount up to \$4,000 with a maximum balance of \$5,500. Reimbursable balances may be applied toward health care coverage premiums.
- **Section 4.3 Life** – Covers life insurance up to the employee's base salary.
- **Section 5.3 Deferred Compensation Plan** – Adds a District match of 3% of base salary for employee contributions to the District-sponsored Section 457 Deferred Compensation Plan.
- **Section 6.2 Educational Assistance** – Updates the section's language to: "The District shall provide 100% of reimbursement [for] ... requirements for their current job assignment or relevant certification for their job description as directed and/or approved by their supervisor."

- **Section 6.4 Mileage Reimbursement –**
 - Updates language to provide vehicle usage for the Assistant Director of Operations and the Risk and Resilience Manager.
 - Increase monthly vehicle allowance for Assistant Directors and Directors to \$400 and \$500 respectively.
- **Section 8.2 Wellness Account –** Increases the wellness account to \$350 annually.

RECOMMENDATION:

Ratify the Employment Terms and Conditions for the Management Unit and allow the General Manager to amend the subject document to reflect approved changes.

Submitted by:



James Lee
General Manager

Attachments: None

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 7
May 26, 2026

To: Honorable President and Members of the Board of Directors
From: Arturo Montes – Director of Finance and Administration
Subject: **FY 2026-27 Proposed Budget**

ACTION ITEM:

Discussion and possible motion to adopt the District's FY 2026-27 proposed budget and related items.

DISCUSSION:

The District's proposed budget for FY 2026-27, focuses on the District's mission of providing quality services in a reliable and fiscally responsible manner. The budget supports the District's long-term vision of infrastructure reliability, sustainable water supplies, operational resiliency, public health and safety, and public engagement. The proposed budget reflects the Board's direction to continue investing in critical infrastructure, maintain financial stability, modernize operations through technology, and strengthen the District's ability to respond to increasing regulatory and operational challenges.

Staff's ongoing objective is to present a balanced budget. As the District prepares for the upcoming fiscal year, the proposed budget has been developed using the best available operational data, financial forecasts, and projected cost assumptions. The proposed budget was developed using the following key assumptions:

REVENUE

1. Adopted rates effective July 2026
2. No significant growth in customer accounts
3. Flat volumetric water sales assumptions (water usage)

OPERATING EXPENSES

1. Source of Supply can range from 50% - 50% Groundwater, supplemented by imported water
2. Imported water costs projected to increase approximately 16% overall (Foothill Municipal Water District)
3. Estimated 76% increase in City of Los Angeles wastewater processing rates
4. Electricity rate increase of 13% (SoCal Edison and Glendale Water & Power)
5. Increased contractor and maintenance costs associated with aging infrastructure and expanded preventative maintenance efforts
6. Benefit cost increases estimated at approximately 11%

SALARIES AND BENEFITS

1. COLA increase of 4.0%
2. Merit increases ranging from 0% - 7.5%
3. Total of 3 new positions
4. PERS contribution based on CalPERS normal cost plus unfunded actuarial liability (minimum required contribution)

OTHER

1. OPEB contribution to be determined by the District's board of directors during the fourth quarter of fiscal year 2027.

CAPITAL

1. Completion of FY26 deferred CIP and continuation of "Pipeline Ramp-up Plan"¹
2. Significant savings anticipated from the continuation of the In-house Pipeline (IHP) program.

This year's proposed budget continues the District's consolidated budget presentation format to better align with District operations and improve transparency. The budget document is organized beginning with: 1) a Consolidated Budget Summary; 2) Consolidated Budget Comparisons; 3) Revenue Detail; 4) Expense Detail; 5) Capital Improvement Program summaries; 6) Capital Outlay detail; and 7) Department narratives and staffing summaries.

- a. "FY 2026 Budget" – This refers to the current-year budget, which is for Fiscal Year 2025-26 as approved by the Board.
- c. "FY 2027 Proposed Budget" – This refers to the budget proposed for next year, Fiscal Year 2026-27.

Revenue

The proposed FY 2027 operating revenue budget totals approximately \$26.3 million, excluding PFAS settlement proceeds. Revenue projections are based on adopted rates effective July 2026 and conservative assumptions that volumetric water sales will remain relatively flat. Variable water sales continue to represent the District's largest revenue source, accounting for approximately 40% of total operating revenue, followed by wastewater user charges at 23% and fixed water service charges at 22%.

Compared to the FY 2026 budget, total operating revenue is projected to increase approximately \$3.6 million, or 16%, primarily due to wastewater rate adjustments, water rate adjustments, and increased interest earnings.

Operating Budget

The proposed FY 2027 consolidated operating expense budget totals approximately \$22.7 million before debt service and capital expenditures. Compensation and benefits continue to represent the District's largest operating cost category at approximately 36% of operating expenses, reflecting the District's continued investment in workforce stability, operational expertise, and succession planning.

Significant operating cost increases continue to be driven by imported water costs, power costs, City of Los Angeles wastewater processing charges, and increased maintenance and repair needs associated with aging infrastructure and expanded preventative maintenance programs. Staff has continued efforts to manage controllable expenses while prioritizing operational reliability, regulatory compliance, and public health and safety.

The proposed consolidated budget reflects a planned reserve reduction of approximately \$3.57 million, primarily associated with capital investments and infrastructure improvements. Even with the planned

¹ A component of the "2020 Long-Term Infrastructure Reliability and Funding Roadmap"

use of reserves, the District is projected to maintain reserve balances approximately \$12.5 million above policy target levels.

Additionally, the proposed budget includes anticipated receipt of approximately \$1.03 million in additional PFAS settlement funds associated with the 3M settlement agreement.

Capital

Proposed capital improvements account for over 50 percent of the District's total expenditures. A summary of these planned investments is provided in the "Capital Improvement Program" table at the end of the attached budget. These proposed projects reflect the District's ongoing commitment to infrastructure reliability delivered in an economically responsible manner. The capital program includes 4.25 miles of pipeline replacement, with 2.2 miles completed through the District's cost-saving, in-house pipeline program. The District will also continue its well rehabilitation schedule, increasing groundwater production and reducing reliance on purchased water. The remaining projects focus on enhancing water quality and improving emergency resiliency. Due to design requirements, permitting, material procurement timelines, and ongoing supply chain pressures, staff anticipates that certain capital projects may extend over a 12- to 18-month completion timeline, and may span multiple fiscal years.

The proposed Capital Improvement Program is subject to available funding and financing capacity, including the potential issuance of additional debt. Staff will return to the Board of Directors for final approval of projects, contracts, and financing actions that require final approval. This excludes previously approved pipeline replacement projects, including the continuation and extension of the District's In-house Pipeline (IHP) program, which have already received Board authorization.

RECOMMENDATION:

Adopt the proposed budget as presented.

Prepared and Submitted by:



Arturo Montes
Director of Finance and Administration

Attachment: None

CRESCENTA VALLEY WATER DISTRICT, CA

Proposed Budget

For Fiscal Year 2027



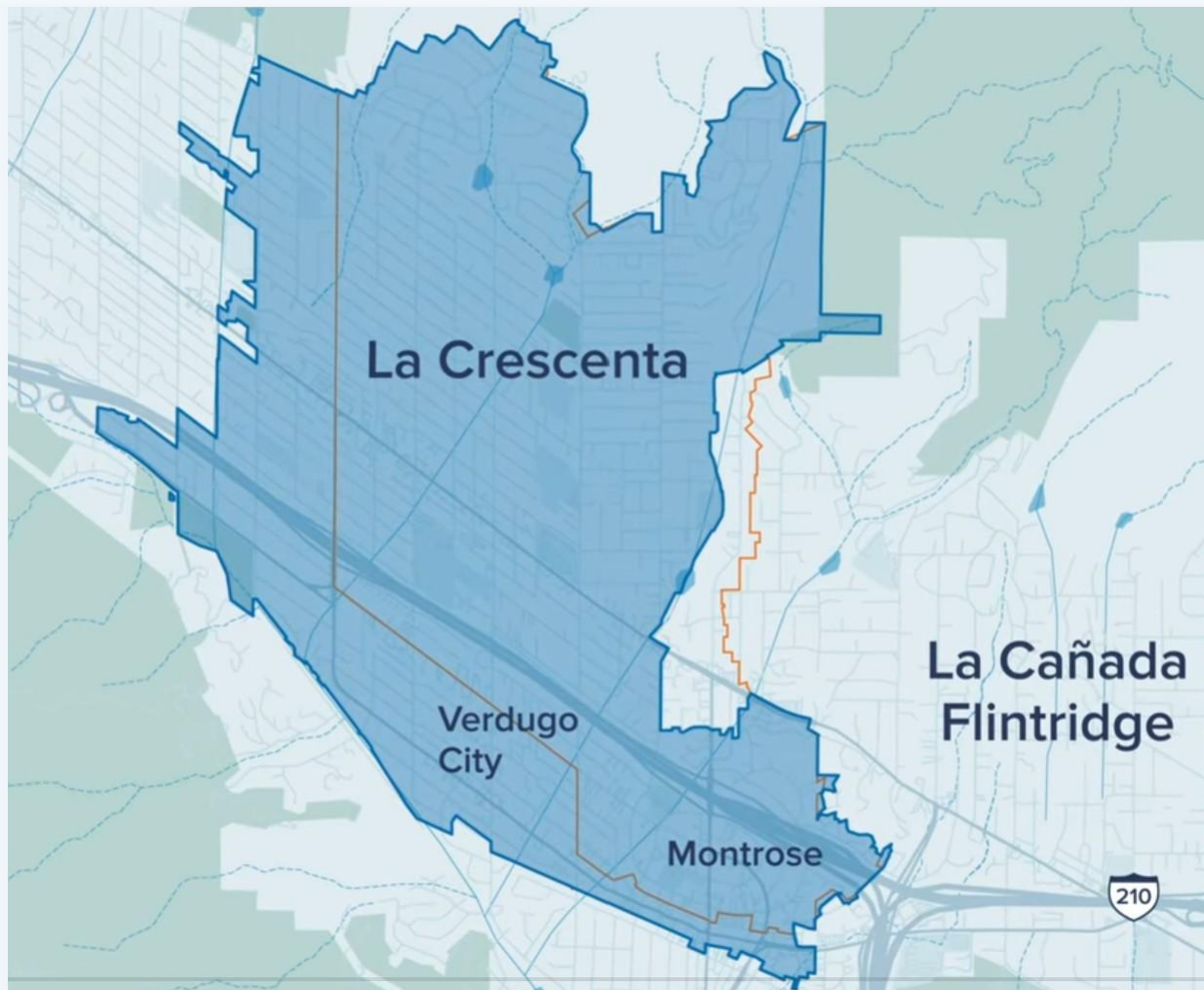
Prepared by:

Finance and Administration Department

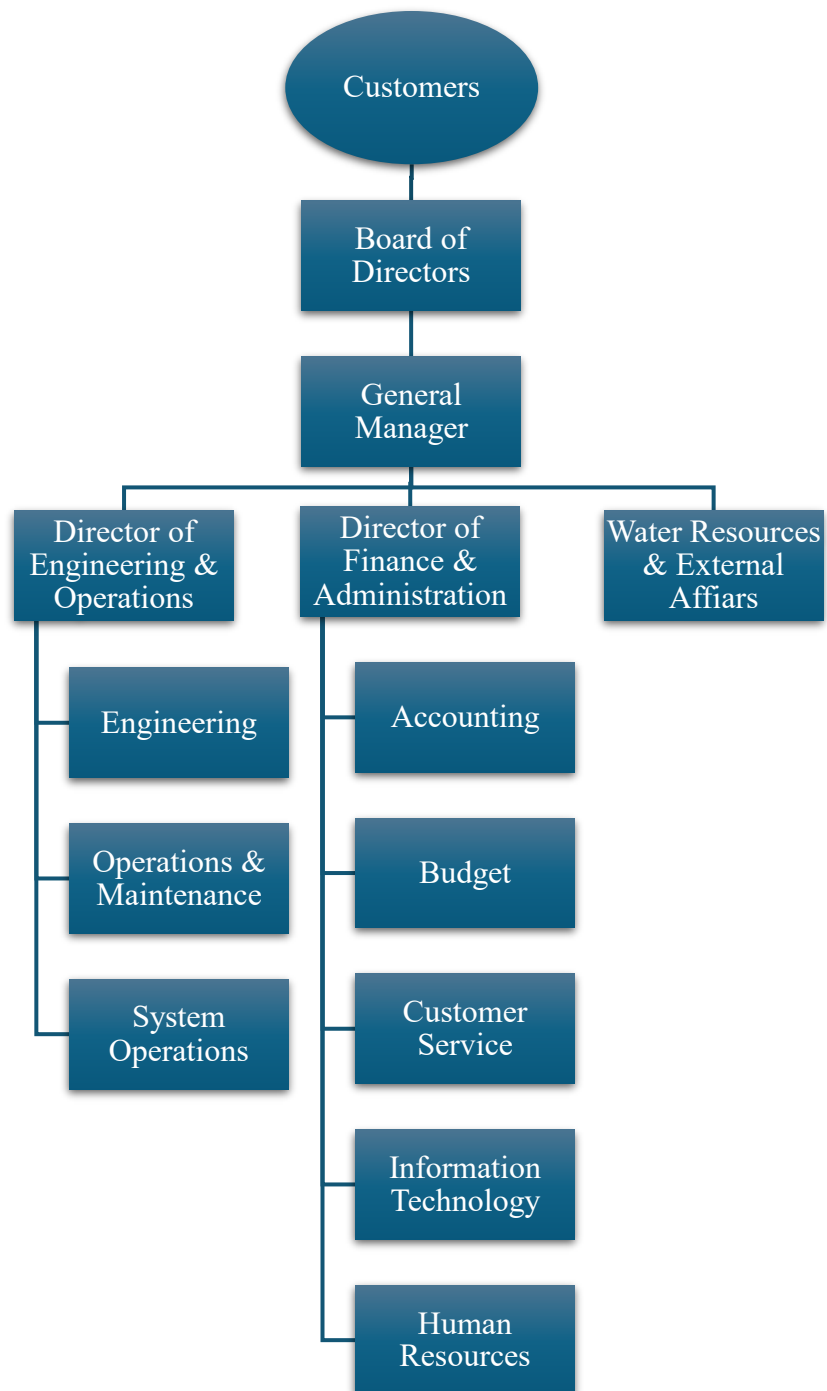
Contents

District Map	3
Organizational Chart Summary	4
Key Assumptions	5
Crescenta Valley Water District	6
Engineering Department	7
Operations Department	10
Water Resources and External Affairs.....	14
Finance and Administration.....	16
Operating Budget Drivers	19
Proposed Consolidated Budget Summary	21
Proposed Water Budget Summary.....	23
Proposed Wastewater Budget Summary.....	25
Primary Budget Variance Factors	27
Proposed FY 2027 Consolidated Budget Revenue – Detail	29
Proposed FY 2027 Consolidated Budget Expenses – Detail	31
Consolidated Year-Over-Year Summary.....	35
Capital Improvement Program Summary by Type.....	37
Capital Improvement Program.....	39
Capital Outlay	44
Organizational Chart.....	45
Staff Count by Department	47

District Map



Organizational Chart Summary



Key Assumptions

Budget Approach

- Zero based budget

Operating Revenues

- Flat volumetric water sales projected at 3,284 acre-feet (1,054 MG)
- Adopted rates effective July 2026

Salaries & Benefits ⁽¹⁾

- COLA increase of 4%
- Merit increase of 5%
- Benefit cost increases of 11%
- Total of 3 new positions and the elimination of 3 temporary positions
- PERS contribution based on CalPERS normal cost plus unfunded actuarial liability (minimum required contribution)

Other Operating Expenses

- Source of Supply- 50% Groundwater, 50% imported
- Overall 16% increase for imported water ⁽²⁾
- Estimated 76% increase for wastewater rates from City of Los Angeles Sewer Services
- Estimated 13% increase for power

Capital Expenditures

- Completion of deferred Capital Improvement Program (CIP)
- Significant savings from the continuation of the In-house pipeline program
- Increases in contractor costs and higher capital expenditures aligned with long-term capital plans.

⁽¹⁾ OPEB contribution to be determined by the District's Board of Directors during the fourth quarter of fiscal year 2027.

⁽²⁾ Imported water rates: The full-service treated volumetric rate component is projected to decline in calendar year 2027, with increases anticipated to resume beginning in 2028. Other rate components, including readiness-to-serve charges, capacity charges, and administrative charges are expected to rise, and additional treatment-related rate components are also anticipated to be introduced.

General Note: Immaterial rounding differences may occur.

Crescenta Valley Water District

Budget Narrative Introduction

Mission: *To provide quality water and wastewater services to the Crescenta Valley community in a dependable and economically responsible manner.*

Vision: *Secure sustainable water supplies and ensure infrastructure reliability, while furthering our commitment to accountability, transparency, cost-effectiveness, and public safety.*

The Crescenta Valley Water District Budget Narrative presents a comprehensive overview of the District's planned financial resources, operational priorities, and capital investments in support of its mission to provide reliable, high-quality water and wastewater services to the community. This

narrative outlines how District departments align programs, staffing, and expenditures with long-term strategic objectives, regulatory requirements, and community expectations.



Guided by a commitment to fiscal responsibility, transparency, and public safety, the proposed budget reflects a balanced approach to sustaining essential infrastructure, ensuring operational reliability, and investing in the workforce and systems necessary to meet current and future service demands. Through coordinated efforts across Engineering, Operations, Water Resources and External Affairs, and Finance and Administration, the District continues to steward public resources prudently while delivering dependable services that protect public health & safety, support environmental stewardship, and enhance quality of life in the Crescenta Valley.



Engineering Department

The Engineering department provides engineering and technical services to support the organizational mission and vision. The Engineering department includes:

- Planning, designing, and delivering reliable water and sewer infrastructure projects.
- Reviewing and approving land development within the District for conformance with District and industry standards.
- Ensuring agency compliance with federal, state, and local regulations through reporting, auditing, and program development.
- Implementing and maintaining enterprise systems that support capital project delivery, system evaluation, system maintenance, and record-keeping.

ALIGNMENT WITH DISTRICT GOALS

The priorities and initiatives of the Engineering department are defined by the District's organizational goals and use our mission and vision as the foundation of our daily activities:

- **Reliable Water and Wastewater Service**

The Engineering department supports District-wide operations through delivery of projects and systems that make maintenance and operations more efficient in the digital era.

- **Exceptional Customer and Community Service**

Protecting public health & safety is the fundamental priority. Building on this foundation, the Engineering Department delivers exceptional customer service through proactive communication about upcoming projects, meaningful incorporation of stakeholder input where feasible, and prompt responsiveness to developers with very short turnaround times.

- **Efficiency Through Technology**

The department is revamping the District-wide GIS to ensure efficiency in field access to information and design of projects. This information will be incorporated into other applications, such as the computerized maintenance management system, where further efficiencies can be gained.

- **Fiscal Responsibility**

The Engineering team has a fiduciary commitment to implement projects and services in a cost-effective manner.

- **Protection of Public and Environmental Health**

The department strives to protect the public and environmental health of our service area through sound design and construction, reliable systems, and compliance with regulations.



- **Regional Collaboration and Synergy**

The Engineering department works collaboratively with neighboring agencies and regionally to develop best practices in the most efficient and effective manner.

- **Employer and Workforce Excellence**

The Engineering department strives for excellence in delivery of projects and systems that support the District's initiatives. The department is dedicated to developing the team as well as its members individually. Educational opportunities are provided to meet District objectives and personal professional development.

Summary

The Engineering department is dedicated to protecting public health & safety through projects and programs that create reliable services for water and collections systems.

MAJOR FISCAL YEAR 2026 ACCOMPLISHMENTS

- Initiated new project delivery modes: progressive design build and time and materials to expedite and lower costs for delivery.
- Sewer System Management Plan (SSMP) updates and certification.
- Expanded compliance through the addition of a Regulatory Program Manager .
- Initiated updates with the Division of Drinking Water to reflect current operating conditions.
- Significantly increased the CIP to meet District goals including 30 active projects and in-house design of pipeline projects.
- Began developing a computerized maintenance management system to unify work management across the District.
- Led the restructuring of the GIS data and schema for quality control and integration into other applications.
- Integrated new backflow (water) and backwater (sewage) requirements into the development process.
- Evaluated water-related agreements: two Glendale Water and Power (GWP), one La Canada, one LA Glendale wastewater, for conformance and possible re-negotiation.
- Conducted 2,200 cross-connection surveys.
- Performed PFAS bench scale testing.
- Updated Urban Water Management Plan and published the Annual Water Quality Report.

REALIZED SAVINGS FOR FISCAL YEAR 2026

- Prepared final designs for in-house pipeline projects.
- Conducted in-house inspection for in-house pipeline projects.
- Directly coordinated paving with low-cost contractor.
- Directly managed permitting contracted projects.

- Self-performed evaluation of costs for the GWP well 16 and the SSMP update.
- Compiled data from older project to qualify for receipt of grant.
- Prepared a 30% design of generators to apply for grant funds.

MAJOR GOALS FOR FISCAL YEAR 2027

- Fully implement the computerized maintenance management system.
- Deploy continuous improvements to the GIS system.
- Carry out capital projects, as approved by the Board.
- Implement ongoing improvements to the CIP master plan.
- Provide quality service for developers and homeowners.

Operations Department

PROGRAM DESCRIPTION

Water system programs focus on the proactive operation and maintenance of water treatment facilities and the distribution network to ensure the reliable delivery of safe, high-quality drinking water. These programs encompass routine monitoring of water quality parameters, infrastructure inspections, preventive maintenance of pumps and valves, and system optimization to minimize water loss and meet all regulatory standards.

Wastewater collection conveys approximately 1.54 million gallons per day (MGD) of wastewater through approximately 60 miles of sewer mains. It provides critical functions that protect the collection system and mitigate public risk from Sanitary Sewer Overflows (SSOs). In collaboration with the Engineering department, the Operations team develops, establishes, and continuously improves preventative maintenance programs to enhance the water and wastewater system reliability and support long-term infrastructure sustainability.



ALIGNMENT WITH DISTRICT GOALS

The priorities and initiatives of the Operations department are defined by the District's organizational goals and use our mission and vision as the foundation of our daily tasks:

- **Reliable Water and Wastewater Service**

Operations proactively mitigates risks through comprehensive maintenance programs for both water and wastewater systems.

For water operations, staff manages and executes the in-house pipeline replacement program and perform water main flushing, leak detection, valve exercising, hydrant maintenance, and system monitoring to ensure the reliable delivery of safe drinking water.

For wastewater operations, the department conducts CCTV and manhole inspections, performs hydro-jet cleaning, and oversees the maintenance and repair of sewer mains to prevent blockages and reduce the risk of SSOs. These combined efforts support the District's commitment to infrastructure reliability and public health & safety.

- **Exceptional Customer and Community Service**

Protecting public health & safety is the foundation of the District's essential job functions. The Operations department proactively serves customers as both an educational resource and a technical support, stewarding the community through every interaction. Staff take extra time to deliver required notifications and respond to routine public inquiries.

- **Efficiency Through Technology**

Advanced monitoring represents a significant development in risk mitigation for the District's water and wastewater systems. A dedicated portion of the department's budget is allocated to building a more resilient and reliable infrastructure network.

Smart covers provide an additional layer of protection by enabling real-time monitoring of critical maintenance areas. These systems complement the existing SCADA monitoring at the District's lift stations, allowing for earlier detection of potential issues. Remote pressure monitoring further enhances system performance by identifying pressure spikes, helping to reduce leaks, minimize water loss, and optimize pumping operations.

The Operations department remains committed to partnering closely with the Engineering department. By sharing essential system data and field observations, we continuously refine and improve the accuracy of our GIS database, supporting better decision-making, prioritized maintenance, and long-term infrastructure planning.

- **Fiscal Responsibility**

The Operations department maintains a strong fiduciary responsibility for financial accountability, while carefully managing time and operational efficiency. Every action taken reflects the district's commitment to protecting the health and safety of our customers.

- **Protection of Public and Environmental Health**

Regular sampling and testing is conducted at treatment plants and throughout the distribution system for contaminants, disinfection byproducts, and residual chlorine levels. The maintenance and operation of the sewer collection and conveyance system are focused on reducing or eliminating SSOs. This objective forms the foundation of the SSMP and guides all wastewater collection activities.

- **Regional Collaboration and Synergy**

The wastewater department operates its system in compliance with State Water Resources Control Board (SWRCB) and adheres to Environmental Protection Agency (EPA) regulations. La Canada Flintridge ties into the District's wastewater system and the interceptor conveys through Glendale to Hyperion. The operational goal is to improve our reliability and emergency response through regional collaboration, including training and Emergency Response Plan (ERP) overlap.

- **Employer and Workforce Excellence**

The Operations department is built on the District's initiative to provide a workplace culture with strong values. The department is committed to developing the team as a whole while supporting the growth of each individual member. Educational opportunities and operational resources build professional confidence and strengthen operational competence. Ongoing staff development in water treatment/distribution and wastewater collection operations maintain compliance and system efficiency.

Summary

The Operations department is dedicated to public health & safety through operational competency and maintenance of an efficient collections system.

MAJOR FISCAL YEAR 2026 ACCOMPLISHMENTS

- Completed 0.89 miles of In-House water main replacements.
- Rehabilitated Well 5 and replaced three critical pumps.
- Completed comprehensive valve and hydrant maintenance, including exercising approximately 1,200 valves with 14 replacements.
- Replaced three pumps.
- Installed 11 Variable Frequency Drive (VFDs) and soft starts.
- Completed the Glenwood surge tank replacement.
- Upgraded SCADA to a dual-server configuration.
- Completed the replacement of the Mills Aeration Tower.
- Upgraded the Lift Station control panel.
- Conducted SSMP audit to ensure compliance, reduce risk, and improve system reliability.
- Enhanced Maintenance Area (EMA) Inspection and cleaning.
- Reorganized CCTV data while implementing enhanced cybersecurity measures to improve data protection, access control, and system integrity.
- Focused on training and resources to increase certification levels.
- Launched manhole inspection program.
- Rebuilt asset maintenance program and developed ramp up plan for Fiscal Year (FY) 2027.
- Mitigated Private Sewer Lateral Discharge (PSLD) from Tier 1 escalation.
- Established drone operations team.
- Evaluated and deployed iPVC pipe for increase in durability.

REALIZED SAVINGS FOR FISCAL YEAR 2026

- Mitigated Private Sewer PSLD from Tier 1 escalation.
- Water sampling laboratory change.
- Restructured asset maintenance program for efficiency and productivity.
- Coordinated with engineering to prioritize CIP projects for fiscal efficiency and cost reduction.
- Utilized advanced monitoring for SSO reduction and increased response time.

MAJOR GOALS FOR FISCAL YEAR 2027

- Ensure reliable system operation through routine gate valve and hydrant maintenance.
- Test Pump Efficiency.
- Increase mileage of In-House Pipe by over 50% to 1.36 miles.
- Replace of system analyzers.
- Deploy smart wastewater covers and leak detection equipment.
- Evaluate in-line hydro technology based on proven effectiveness.

- Implement PFAS mitigation strategies.
- Improve Lead and Copper Rule compliance and sampling.
- Expand on the District's leak detection program.
- Implement a large meter testing program.
- Replace inoperable customer meters within 30 days of notification.
- Replace broken valves.
- Paint and replace hydrants as needed.
- Increase advanced monitoring of EMAs.
- Inspect one third of the system and increase hydro-jet program to reduce Fat, Oils and Grease (FOG), identify structural defects and address root issues.
- Conduct a system wide inspection of manholes.
- Ramp up the preventative maintenance schedule.
- Inspect and clean high traffic areas.
- Address Lift Station issues identified in Wastewater Management Plan.
- Build emergency response, including interceptor bypass plan and regional overlap, planning, and training.
- Conduct recurring emergency tabletop exercises.
- Conduct an inflow and infiltration analysis of watersheds 1, 2 and 3.
- Identify La Cañada Flintridge tie-in for audit of costs.
- Increase staff training, both for professional development and workplace safety.
- Audit records for GIS database improvements through CCTV Inspection.

Water Resources and External Affairs

PROGRAM DESCRIPTION

The Water Resources & External Affairs (WREA) department is responsible for assisting in planning, organizing, and directing the work related to identifying, pursuing, and implementing water resources initiatives, public information, community relations, community relations, governmental affairs, legislative advocacy, regional and other partnerships, water conservation program development and implementation, and grant management.

ALIGNMENT WITH DISTRICT GOALS

The priorities and initiatives of the WREA department directly support the District's organizational goals. More specifically, the WREA department promotes regional collaboration, provides exceptional customer service support, and strengthens community trust with customers and the broader community through outreach initiatives. The department also promotes reliable water resources through conservation communication and planning future stormwater capture initiatives.



MAJOR FISCAL YEAR 2026 ACCOMPLISHMENTS

- Hosted and/or met with the District's entire State and Congressional delegation.
- Completed the Hazard Mitigation Plan and La Cañada Emergency Response Plan.
- Sponsored AB 1893 in conjunction with Assemblymember Nick Shultz (AD-44).
- Increased community presence through tabling at farmers markets, community events, career fairs.
- Increased the frequency of District's outreach to customers via social media, CV Weekly, e-blasts.
- Partnered with Glendale Community College and Glendale Water and Power on a student-led internship project and began conversations to create a water curriculum at the college.
- Organized the District's first Legislative Advocacy visit – met with key water advocates and legislators.

REALIZED SAVINGS FOR FISCAL YEAR 2026

- Received \$80,000 from FEMA for Eaton Fire recovery.
- Pending \$65,000 from LA County/DWR for Prop 84 retention for a project completed in 2018.

- Received \$75,000 from Bureau of Reclamation for completion of a draft Recycled Water Feasibility Study.

MAJOR GOALS FOR FISCAL YEAR 2027

- Complete stormwater capture projects in collaboration with regional partners.
- Strengthen community outreach by expanding to GUSD schools.
- Pursue additional grants and earmark funding.
- Continued advocacy efforts development of legislative coalitions to advance advocacy efforts such as the successful passage of AB 1893.
- Ongoing workforce development through expanded partnership with GCC and addition of summer interns.
- Improve customer notification process.

Finance and Administration

PROGRAM DESCRIPTION

The Finance and Administration (F&A) department plays a significant role in advancing Crescenta Valley Water District's vision and mission, as outlined in the Strategic Plan and grounded in the District's Values Statement. The department plans, directs, manages, and oversees the core functions of Finance, Accounting, Customer Service, Human Resources, and Information Technology. Through these functions, F&A provides the infrastructure, resources, and expertise necessary to support District operations and ensure the delivery of high-quality services to the community.

The F&A team is responsible for producing timely financial reporting, developing the annual budget, maintaining strong internal controls, and ensuring compliance with all applicable regulatory and accounting standards. In addition, the department manages customer billing and service operations, supports technology systems that enhance efficiency and reliability, and delivers comprehensive human resources services including recruitment, training, labor relations, benefits administration, and workforce development.

F&A also provides complex analytical and administrative support to the General Manager and collaborates closely with all internal departments to ensure strategic alignment and operational effectiveness. The department coordinates regularly with customers, the Board of Directors, external agencies, and consultants to support transparent decision making, promote fiscal stewardship, and improve service delivery.



ALIGNMENT WITH DISTRICT GOALS

The priorities and initiatives of the Finance & Administration Department directly support the District's organizational goals:

- **Reliable Water and Wastewater Service**

By managing long-term financial planning, capital funding strategies, and robust internal controls, F&A ensures resources are available to maintain and improve critical water and wastewater infrastructure.

- **Exceptional Customer and Community Service**

Customer Service operations focus on timely response, accurate billing, and transparent communication, strengthening trust with customers and the broader community.

- **Efficiency Through Technology**

The F&A team supports system modernization, cybersecurity, and digital tools that enhance operational efficiency, data-driven decision-making, and customer access to services.

- **Fiscal Responsibility**

F&A upholds strong fiscal management practices, supports prudent budgeting, and ensures the District's financial stability to meet both current and future service needs.

- **Protection of Public and Environmental Health**

Through effective administrative oversight and regulatory compliance, the department helps ensure that District operations meet environmental standards and support community health.

- **Regional Collaboration and Synergy**

F&A actively coordinates with regional partners, consultants, and government agencies to support shared initiatives, cost-effective solutions, and consistent regional planning.

- **Employer and Workforce Excellence**

The F&A team fosters a high-performing workforce through employee development, recruitment, retention strategies, and a positive organizational culture aligned with the District's values.

Summary

Overall, the Finance & Administration department provides the financial stability, professional services, and administrative support necessary for the District to operate effectively and achieve its strategic goals. By aligning daily operations with long-term planning and organizational values, F&A ensures the District can continue delivering reliable, sustainable, and high-quality service to the community.

MAJOR FISCAL YEAR 2026 ACCOMPLISHMENTS

- Cultivated the work culture program.
- Developed and implemented an employee handbook.
- Implemented a budget-based rate structure.
- Converted from bi-monthly to monthly billing.
- Launched several workflow optimization applications.
- Conducted CISA cybersecurity assessments/firewall.
- Upgraded phone system and capabilities.
- Improved new hire onboarding process.
- Continued with the stabilization of Advanced Metering Infrastructure (AMI).
- Improved the timesheet process and implemented a new payroll system.
- Initiated a meter testing and replacement program.

REALIZED SAVINGS FOR FISCAL YEAR 2026

- Reduced system water loss through meter testing and meter replacement.
- Implemented meter return program to maximize warranty reimbursement.

- Leveraged technology to enhance staff efficiency.
- Maximized use of in-house staff to reduce consulting costs.
- Improved the loss claims process.
- Updated fees to ensure cost recovery from developers.
- Streamlined cash deposits process.

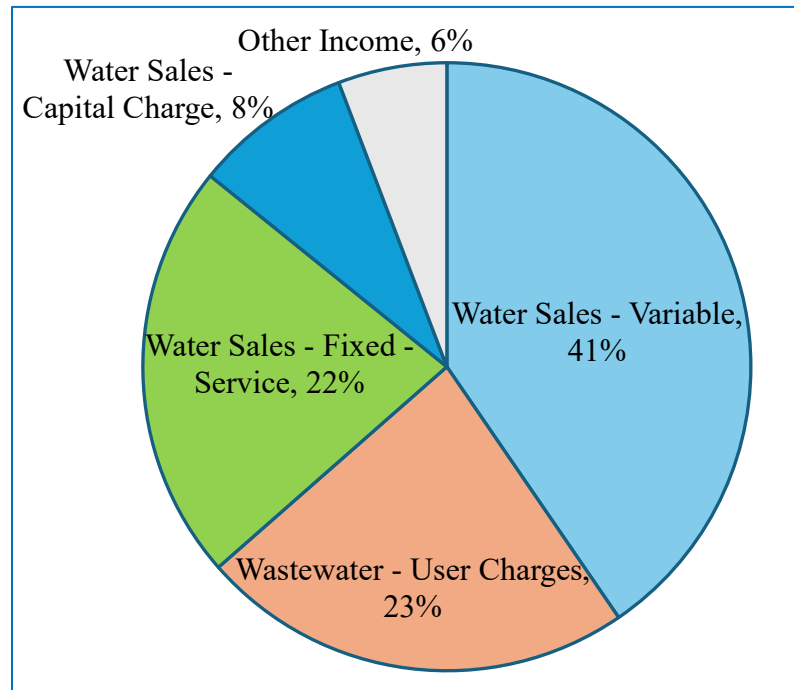
MAJOR GOALS FOR FISCAL YEAR 2027

- Update ten-year financial plan to support improved financial planning and decision-making.
- Optimize metering for accuracy, reliability, and revenue integrity.
- Implement a large meter testing program to ensure accuracy, reliability, and revenue integrity.
- Utilize AMI data to develop dashboards that support monitoring and planning.
- Conduct recurring emergency tabletop exercises.
- Assess groundwater production costs to improve cost transparency.
- Secure and manage bond funding to support capital investments.
- Improve annual performance review process.
- Continuously improve the new-hire onboarding process to support efficiency and employee success.

Operating Budget Drivers

Revenue

The pie chart below illustrates the distribution of the Fiscal Year 2027 operating revenue budget



by major category, excluding debt service, with total operating revenue proposed at \$26.3 million, excluding PFAS settlement proceeds. As shown, variable water sales represents the largest share of the budget at 41%. These revenues are directly tied to customer water consumption and recover variable costs such as water production, treatment, and distribution. The next largest revenue category is wastewater user charges and account for 23% of the total budget and are based on household size or estimated wastewater flows. These revenues support the collection, treatment,

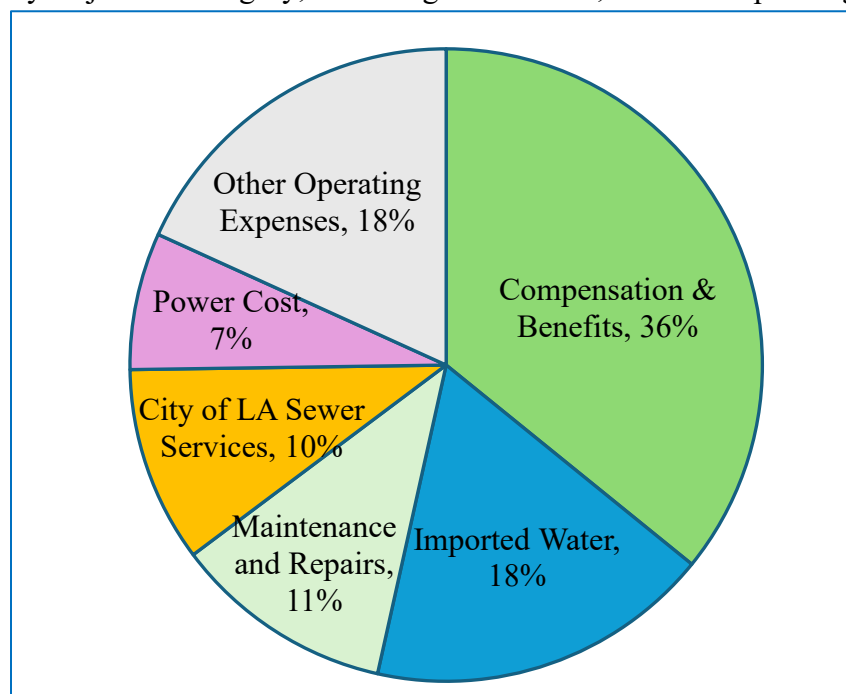
and disposal of wastewater, including regulatory compliance, treatment plant operations, and system maintenance. Fixed water service charges account for 22% of the budget and recover fixed operating costs through monthly customer fees, providing revenue stability regardless of usage. Capital Charges, at 8% of the budget, support long-term infrastructure needs, while Other Income (interest income, construction revenue, and miscellaneous non-routine revenue), at 6% of the budget, help offset operating costs.

The table below provides a summary of operating budget revenue categories. Further detailed budget amounts are presented in the tables that follow.

Budget Category	Proposed FY 2027 Budget in Millions	% of Budget
Water Sales - Variable	\$10.6	41%
Wastewater - User Charges	\$6.1	23%
Water Sales - Fixed - Service	\$5.9	22%
Water Sales - Capital Charge	\$2.2	8%
Other Income	\$1.5	6%
Total	\$26.3	100%

Expenses

The pie chart below illustrates the distribution of the Fiscal Year 2027 operating expense budget by major cost category, excluding debt service, with total operating costs proposed at \$22.7 million



before debt service. As shown, total compensation (salaries and benefits) represents the largest share of the budget at 36%, reflecting the District's continued investment in a skilled and reliable workforce. The next largest expenditure category is imported water, which accounts for 18% of the budget and highlights the significant cost of securing a dependable external water supply. Maintenance and repairs expenses represent 11% of the budget, reflecting the District's ongoing focus

on maintaining aging infrastructure, addressing system vulnerabilities, and ensuring the delivery of safe and reliable service to the community. Other operating expenses, at 18% of the budget, include expenses such as professional services, technology, and water quality expenses.

The table below provides a summary of the budget expense categories, summarizing the primary cost drivers within the FY 2027 budget. Detailed budget amounts are presented in the tables that follow.

Budget Category	Proposed FY 2027 Budget in Millions	% of Budget (before Debt Service)
Compensation & Benefits	\$8.1	36%
Imported Water	\$4.0	18%
Maintenance and Repairs	\$2.6	11%
City of LA Sewer Services	\$2.3	10%
Power Cost	\$1.6	7%
Other Operating Expenses	\$4.1	18%
Total	\$22.7	100%

Proposed Consolidated Budget Summary

Below is the proposed FY 2027 consolidated budget summary and the FY 2026 budget encompassing both water and wastewater operations.

Consolidated	FY 2026 Budget	Proposed FY 2027 Budget	Variance (\$ from FY 2026 Budget	Variance (%) from FY 2026 Budget
Revenue				
Water Sales - Fixed - Service	\$5,481,000	\$5,850,000	\$369,000	7%
Water Sales - Capital Charge	2,045,000	2,209,000	164,000	8%
Water Sales - Variable	9,741,400	10,621,000	879,600	9%
Wastewater - User Charges	4,485,000	6,066,000	1,581,000	35%
Interest Income	310,000	630,000	320,000	103%
Construction Revenue	203,000	404,000	201,000	99%
Other Income	408,200	485,000	76,800	19%
Total Revenue	\$22,673,600	\$26,265,000	\$3,591,400	16%
Expenses				
Labor	\$4,231,900	\$5,314,000	\$1,082,100	26%
Benefits	1,525,300	1,692,000	166,700	11%
Pension	989,600	1,122,000	132,400	13%
Total Compensation & Benefits	\$6,746,800	\$8,128,000	\$1,381,200	20%
Imported Water	3,570,000	4,000,000	430,000	12%
Maintenance and Repairs	1,536,600	2,557,000	1,020,400	66%
City of LA Sewer Services	1,290,500	2,269,700	979,200	76%
Power Cost	1,406,000	1,589,000	183,000	13%
Professional Services	1,091,900	1,244,000	152,100	14%
Technology	499,800	647,000	147,200	29%
Water Quality Expense	479,800	436,000	(43,800)	-9%
Vehicle Expense	180,200	231,000	50,800	28%
Other Operating Expenses	1,325,800	1,574,000	248,200	19%
Subtotal Other Operating Expenses	11,380,600	14,547,700	3,167,100	28%
Operating Expenses (before Debt Service)	\$18,127,400	\$22,675,700	\$4,548,300	25%
Total Debt Service	\$1,157,800	\$1,265,000	\$107,200	9%
Net Income Before Capital Expenses	\$3,388,400	\$2,324,300	(\$1,064,100)	-31%

Consolidated	FY 2026 Budget	Proposed FY 2027 Budget	Variance (\$) from FY 2026 Budget	Variance (%) from FY 2026 Budget
CIP & OPEB ⁽¹⁾				
Pipeline	\$10,750,000	\$12,632,000	\$1,882,000	18%
Bond Proceeds	(10,750,000)	(7,826,000)	2,924,000	-27%
All Other CIP	3,409,000	8,340,000	4,931,000	145%
Capital Outlays & Equip	810,000	3,969,000	3,159,000	390%
OPEB	0	0	0	0%
Total CIP & OPEB	\$4,219,000	\$17,115,000	\$12,896,000	306%
Change in Reserve	(\$830,600)	(\$14,790,700)	(\$13,960,100)	1681%

PFAS Environmental Response Fund	\$0	\$1,026,080	\$1,026,080	0%
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Summary of Impacts on Reserve Funds-Consolidated

Reserve Fund	
Beginning Balance*	\$26,895,258
Changes to Reserves	(14,790,700)
Ending Balance	12,104,558
Target**	\$10,840,675
Above (Below) Target	\$1,263,883

PFAS Environmental Response Fund	
Beginning Balance	\$2,100,619
Changes to Reserves	\$1,026,080
Ending Balance	\$3,126,699

Bond Funds	
Beginning Balance	\$7,826,000
Bond Proceeds used for pipeline	7,826,000
Ending Balance	\$0

⁽¹⁾ CIP is pending final board approval and contingent on a planned bond issuance.

* Fund beginning balances are based on unaudited FY 2026 projections.

** Target reserve levels are calculated using the reserve policy adopted on 7/28/2020.

Proposed Water Budget Summary

Below are the proposed FY 2027 budget summary and the FY 2026 budget for water operations.

Water	FY 2026 Budget	Proposed FY 2027 Budget	Variance (\$) from FY 2026 Budget	Variance (%) from FY 2026 Budget
Revenue				
Water Sales - Fixed - Service	\$5,481,000	\$5,850,000	\$369,000	7%
Water Sales - Capital Charge	2,045,000	2,209,000	164,000	8%
Water Sales - Variable	9,741,400	10,621,000	879,600	9%
Interest Income	310,000	525,000	215,000	69%
Construction Revenue	199,000	400,000	201,000	101%
Other Income	345,000	387,500	42,500	12%
Total Revenue	\$18,121,400	\$19,992,500	\$1,871,100	10%
Expenses				
Labor	\$3,194,600	\$4,237,998	\$1,043,398	33%
Benefits	1,206,200	1,338,749	132,549	11%
Pension	769,600	869,250	99,650	13%
Total Compensation & Benefits	\$5,170,400	\$6,445,997	\$1,275,597	25%
Imported Water	3,570,000	4,000,000	430,000	12%
Maintenance and Repairs	1,342,100	2,205,750	863,650	64%
Power Cost	1,400,000	1,580,000	180,000	13%
Professional Services	839,900	965,500	125,600	15%
Technology	392,300	511,700	119,400	30%
Water Quality Expense	479,800	436,000	(43,800)	-9%
Vehicle Expense	135,100	170,000	34,900	26%
Other Operating Expenses	1,004,800	1,216,225	211,425	21%
Subtotal Other Operating Expenses	9,164,000	11,085,175	1,921,175	21%
Operating Expenses (before Debt Service)	\$14,334,400	\$17,531,172	\$3,196,772	22%

Water	FY 2026 Budget	Proposed FY 2027 Budget	Variance (\$) from FY 2026 Budget	Variance (%) from FY 2026 Budget
Total Debt Service	\$1,157,800	\$1,265,000	\$107,200	9%
Net Income Before Capital Expenses	\$2,629,200	\$1,196,328	(\$1,432,872)	-54%
CIP & OPEB ⁽¹⁾				
Pipeline	\$10,750,000	12,632,000	\$1,882,000	18%
Bond Proceeds	(10,750,000)	(7,826,000)	2,924,000	-27%
All Other CIP	3,200,000	7,734,000	4,534,000	142%
Capital Outlays & Equip	723,750	\$3,935,000	3,211,250	444%
OPEB	0	0	0	0%
Total CIP & OPEB	\$3,923,750	\$16,475,000	\$12,551,250	320%
Change in Reserve	(\$1,294,550)	(\$15,278,672)	(\$13,984,122)	1080%

PFAS Environmental Response Fund	\$0	\$1,026,080	\$1,026,080	0%
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Summary of Impacts on Reserve Funds-Water

Reserve Fund	
Beginning Balance*	\$23,022,129
Changes to Reserves	(15,278,672)
Ending Balance	7,743,457
Target**	\$7,038,043
Above (Below) Target	\$705,414

PFAS Environmental Response Fund	
Beginning Balance	\$2,100,619
Changes to Reserves	\$1,026,080
Ending Balance	\$3,126,699

Bond Funds	
Beginning Balance	\$7,826,000
Bond Proceeds used for pipeline	7,826,000
Ending Balance	\$0

⁽¹⁾ CIP is pending final board approval and contingent on a planned bond issuance.

* Fund beginning balances are based on unaudited FY 2026 projections.

** Target reserve levels are calculated using the reserve policy adopted on 7/28/2020.

Proposed Wastewater Budget Summary

Below are the proposed FY 2027 budget summary and the FY 2026 budget for wastewater operations.

Wastewater	FY 2026 Budget	Proposed FY 2027 Budget	Variance (\$) from FY 2026 Budget	Variance (%) from FY 2026 Budget
Revenue				
Wastewater - User Charges	4,485,000	6,066,000	1,581,000	35%
Interest Income	0	105,000	105,000	0%
Construction Revenue	4,000	4,000	0	0%
Other Income	63,200	97,500	34,300	54%
Total Revenue	\$4,552,200	\$6,272,500	\$1,720,300	38%
Expenses				
Labor	\$1,037,300	\$1,076,002	\$38,702	4%
Benefits	319,100	353,251	34,151	11%
Pension	220,000	252,750	32,750	15%
Total Compensation & Benefits	\$1,576,400	\$1,682,003	\$105,603	7%
Maintenance and Repairs	194,500	351,250	156,750	81%
City of LA Sewer Services	1,290,500	2,269,700	979,200	76%
Power Cost	6,000	9,000	3,000	50%
Professional Services	252,000	278,500	26,500	11%
Technology	107,500	135,300	27,800	26%
Vehicle Expense	45,100	61,000	15,900	35%
Other Operating Expenses	321,000	357,775	36,775	11%
Subtotal Other Operating Expenses	2,216,600	3,462,525	1,245,925	56%
Total Expenses	\$3,793,000	\$5,144,528	\$1,351,528	36%
Net Income Before Capital Expenses	\$759,200	\$1,127,972	\$368,772	49%

Wastewater	FY 2026 Budget	Proposed FY 2027 Budget	Variance (\$) from FY 2026 Budget	Variance (%) from FY 2026 Budget
CIP & OPEB				
Pipeline	\$0	\$0	\$0	0%
Bond Proceeds	0	0	0	0%
All Other CIP	209,000	606,000	397,000	190%
Capital Outlays & Equip	86,250	34,000	(52,250)	-61%
OPEB	0	0	0	0%
Total CIP & OPEB	\$295,250	\$640,000	\$344,750	117%
Change in Reserve	\$463,950	\$487,972	\$24,022	5%

Summary of Impacts on Reserve Funds-Wastewater

Reserve Fund	
Beginning Balance*	\$3,873,129
Changes to Reserves	487,972
Ending Balance	4,361,101
Target**	\$3,802,632
Above (Below) Target	\$558,469

* Fund beginning balances are based on unaudited FY 2026 projections.

** Target reserve levels are calculated using the reserve policy adopted on 7/28/2020.

Primary Budget Variance Factors

The table below provides explanations for the primary year-over-year budget variances. Dollars are presented in millions.

Category	FY 2026 Budget	FY 2026 Projections	Proposed FY 2027 Budget	Variance (\$) from FY 2026 Budget	Variance Justification
Wastewater - User Charges	\$4.5	\$5.4	\$6.1	\$1.6	The variance is driven by a 15% rate increase, while the prior-year budget assumed a reduction in household sizes.
Water Sales - Variable	\$9.7	\$10.4	\$10.6	\$0.9	The increase is driven by the adopted rate increases.
Interest Income	\$0.3	\$0.8	\$0.6	\$0.3	Expected increase in cash balances.
Total Variance Revenue Drivers	\$14.5	\$16.5	\$17.3	\$2.8	
Total Compensation & Benefits	\$6.7	\$6.7	\$8.1	\$1.4	Projected increases in compensation, costs, and proposed staffing additions. The increases are largely driven by the focus of the IHP, partially offset by significant savings.
Maintenance and Repairs	\$1.5	\$1.3	\$2.6	\$1.0	The increases are associated with materials and costs associated with the maintenance master plan update including the repair of a backlog of inoperable valves.
City of LA Sewer Services	\$1.3	\$1.3	\$2.3	\$1.0	The LA Sanitation rate adjustment is intended to sustain ongoing operations and fund upgrades to aging sewer infrastructure, with reduced adjustments planned through 2030.
Imported Water	\$3.6	\$3.5	\$4.0	\$0.4	The overall imported water rates are expected to increase by 16%. Increased production mitigates the imported water costs.
Power Cost	\$1.4	\$1.3	\$1.6	\$0.2	Rate increases and increased pumping levels are contributing factors.
Total Variance Expense Drivers	\$14.5	\$14.1	\$18.5	\$4.0	

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Proposed FY 2027 Consolidated Budget Revenue – Detail

Below are the proposed FY 2027 budget detailed revenue totaling \$26,265,000 for both water and wastewater operations. The amount excludes PFAS funds.

Budget Category	Account Description	Proposed FY 2027 Budget
	Water Sales - Fire Service	96,000
	Water Sales- Service Charge	5,754,000
Water Sales - Fixed - Service Total		\$5,850,000
	Capital Charge	2,209,000
Water Sales - Capital Charge Total		\$2,209,000
	Irrigation	513,000
	Water Sales - Consumers	10,108,000
Water Sales - Variable Total		\$10,621,000
	Sewage Disposal Sales	6,066,000
Wastewater - User Charges Total		\$6,066,000
	Gain/Loss on Sale of Assets	5,000
	Gain/Loss Sale of Investments	75,000
	Interest Earned - Water	250,000
	Unrealized Gain/Loss on Invest	300,000
Interest Income Total		\$630,000
	Meter Installation/Hydrant	250,000
	Sewer Permits	4,000
	Water Systems Connect Fee	150,000
Construction Revenue Total		\$404,000
	Gain/Loss on Sale of Assets	10,000
	Gain/Loss Sale of Investments	25,000
	Grant Revenue - State	100,000
	MTBE Settlement	500
	Other Income - Applications	10,000
	Other Income - Flood Meters	5,000
	Other Income - Misc	100,000

Budget Category	Account Description	Proposed FY 2027 Budget
	Other Income - Wastewater	5,000
	Property Owner Assessments	40,000
	Rental Income - Mills House	60,000
	Rental Income - PA House	18,500
	Rental Income - Sycamore House	30,000
	Water Sales - Others	81,000
Other Income Total		\$485,000
Grand Total		\$26,265,000

Proposed FY 2027 Consolidated Budget Expenses – Detail

Below are the proposed FY 2027 budget detailed expenses totaling \$22,675,700 (excluding debt service and capital expenditures) for both water and wastewater operations.

Budget Category	Account Description	Proposed FY 2027 Budget
	Director Fees	\$57,000
	Labor - OT	\$205,000
	Labor - Regular	\$4,307,000
	Standby Pay	\$115,000
	Taxes - Payroll	\$630,000
Labor Total		\$5,314,000
	Automobile Allowance	\$18,000
	Health Dental Vision	\$923,000
	Life and Disability Insurance	\$23,500
	Phone Allowance	\$6,500
	Retiree Health Care Expense	\$241,000
	Self Insurance	\$42,000
	Sick Leave/Vacation	\$323,000
	Wellness Program	\$12,000
	Workers' Compensation Ins	\$103,000
Benefits Total		\$1,692,000
	Employer Portion of PERS	\$1,122,000
Pension Total		\$1,122,000
	Wastewater System Expense	\$2,269,700
City of LA Sewer Services Total		\$2,269,700
	Purchased Water FMWD	\$3,900,000
	Purchased Water Glend Well16	\$100,000
Imported Water Total		\$4,000,000
	Backflow Expense	\$5,000
	Booster Pumps - Maintenance	\$90,000
	Building Maintenance	\$86,000
	Emergency Operations/Repairs	\$100,000
	Emergency Power Generators	\$30,000
	Fire Hydrant Repair/Replace	\$80,000
	Land Lease Cost Expense Well 16	\$21,000
	Landscaping Expenses	\$89,000

Budget Category	Account Description	Proposed FY 2027 Budget
	Meter Maintenance	\$50,000
	Meter Repair/Replace/Upgrade	\$301,000
	Paving	\$300,000
	Pipelines - Leak Detect/Repair	\$34,000
	Pipelines - Maintenance	\$440,000
	Pipelines - Valves	\$330,000
	Rental Expenses - Mills House	\$8,000
	Rental Expenses - PA House	\$8,000
	Rental Expenses - Sycamore	\$20,000
	Reservoir Landscape	\$40,000
	Reservoir Maintenance	\$204,000
	Safety & Security	\$40,000
	Sewer Camera Van Inspection	\$25,000
	Sewer Flow Monitoring Expense	\$74,000
	Sewer Interceptor Maintenance	\$20,000
	Sewer Lift Station Maintenance	\$32,000
	Well Site - Landscape	\$30,000
	Well Site - Maintenance	\$100,000
Maintenance and Repairs Total		\$2,557,000
	Accounting	\$19,000
	Bank Charges	\$90,000
	Certifications	\$14,000
	Community Outreach	\$50,000
	Conferences & Seminars	\$73,200
	D-Job Meters/Hydrants	\$215,000
	Election Expense	\$69,800
	GL, Property, Fidelity Ins	\$296,000
	Memberships/Subscriptions	\$81,700
	Misc - Administration	\$198,000
	Office Supplies & Misc Expense	\$22,000
	Permit & Assessment Fees	\$10,000
	Printing Postage Stationery	\$141,000
	Taxes-Property	\$23,000
	Tools and Eq Maintenance	\$90,000
	Training	\$57,000
	Tuition Reimbursement	\$10,000

Budget Category	Account Description	Proposed FY 2027 Budget
	Uniforms	\$32,000
	Utilities	\$65,000
	Water Conservation Expense	\$5,000
	Water Conservation Rebates	\$10,000
	Water Resources Misc	\$2,000
	Well Site - Lease Payment	\$300
Other Operating Expenses Total		\$1,574,000
	Emergency Power Generators	\$1,000
	Power Purchased	\$1,588,000
Power Cost Total		\$1,589,000
	Administrative Consultants	\$831,000
	Legal	\$400,000
	Legislative Advocacy	\$13,000
Professional Services Total		\$1,244,000
	Computer Software	\$258,000
	Computers and Network	\$158,000
	Data Communications	\$59,000
	Enterprise Voice Communication	\$47,000
	Telemetry & Signal System	\$125,000
Technology Total		\$647,000
	Auto/Truck Maintenance	\$115,000
	Auto/Truck Maintenance-Diesel	\$43,000
	Auto/Truck Maintenance-Gas	\$73,000
Vehicle Expense Total		\$231,000
	Water Qual Lab/Sampling	\$230,000
	Water Qual Lab/Supplies	\$6,000
	Water Treatment Expense	\$200,000
Water Quality Expense Total		\$436,000
Grand Total		\$22,675,700

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Consolidated Year-Over-Year Summary

Below is the consolidated year-over-year summary.

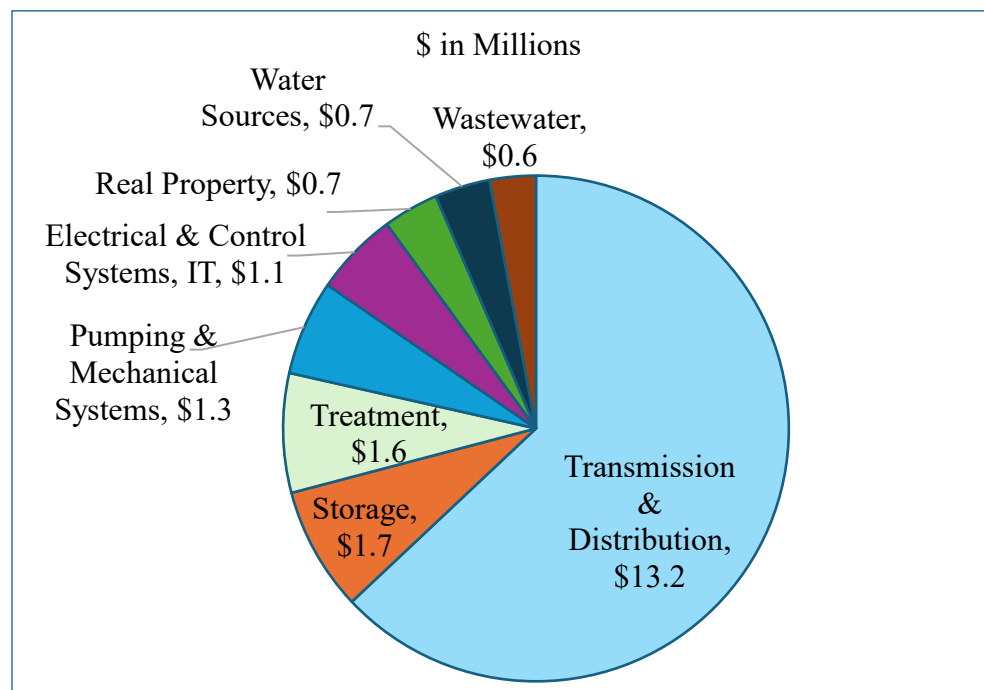
Consolidated	FY 2025 Actuals	FY 2026 Budget	FY 2026 Projections	Proposed FY 2027 Budget	Variance (\$) from FY 2026 Budget	Variance (%) from FY 2026 Budget
Revenue						
Water Sales - Fixed - Service	\$4,025,719	\$5,481,000	\$5,663,969	\$5,850,000	\$369,000	7%
Water Sales - Capital Charge	1,844,931	2,045,000	2,179,365	2,209,000	164,000	8%
Water Sales - Variable	10,486,690	9,741,400	10,379,467	10,621,000	879,600	9%
Wastewater - User Charges	3,911,309	4,485,000	5,375,174	6,066,000	1,581,000	35%
Interest Income	1,204,538	310,000	783,252	630,000	320,000	103%
Construction Revenue	201,033	203,000	136,780	404,000	201,000	99%
Other Income	154,142	408,200	310,993	485,000	76,800	19%
Total Revenue	\$21,828,362	\$22,673,600	\$24,829,001	\$26,265,000	\$3,591,400	16%
Expenses						
Labor	\$3,443,724	\$4,231,900	\$5,387,525	\$5,314,000	\$1,082,100	26%
Benefits	1,134,575	1,525,300	429,386	1,692,000	166,700	11%
Pension	977,492	989,600	872,499	1,122,000	132,400	13%
Total Compensation & Benefits	\$5,555,790	\$6,746,800	\$6,689,410	\$8,128,000	\$1,381,200	20%
Imported Water	5,465,873	3,570,000	3,528,843	4,000,000	430,000	12%
Maintenance and Repairs	1,472,792	1,536,600	1,263,042	2,557,000	1,020,400	66%
City of LA Sewer Services	1,576,764	1,290,500	1,290,500	2,269,700	979,200	76%
Power Cost	913,056	1,406,000	1,297,027	1,589,000	183,000	13%
Professional Services	985,509	1,091,900	553,836	1,244,000	152,100	14%
Technology	434,117	499,800	505,022	647,000	147,200	29%

Consolidated	FY 2025 Actuals	FY 2026 Budget	FY 2026 Projections	Proposed FY 2027 Budget	Variance (\$) from FY 2026 Budget	Variance (%) from FY 2026 Budget
Water Quality Expense	457,700	479,800	280,992	436,000	(43,800)	-9%
Vehicle Expense	219,634	180,200	202,767	231,000	50,800	28%
Other Operating Expenses	1,845,891	1,325,800	1,181,105	1,574,000	248,200	19%
Subtotal Other Operating Expenses	13,371,336	11,380,600	10,103,134	14,547,700	3,167,100	28%
Operating Expenses (before Debt Service)	\$18,927,126	\$18,127,400	\$16,792,544	\$22,675,700	\$4,548,300	25%
Total Debt Service	\$1,095,528	\$1,157,800	\$1,254,883	\$1,265,000	\$107,200	9%
Net Income Before Capital Expenses	\$1,805,708	\$3,388,400	\$6,781,574	\$2,324,300	(\$1,064,100)	-31%

Capital Improvement Program Summary by Type

The proposed FY 2027 CIP totals \$20,971,763 and reflects a strong emphasis on maintaining and improving critical water infrastructure. The proposed Capital outlay is presented in a section below.

The largest share of the budget is allocated to Transmission & Distribution, totaling \$13,208,825, which represents the majority of planned investment. This highlights a continued priority on maintaining and upgrading pipelines, valves, and distribution systems to ensure reliability and service delivery. The pie chart below shows the CIP by category.



Other significant investments include:

- Storage: \$1,660,000, supporting reservoir and storage capacity improvements.
- Treatment: \$1,600,000, focused on maintaining water quality and regulatory compliance.
- Pumping & Mechanical Systems: \$1,273,040, for upgrades and maintenance of pumping infrastructure.
- Electrical & Control Systems: \$1,125,353, emphasizing modernization, automation, and cybersecurity improvements.

Smaller but essential allocations include:

- Real Property: \$746,500 for facility-related needs.
- Water Sources: \$740,000 to maintain and enhance water supply sources.
- Wastewater: \$618,045 to support wastewater system reliability and performance.

Overall, the FY 2027 CIP prioritizes system reliability, regulatory compliance, and modernization, with a strong focus on sustaining core water infrastructure while incorporating targeted investments in technology and support systems.

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Capital Improvement Program

Category	Title	Description	Proposed FY 2027 Budget
Electrical & Control Systems, IT	Paschall MCC	Construct design changes	\$557,000
Electrical & Control Systems, IT	SCADA Master Plan	Have a master plan prepared to guide upgrades, compatibility, and connectivity and band width for cameras	\$200,000
Electrical & Control Systems, IT	Communication Infrastructure Upgrades – Antenna Tower.		\$150,000
Electrical & Control Systems, IT	Radio Network		\$142,250
Electrical & Control Systems, IT	End-User Computing Platform	Staff computing devices managed as a fleet and refreshed through planned lifecycle programs to support productivity, security, and operational needs.	\$32,956
Electrical & Control Systems, IT	Networking Infrastructure	District-wide networking systems supporting connectivity, security, and performance across facilities, maintained through planned lifecycle refreshes over time.	\$19,297
Electrical & Control Systems, IT	Control Hardware Level 0 Maintenance		\$19,080
Electrical & Control Systems, IT	Control Hardware Level 1 Maintenance		\$4,770

Category	Title	Description	Proposed FY 2027 Budget
Pumping & Mechanical Systems	Oak Creek "C"		\$636,540
Pumping & Mechanical Systems	Encinal A-D	High priority A-D	\$636,500
Real Property	Retrofit access road and stabilize slope at Shields Reservoir.		\$375,000
Real Property	HVAC	Glenwood and Engineering side of Admin office	\$250,000
Real Property	Foothill Office flooring replacement (2600sf)	Flooring demo and replacement cost ~14/sf	\$36,500
Real Property	Conduct seismic evaluation study of existing CVWD buildings (4 buildings).	Seismic assessment of structural elements at Foothill Office Parking structure.	\$35,000
Real Property	Foothill Office Assessment (structural, ADA, asbestos)	Seismic assessment of structural elements at Foothill Office Parking structure	\$25,000
Real Property	Board Room Expansion		\$25,000
Storage	Eagle Canyon	Rehabilitation; start by Nov or push	\$1,600,000
Storage	Well 1	Rehabilitation	\$225,000
Storage	Well 12	Rehabilitation	\$225,000
Storage	Dunsmore	Inspection	\$20,000
Storage	Edmund #2	Inspection	\$20,000
Storage	Rosemont	Inspection	\$20,000

Category	Title	Description	Proposed FY 2027 Budget
Transmission & Distribution	Henrietta/Cloud (0.82 mi)		\$4,021,472
Transmission & Distribution	In-house pipeline for FY 2027 1.36 total miles (7,200 ft)		\$3,070,224
Transmission & Distribution	Foothill (1.07 mi)	One mile contracted Pipe FY 2026-28: 5,649 feet of pipeline replacement (Foothill deferred)	\$2,804,729
Transmission & Distribution	Montrose (1.02 mi)	Did not include contingency	\$2,735,400
Transmission & Distribution	Evaluate water systems hydraulic (model) for pressure, fire flow, impact of roof sprinklers, and storage. Analyze and audit the water distribution system, including fire hydrants, to improve resiliency and ensure fire code compliance.		\$200,000
Transmission & Distribution	Consultant AI assessment of pipeline lifespan remaining		\$200,000
Transmission & Distribution	Conduct feasibility study for pipeline crossing of LA County Flood Control Channels.		\$80,000
Transmission & Distribution	Conduct feasibility study of protection of water & sewer pipeline within Caltrans Bridge Freeway crossing.		\$50,000

Category	Title	Description	Proposed FY 2027 Budget
Transmission & Distribution	System analysis (water & wastewater) to identify upgrades that support mitigation outreach (valves: backwater, pressure regulators, PRV, interconnect zone 3 to 2, and in-line turbine, etc.		\$35,000
Transmission & Distribution	Conduct feasibility study for new water storage facility and pipeline crossings of Pickens Canyon.		\$12,000
Treatment	PFAS /nitrate - Well 5	Design and construct treatment	\$1,500,000
Treatment	Mills Forebay	Design replacement	\$100,000
Wastewater	Rosemont, Briggs Crossings Condition Assessment		\$252,420
Wastewater	Granada Pump Station		\$228,380
Wastewater	Line Manholes		\$75,000
Wastewater	Hillside Dr Lateral Backflow Preventer		\$38,245
Wastewater	Sewershed Monitoring	External flow monitoring over 5 winters	\$12,000
Wastewater	Conduct feasibility study for sewer bypass system for large diameter pipeline with Glendale.	Initial is temporary bypass plan for emergency deployment followed by design in 29-30	\$12,000

Category	Title	Description	Proposed FY 2027 Budget
Water Resources	Well Profiling	Consider utilizing Besst, or similar technology, for profiling a well to improve quality	\$250,000
Water Resources	Groundwater Recharge	Small projects to improve recharge	\$40,000
		Total CIP (excludes capital outlay)	\$20,971,763

Capital Outlay

Below is the proposed FY 2027 Capital Outlay by category.

Water / Wastewater	Category	Project Name	Cost	Replacement or Addition
Water	Equipment	Smart Covers	\$34,000	Addition
		Bobcat	\$200,000	Addition
		Two (2) Forklifts	\$90,000	Replacement
		Replace Welding Machine	\$50,000	Replacement
		Replace Flow Meters	\$125,000	Replacement
		Goss Tanks - Mixers for improved water quality	\$60,000	Replacement
		Replace Nitrate Analyzers	\$120,000	Replacement
		Various Site Improvements (Lighting)	\$100,000	Addition
		Asphalt, Base and Soil Bay (Concrete Replacement)	\$200,000	Replacement
		Paving at Glenwood	\$20,000	Replacement
		Replace Pumps at Paschall	\$350,000	Replacement
		Mills Pump A	\$200,000	Replacement
		Replace Oak Creek Pumps and Outlet Piping	\$650,000	Replacement
		Ordunio Overflow Pipe	\$50,000	Replacement
		Leak Detection Equipment	\$350,000	Addition
	Vehicle	Leak Truck	\$200,000	Addition
		Valve Truck	\$180,000	Replacement
		Utility Truck	\$120,000	Replacement
		Utility Truck	\$70,000	Replacement
	Other	Vault Lid Replacements	\$250,000	Replacement
		Chlorine Generation	\$400,000	Addition
		Mills Check Valve and Gate Valve Replacements	\$150,000	Replacement
		Smart Covers	\$34,000	Addition
Wastewater				
Total			\$3,969,000	



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Staff Count by Department

		Proposed FY 2027	FY 2026
Engineering		7.5	7.5
	FTE	6	6
	LTE	1	1
	Intern/Temp	0.5	0.5
Operations and Maintenance		15	13
	FTE	11	9
	LTE	4	4
	Intern/Temp	0	0
System Operations		7	7
	FTE	7	7
	LTE	0	0
	Intern/Temp	0	0
Water Resources and Public Affairs		1	1
	FTE	1	1
	LTE	0	0
	Intern/Temp	0	0
Finance and Administration		10	9
	FTE	9	8
	LTE	1	1
	Intern/Temp	0	0
Total		40.5	37.5
	FTE	34	31
	LTE	6	6
	Intern/Temp	0.5	0.5

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 8
May 26, 2026

To: Honorable President and Members of the Board of Directors
From: James Lee – General Manager
Subject: **General Manager Candidacy for the Crescenta Valley Chamber of Commerce Board of Directors**

ACTION ITEM:

Discussion and possible motion to authorize the General Manager to accept a position as board member with the Crescenta Valley Chamber of Commerce.

BACKGROUND:

The Crescenta Valley Water District's mission is to provide safe and reliable water and wastewater services to the Crescenta Valley community. The Crescenta Valley Chamber of Commerce's mission is to support local businesses and the local community. In recognition of overlapping priorities, and in recognition of the District's increased presence in and commitment to the community, the Chamber has invited the District's General Manager to join the Chambers board.

The General Manager does not have residency within the District's service area, so potential service on the Chamber board would be in association with the District.

The Chamber board meets the first Tuesday of each month at 5:30pm, which is outside of the District's operating hours. The time commitment is likely to be fewer than five hours per month on average.

The District already partners with the Chamber in a number of ways. Developing further relationship with the Chamber is anticipated to benefit the District's mission in terms of public outreach, coordinated operational efforts, and other partnerships such as event planning, grant eligibility, etc.

RECOMMENDATION

Staff recommends that the Board authorize the General Manager to accept a position as board member with the Crescenta Valley Chamber of Commerce.

Prepared and submitted by:



James Lee
General Manager

Attachment(s): none

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 9
May 26, 2026

To: Honorable President and Members of the Board of Directors
From: Carla Dillon, P.E. – Director of Engineering and Operations
Subject: PFAS Treatment Discussion

AGENDA ITEM:

Discussion of the results of the bench-scale treatability study for per- and polyfluoroalkyl substances (PFAS) and treatment alternatives analysis.

BACKGROUND:

On July 22, 2025, the CVWD Board approved a contract for the testing of CVWD's groundwater using Rapid Small Scale Column Testing (RSSCT or bench-scale testing) with CDM Smith. With the detection of per- and polyfluoroalkyl substances (PFAS) in several CVWD groundwater wells, the District has been blending groundwater with imported water to dilute the water delivered to customers to a level below the State notification levels and response levels and the Federal (2031 compliance date) maximum contaminant levels. The District also blends groundwater to reduce nitrates, which are present in the Verdugo Basin groundwater.

DISCUSSION:

CDM Smith completed bench-scale testing to evaluate options for removing PFAS compounds from water from Crescenta Valley Water District Wells 8 and 12. The study compared one granular activated carbon (GAC) product and three anion exchange resin (AER) products to understand how well each option could treat the source water and support future pilot- and full-scale design decisions.

Overall, the results were positive showing treatability of CVWD groundwater. All four media tested were effective at removing the PFAS compounds, in particular, both PFOA and PFOS, were well removed during testing. The GAC product showed no measurable PFOS breakthrough and limited (15%) PFOA breakthrough at the end of the testing cycle, 100,000 empty bed volumes (EBVs). Two of the three AER products performed even better, with no measurable PFOA breakthrough during their full testing period (150,000 EBVs). The third AER product showed 16% of initial concentration breaking through at 150,000 EBVs. As is typically observed with adsorption technologies, short-chained compounds were not treated as effectively as long-chained compounds.

The study also looked at short-term startup impacts that could impact water quality during full-scale operation. For GAC, a temporary increase in pH and release of arsenic were observed at startup, but arsenic levels stayed below the drinking water standard and returned to low levels quickly. For AER, temporary changes in chloride and sulfate were observed during startup, which briefly affected the chloride-to-sulfate mass ratio. These changes also returned to normal after initial flushing; however, this would need to be considered during the design of treatment and operation. No long-term water quality concerns were identified for either treatment approach.

CDM Smith also provided an analysis of treatment alternatives. Based on these results, both GAC and AER appear to be viable treatment options for CVWD Verdugo Basin water. The strongest overall performers were AER-1 and AER-3, which showed no breakthrough of PFOA through the duration of the bench-scale test. GAC, although a strong option, is not preferred by staff due to prior experience and known disadvantages including larger-sized vessels/footprint, pre-washing for removal of arsenic and discharge to sewer, more frequent change-outs, and channeling in the media. CDM Smith recommends nitrate treatment in addition to PFAS treatment (separate vessels). Possible layouts for each treatment location and rough order of magnitude (ROM) cost estimates were provided.

This item was scheduled for presentation to the PFAS Ad Hoc Committee on May 8; however, the meeting was canceled for lack of quorum.

RECOMMENDATION:

Discussion on treatment and next steps.

FUNDING AVAILABILITY:

The District has received \$2,100,619 thus far from the 3M/Dupont and Tyco/BASF settlements that may be applied to design and/or small-scale treatment.

Prepared by:



Carla Dillon
Director of Engineering & Operations

Attachments:

- 1) Draft Bench-Scale Treatability Study Report for Removal of Perfluoroalkyl Acids from Water Collected at Crescenta Valley Water District Well 8 and Well 12 in Glendale, California
- 2) Draft PFAS Treatment Alternatives Analysis

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 10
May 26, 2026

To: Honorable President and Members of the Board of Directors
From: Carla Dillon – Director of Engineering & Operations
Subject: Grant Application: USBR WaterSMART Drought Response Program

ACTION ITEM:

Discussion and possible action to support grant application requirements for the U.S. Bureau of Reclamation (USBR) WaterSMART Drought Response Program.

BACKGROUND:

The U.S. Bureau of Reclamation (USBR) has released funding guidelines for its WaterSMART Drought Response Program, with approximately \$13.5 million available to support an estimated 8 to 20 projects. Additional requirements must be met to successfully submit an application package.

The application deadline is July 28, 2026.

DISCUSSION:

The District met with its consultant, John Robinson Consulting, Inc. (JRC) to begin preparing the application. The additional requirements were identified during this meeting and will be presented to the Board for discussion and consideration.

As part of the application, the applicant is required to certify awareness and compliance with all currently effective and applicable executive orders and secretary's orders, including, but not limited to the Executive Order titled Ending Radical and Wasteful Government DEI Programs and Preferencing as well as the Executive Order and Secretary's order titled Restoring Truth and Sanity to American History, attached. Applicants are responsible for ensuring their proposed activities are consistent with the intent and requirements of these directives.

RECOMMENDATION:

Staff recommends that the Board consider the requirements imposed by federal USBR WaterSMART Drought Response Program.

Submitted by:



Carla Dillon, P.E.
Director of Engineering & Operations

Attachment(s):

Executive Order: Ending Radical and Wasteful Government DEI Programs and Preferencing

Executive Order: Restoring Truth and Sanity to American History

Secretary's order titled Restoring Truth and Sanity to American History

PRESIDENTIAL ACTIONS

Ending Radical And Wasteful Government DEI Programs And Preferencing

THE WHITE HOUSE
WASHINGTON

The White House

January 20, 2025

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered:

Section 1. Purpose and Policy. The Biden Administration forced illegal and immoral discrimination programs, going by the name “diversity, equity, and inclusion” (DEI), into virtually all aspects of the Federal Government, in areas ranging from airline safety to the military. This was a concerted effort stemming from President Biden’s first day in office, when he issued Executive Order 13985, “Advancing Racial Equity and Support for Underserved Communities Through the Federal Government.”

Pursuant to Executive Order 13985 and follow-on orders, nearly every Federal agency and entity submitted “Equity Action Plans” to detail the ways that they have furthered DEI’s infiltration of the Federal Government. The public release of these plans demonstrated immense public waste and shameful discrimination. That ends today. Americans deserve a government committed to serving every person with equal dignity and respect, and to expending precious taxpayer resources only on making America great.

Sec. 2. Implementation. (a) The Director of the Office of Management and Budget (OMB), assisted by the Attorney General and the Director of the Office of Personnel Management (OPM), shall coordinate the termination of all discriminatory programs, including illegal DEI and “diversity, equity, inclusion, and accessibility” (DEIA) mandates, policies, programs, preferences, and activities in the Federal Government, under whatever name they appear. To carry out this directive, the Director of OPM, with the assistance of the Attorney General as requested, shall review and revise,

as appropriate, all existing Federal employment practices, union contracts, and training policies or programs to comply with this order. Federal employment practices, including Federal employee performance reviews, shall reward individual initiative, skills, performance, and hard work and shall not under any circumstances consider DEI or DEIA factors, goals, policies, mandates, or requirements.

(b) Each agency, department, or commission head, in consultation with the Attorney General, the Director of OMB, and the Director of OPM, as appropriate, shall take the following actions within sixty days of this order:

(i) terminate, to the maximum extent allowed by law, all DEI, DEIA, and “environmental justice” offices and positions (including but not limited to “Chief Diversity Officer” positions); all “equity action plans,” “equity” actions, initiatives, or programs, “equity-related” grants or contracts; and all DEI or DEIA performance requirements for employees, contractors, or grantees.

(ii) provide the Director of the OMB with a list of all:

(A) agency or department DEI, DEIA, or “environmental justice” positions, committees, programs, services, activities, budgets, and expenditures in existence on November 4, 2024, and an assessment of whether these positions, committees, programs, services, activities, budgets, and expenditures have been misleadingly relabeled in an attempt to preserve their pre-November 4, 2024 function;

(B) Federal contractors who have provided DEI training or DEI training materials to agency or department employees; and

(C) Federal grantees who received Federal funding to provide or advance DEI, DEIA, or “environmental justice” programs, services, or activities since January 20, 2021.

(iii) direct the deputy agency or department head to:

(A) assess the operational impact (e.g., the number of new DEI hires) and cost of the prior administration’s DEI, DEIA, and “environmental justice” programs and policies; and

(B) recommend actions, such as Congressional notifications under 28 U.S.C. 530D, to align agency or department programs, activities, policies, regulations, guidance, employment practices, enforcement activities, contracts (including set-asides), grants, consent orders, and litigating positions with the policy of equal dignity and respect identified in section 1 of this order. The agency or department head and the Director of OMB shall jointly ensure that the deputy agency or department head has the authority and resources needed to carry out this directive.

(c) To inform and advise the President, so that he may formulate appropriate and effective civil-rights policies for the Executive Branch, the Assistant to the President for Domestic Policy shall convene a monthly meeting attended by the Director of OMB, the Director of OPM, and each deputy agency or department head to:

(i) hear reports on the prevalence and the economic and social costs of DEI, DEIA, and “environmental justice” in agency or department programs, activities, policies, regulations,

guidance, employment practices, enforcement activities, contracts (including set-asides), grants, consent orders, and litigating positions;

(ii) discuss any barriers to measures to comply with this order; and

(iii) monitor and track agency and department progress and identify potential areas for additional Presidential or legislative action to advance the policy of equal dignity and respect.

Sec. 3. Severability. If any provision of this order, or the application of any provision to any person or circumstance, is held to be invalid, the remainder of this order and the application of its provisions to any other persons or circumstances shall not be affected.

Sec. 4. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

THE WHITE HOUSE,

January 20, 2025.

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PRESIDENTIAL ACTIONS

RESTORING TRUTH AND SANITY TO AMERICAN HISTORY

THE WHITE HOUSE
WASHINGTON



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March 27, 2025

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered:

Section 1. Purpose and Policy. Over the past decade, Americans have witnessed a concerted and widespread effort to rewrite our Nation's history, replacing objective facts with a distorted narrative driven by ideology rather than truth. This revisionist movement seeks to undermine the remarkable achievements of the United States by casting its founding principles and historical milestones in a negative light. Under this historical revision, our Nation's unparalleled legacy of advancing liberty, individual rights, and human happiness is reconstructed as inherently racist, sexist, oppressive, or otherwise irredeemably flawed. Rather than fostering unity and a deeper understanding of our shared past, the widespread effort to rewrite history deepens societal divides and fosters a sense of national shame, disregarding the progress America has made and the ideals that continue to inspire millions around the globe.

The prior administration advanced this corrosive ideology. At Independence National Historical Park in Philadelphia, Pennsylvania — where our Nation declared that all men are created equal — the prior administration sponsored training by an organization that advocates dismantling “Western foundations” and “interrogating institutional racism” and pressured National Historical Park rangers that their racial identity should dictate how they convey history to visiting Americans because America is purportedly racist.

Once widely respected as a symbol of American excellence and a global icon of cultural achievement, the Smithsonian Institution has, in recent years, come under the influence of a

divisive, race-centered ideology. This shift has promoted narratives that portray American and Western values as inherently harmful and oppressive. For example, the Smithsonian American Art Museum today features “The Shape of Power: Stories of Race and American Sculpture,” an exhibit representing that “[s]ocieties including the United States have used race to establish and maintain systems of power, privilege, and disenfranchisement.” The exhibit further claims that “sculpture has been a powerful tool in promoting scientific racism” and promotes the view that race is not a biological reality but a social construct, stating “Race is a human invention.”

The National Museum of African American History and Culture has proclaimed that “hard work,” “individualism,” and “the nuclear family” are aspects of “White culture.” The forthcoming Smithsonian American Women’s History Museum plans on celebrating the exploits of male athletes participating in women’s sports. These are just a few examples.

It is the policy of my Administration to restore Federal sites dedicated to history, including parks and museums, to solemn and uplifting public monuments that remind Americans of our extraordinary heritage, consistent progress toward becoming a more perfect Union, and unmatched record of advancing liberty, prosperity, and human flourishing. Museums in our Nation’s capital should be places where individuals go to learn — not to be subjected to ideological indoctrination or divisive narratives that distort our shared history.

To advance this policy, we will restore the Smithsonian Institution to its rightful place as a symbol of inspiration and American greatness -- igniting the imagination of young minds, honoring the richness of American history and innovation, and instilling pride in the hearts of all Americans.

Sec. 2. Saving Our Smithsonian. (a) The Vice President, in consultation with the Assistant to the President for Domestic Policy and the Special Assistant to the President and Senior Associate Staff Secretary, Lindsey Halligan, Esq., shall work to effectuate the policies of this order through his role on the Smithsonian Board of Regents with respect to the Smithsonian Institution and its museums, education and research centers, and the National Zoo, including by seeking to remove improper ideology from such properties, and shall recommend to the President any additional actions necessary to fully effectuate such policies.

(b) The Vice President and the Director of the Office of Management and Budget shall work with the Congress to ensure that future appropriations to the Smithsonian Institution:

- (i) prohibit expenditure on exhibits or programs that degrade shared American values, divide Americans based on race, or promote programs or ideologies inconsistent with Federal law and policy; and
- (ii) celebrate the achievements of women in the American Women’s History Museum and do not recognize men as women in any respect in the Museum.

(c) The Director of the Office of Management and Budget and the Secretary of the Interior shall take any other measures within their authority to promote the policy of this order.

(d) As appropriate, the Vice President shall, in consultation with the Assistant to the President for Domestic Policy and Special Assistant to the President and Senior Associate Staff Secretary,

Lindsey Halligan, Esq., work with the Speaker of the House of Representatives and the Senate Majority Leader, to seek the appointment of citizen members to the Smithsonian Board of Regents committed to advancing the policy of this order.

Sec. 3. Restoring Independence Hall. The Secretary of the Interior shall provide sufficient funding, as available, to improve the infrastructure of Independence National Historical Park, which shall be complete by July 4, 2026, the 250th anniversary of the signing of the Declaration of Independence.

Sec. 4. Restoring Truth in American History.

(a) The Secretary of the Interior shall:

- (i) determine whether, since January 1, 2020, public monuments, memorials, statues, markers, or similar properties within the Department of the Interior's jurisdiction have been removed or changed to perpetuate a false reconstruction of American history, inappropriately minimize the value of certain historical events or figures, or include any other improper partisan ideology;
- (ii) take action to reinstate the pre-existing monuments, memorials, statues, markers, or similar properties, as appropriate and consistent with 43 U.S.C. 1451 *et seq.*, 54 U.S.C. 100101 *et seq.*, and other applicable law; and
- (iii) take action, as appropriate and consistent with applicable law, to ensure that all public monuments, memorials, statues, markers, or similar properties within the Department of the Interior's jurisdiction do not contain descriptions, depictions, or other content that inappropriately disparage Americans past or living (including persons living in colonial times), and instead focus on the greatness of the achievements and progress of the American people or, with respect to natural features, the beauty, abundance, and grandeur of the American landscape.

Sec. 5. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

- (i) the authority granted by law to an executive department or agency, or the head thereof; or
- (ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

DONALD J. TRUMP

THE WHITE HOUSE,

March 27, 2025.

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1 2 3 ... 84 NEXT PAGE



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THE SECRETARY OF THE INTERIOR
WASHINGTON

ORDER NO. 3431

Subject: Restoring Truth and Sanity to American History

Sec. 1. **Purpose.** This Order implements provisions of President Trump's March 27, 2025, Executive Order (EO) 14253, titled "Restoring Truth and Sanity to American History." EO 14253 directs the Secretary of the Interior (Secretary) to provide sufficient funding, as available, to improve the infrastructure of Independence National Historical Park and to complete such improvements by July 4, 2026, the 250th anniversary of the signing of the Declaration of Independence. It also directs the Secretary to review public monuments, memorials, statues, markers, or similar properties within the Department of the Interior's (Department) jurisdiction and to restore Federal sites dedicated to history, including parks and museums, to solemn and uplifting public monuments that remind Americans of our extraordinary heritage, consistent progress toward becoming a more perfect Union, and unmatched record of advancing liberty, prosperity, and human flourishing.

Sec. 2. **Authority.** Among the authorities for this Order are 43 U.S.C. § 1451 *et seq.*; the National Park Service Organic Act, 54 U.S.C. § 100101 *et seq.*; the National Wildlife Refuge System Administration Act, 16 U.S.C. § 668dd *et seq.*; the Federal Land Policy and Management Act, 43 U.S.C. § 1701 *et seq.*; the Reclamation Act of 1902, 43 U.S.C. § 391 *et seq.*, as amended and supplemented; 25 U.S.C. §§ 2, 9; 43 U.S.C. § 1457; EO 14253; and section 2 of Reorganization Plan No. 3 of 1950 (64 Stat. 1262), as amended.

Sec. 3. **Background.** In EO 14253, President Trump set the policy of this administration to restore Federal sites dedicated to history to solemn and uplifting public monuments that remind Americans of our extraordinary heritage, consistent progress toward becoming a more perfect Union, and unmatched record of advancing liberty, prosperity, and human flourishing.

Established in 1948, Independence National Historical Park was created to protect the historic places associated with the birth of the American republic, standing as icons of freedom and democratic ideals for people around the world. The centerpiece of the park is Independence Hall, where the Declaration of Independence, the Articles of Confederation, and the United States Constitution were debated. The universal principles of freedom and democracy set forth in these documents are of fundamental importance to American history. Their profound impact on lawmakers around the world was recognized when Independence Hall was inscribed on the UNESCO World Heritage List in 1979. The anniversary of the signing of the Declaration of Independence on July 4, 1776, is celebrated annually as the Nation's birthday. July 4, 2026, will be the 250th anniversary of the signing of the Declaration of Independence.

Recognizing the significance of Independence National Historical Park, and specifically Independence Hall, to America's 250th birthday, in EO 14253, President Trump ordered that sufficient funding be provided, as available, to improve the infrastructure of Independence National Historical Park. He further ordered that these improvements be complete by July 4, 2026.

The Department protects and manages the Nation's natural resources and cultural heritage. Since 1916, the American people have entrusted the National Park Service (NPS) with the responsibility to conserve and interpret some of its most special places—our national parks. In addition to national parks, other Departmental Bureaus and Offices manage important natural and cultural resources contained within national wildlife refuges—managed by the U.S. Fish and Wildlife Service (FWS)—and a variety of important natural and cultural sites on other public lands or similar properties—managed by the Bureau of Land Management (BLM), Bureau of Indian Affairs (BIA), and Bureau of Reclamation (BOR). These areas include national historic landmarks, national scenic and historic trails, and national monuments, which encompass places of historic and cultural significance to America.

Recognizing that the natural and historical resources managed by the Department should accurately reflect American history and not partisan ideology, in EO 14253, President Trump further ordered that the Secretary shall:

- a. determine whether, since January 1, 2020, public monuments, memorials, statues, markers, or similar properties within the Department's jurisdiction have been removed or changed to perpetuate a false reconstruction of American history; inappropriately minimize the value of certain historical events or figures; or include any other improper partisan ideology;
- b. take action to reinstate the pre-existing monuments, memorials, statues, markers, or similar properties, as appropriate and consistent with applicable law; and
- c. take action, as appropriate and consistent with applicable law, to ensure that all public monuments, memorials, statues, markers, or similar properties within the Department's jurisdiction do not contain descriptions, depictions, or other content that inappropriately disparage Americans past or living (including persons living in colonial times), and instead focus on the greatness of the achievements and progress of the American people or, with respect to natural features, the beauty, abundance, and grandeur of the American landscape.

Sec. 4. Restoring Independence Hall. Consistent with EO 14253 and governing laws and regulations, I direct the Director of NPS to:

- a. identify any infrastructure improvements, including deferred maintenance and restoration activities, necessary to improve the infrastructure of Independence National Historical Park, including Independence Hall;
- b. identify funding needed to complete any such projects or activities; and

- c. subject to available funding and consistent with applicable law and authorities, enter into any contracts or other agreements necessary to complete the projects or activities in such time as to allow for sufficient preparation for the celebration of the 250th anniversary of our Nation's birth on July 4, 2026.

Sec. 5. Restoring Truth in American History. Consistent with EO 14253 and governing laws and regulations, I direct the heads of NPS, FWS, BLM, BIA, and BOR (collectively: the land management Bureaus), and the relevant Assistant Secretaries, to implement section 4 of EO 14253 as follows:

a. **Review of changed or removed properties.**

1. Within 30 days of the date of this Order, each land management Bureau shall conduct a review to identify any public monuments, memorials, statues, markers, or similar properties (collectively: properties) on lands within its jurisdiction that have been removed or changed from January 1, 2020, through the date of this Order.
 - i. The review required by this Order may be conducted by a Bureau-wide data call or other method determined by the relevant Bureau to be the most efficient and cost-effective way to identify properties that have been removed or changed since January 1, 2020.
 - ii. This review shall not include properties located on lands held in trust by the United States for an individual Indian or Tribe, or lands held by an individual Indian or Tribe that are subject to Federal restrictions on alienation, except that, to the extent such lands are included within units of the national park system, it shall include NPS properties on such lands.
2. Within 60 days of the date of this Order, each land management Bureau shall provide a report to the relevant Assistant Secretary:
 - i. identifying any properties on lands within its jurisdiction that were altered or removed since January 1, 2020, and the date of such alteration or removal;
 - ii. describing the nature of the alteration or removal;
 - iii. providing the Bureau's reason for the alteration or removal; and
 - iv. concluding whether the alteration or removal of each property was made to perpetuate a false reconstruction of American history; inappropriately minimize the value of certain historical events or figures; or include any other improper partisan ideology.
3. If alteration or removal was undertaken because of a reason described in subparagraph iv above, the land management Bureau with jurisdiction

over the property shall immediately undertake such actions as are necessary to reinstate such property, consistent with all applicable laws, regulations, and policies.

b. Review of properties for inappropriate content.

1. Within 90 days of the date of this Order, each land management Bureau shall conduct a review of all public monuments, memorials, statues, markers, or similar properties on lands within its jurisdiction to identify whether any such properties contain images, descriptions, depictions, messages, narratives or other information (content) that inappropriately disparages Americans past or living (including persons living in colonial times), or, with respect to content describing natural features, that emphasizes matters unrelated to the beauty, abundance, or grandeur of said natural feature.
 - i. The review required by this Order shall be conducted by inspecting all public-facing content at each property within the jurisdiction of the land management Bureau and shall incorporate any information received from the public via the method described in section 6.
 - ii. This review shall not include properties located on lands held in trust by the United States for an individual Indian or Tribe, or lands held by an individual Indian or Tribe that are subject to Federal restrictions on alienation, except that, to the extent such lands are included within units of the national park system, it shall include NPS properties on such lands.
2. Within 120 days of the date of this Order, each land management Bureau shall remove any content meeting the criteria identified in paragraph 1 or otherwise found to be inconsistent with the purposes of EO 14253. The relevant land management Bureau shall then take action to replace the removed content with content that focuses on the greatness of the achievements and progress of the American people or, with respect to natural features, the beauty, abundance, and grandeur of the American landscape, and is otherwise consistent with EO 14253. In developing appropriate content, the land management Bureau shall coordinate with the Office of Communications within the Office of the Secretary.

Sec. 6. Encouraging Public Participation. Each land management Bureau shall post signage throughout each property, in as many locations within each property as necessary and appropriate to ensure public awareness, to allow for public input as to the state of the property, its management, and its compliance with this Order. Each such sign shall include a QR code that links to a website managed by the land management Bureau, allowing the user to provide a written entry. Each land management Bureau shall ensure that (1) precautions are taken to ensure the privacy and data security of respondents; (2) the webpage is actively monitored; and (3) any appropriate public input is shared with the relevant official at each land management Bureau property. Each such sign shall include the following message:

(Name of property) belongs to the American people, and (name of land management Bureau) wants your feedback. Please let us know if you have identified (1) any areas of the (park/area, etc. as appropriate) that need repair; (2) any services that need improvement; or (3) any signs or other information that are negative about either past or living Americans or that fail to emphasize the beauty, grandeur, and abundance of landscapes and other natural features.

Sec. 7. **Effect of the Order.** This Order is intended to improve the internal management of the Department and to ensure implementation of EO 14253. This Order and any resulting reports or recommendations are not intended to, and do not create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its departments, agencies, instrumentalities or entities, its officers or employees, or any other person. To the extent there is any inconsistency between the provisions of this Order and any Federal laws or regulations, the laws or regulations will control.

Sec. 8. **Expiration Date.** This Order is effective immediately and will remain in effect until it is amended, suspended, or revoked, whichever occurs first.



Secretary of the Interior

Date: MAY 20 2025





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CRESCENTA VALLEY WATER DISTRICT

General Manager Report

GM Report
May 26, 2026

To: Honorable President and Members of the Board of Directors
From: James Lee, General Manager
Subject: General Manager Report

General Manager's Report Topics:

STAFFING

1 work anniversary in May – Omar Verduzco – 1 year;
Employee Spotlight: Ray Zhong
As of May 22nd, the District has gone 114 days without a lost time incident.

GENERAL MANAGER ACTIVITIES

Meetings:

Managers Meeting(s)	- none
Community Office Hours at Montrose Library	- May 20 th
All-Hands Staff Meeting	- May 21 st
ACWA Foundation Board of Trustees	- May 21 st
Las Virgenes Municipal Water District	- May 21 st
Community Relations & Emergency Planning Committee	- May 22 nd

Agreements/Contracts Executed:

none

Submitted by:



James Lee
General Manager