

# FISCAL YEAR 23-24 ANNUAL REPORT ABRIDGED VERSION

## Message from the District

Dear Valued Customer,

Thank you for taking a look at our inaugural Annual Report for Fiscal Year 2023-24, which began July 1, 2023 and ended on June 30, 2024.

We encourage Crescenta Valley Water District's customers and employees to read our annual report because it is arranged to provide accessible information that shows everything we accomplished, including challenges faced and opportunities capitalized on along the way.

It has been a big year. Prolonged skyrocketing costs, supply chain shortages, the discovery of a family of contaminants called PFAS in the groundwater supply, sustained reduction in water usage, and an increasingly challenging cybersecurity landscape have caused us to evaluate and adapt how we do business. Through these challenges, we have grown to value partnerships, regional solutions, and creative problem-solving.

Regionally, we are partnering with neighboring districts, local agencies, and nonprofits to pursue and win funding from grants. In the coming pages we'll share more about the specific grants the District has won. Partnerships are also situated to look at sharing assets, implementing plans and practicing them, such as a regional emergency response program.

Meanwhile, we have been pursuing an ambitious and creative program to replace pipeline with in-house engineering and construction resources. This proactively combats steeply rising construction costs common across the water industry while honoring our commitment to getting ahead of the aging infrastructure that our homes, businesses, parks, and schools depend on.

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We are also getting creative with water resource management, being deliberate about building toward a portfolio of future water supply that goes beyond the traditional wells and purchased water. We are proactively taking steps and planning to build stormwater capture and recycled water capabilities. These new water resources make a lot of sense, as these solutions provide sustainable water supplies ahead of the next major drought while driving down the cost of the water we serve you. They also drive down the cost of wastewater treatment that we would otherwise send to City of Los Angeles, whose treatment charges have also skyrocketed.

The vision for the upcoming fiscal year is to continue on these fronts, among others. We are preparing a financial plan to support a safe and secure future, including a transition to collecting most revenues on the fixed service charge. Water and wastewater utilities are a service, and predictable revenues support long-term planning resilient to forces beyond our control, such as climate and regulations. What you're really paying for with the bulk of your water bill is the ability to have clean, reliable water available 24/7, not the actual drops.

Internally, we have undergone significant staffing changes in each department, including yours truly. This means a workforce with a fresh face of energy, ideas, and leadership. To take a line from our company values statement (captured by the acronym, "S-E-R-V-E"), "Water is essential to life, and everything we do is built upon deep trust with the people we serve. Our level of stewardship is delivered from our daily care and effort...Have humility and pride and carry yourself with professionalism...Each of us is responsible for ourselves, each other, and the community. Providing water is a public service. We are servants to our customers and each other..."

Together we look forward to working for and with you, the community we serve, to ensure a safe and reliable water supply into the future. Thank you to our customers for your support, and thank you to every employee for your work and commitment.

Sincerely,

James Lee, General Manager

"BY INVESTING IN INNOVATIVE WATER MANAGEMENT STRATEGIES AND INFRASTRUCTURE IMPROVEMENTS, WE ARE BUILDING A STRONGER, MORE COST EFFECTIVE AND MORE RESILIENT WATER SYSTEM FOR ALL."

-CVWD BOARD PRESIDENT  
SHARON RHAGAVACHARY

### BOARD OF DIRECTORS

-James D. Bodnar  
-Kerry D. Erickson  
-Jeffery W. Johnson  
-Sharon S. Raghavachary  
-Jennifer T. Valdez





# Annual Statistics

## Field Maintenance & Operations

Between July 1, 2023, and June 30, 2024, Field Maintenance & Operations crews performed and completed:

- ✓ 11 large diameter water main repairs
- ✓ 157 water service repairs, including 81 replacements
- ✓ 20 after-hours leak repairs
- ✓ Over 72,399 feet of sewer pipeline maintenance
- ✓ 1,440 water quality samples
- ✓ 1,110 valves exercised
- ✓ 340 fire hydrants maintained, 4 new hydrants installed
- ✓ 11 water meter replacements

In our continued efforts to be responsible stewards of ratepayer funds, the following projects were completed in-house by District Staff to save costs in FY 2023/2024:

- Pressure Reducing Valves: Our team replaced and repaired the pressure-reducing valve on Foothill Boulevard and Cloud Avenue to prevent water main breaks caused by high pressure.
- Interagency Partnerships: CVWD established an inter-agency partnership with La Cañada Irrigation District (LCID) to address the aging pipeline in our system as part of CVWD's Emergency Plan and partnered with Caltrans on August 30, 2023, to repair a water main leak on the I-210 Rosemont overpass.
- Local Resource Sharing: Collaborated with Foothill Municipal Water District (FMWD) to remove and replace aging infrastructure on its interconnection tie, providing alternative water supply sources.

## Customer Service

- ✓ 231 Meter Downloads
- ✓ 1,504 Meter Rereads
- ✓ 249 Service Leaks Responses
- ✓ 153 Change out meters
- ✓ 518 Account Transitions
- ✓ 87 Fire Flow Tests
- ✓ 254 Backflow Connection Tests
- ✓ 320 Other Service Requests
- ✓ 249 customers supported with low-income bill assistance

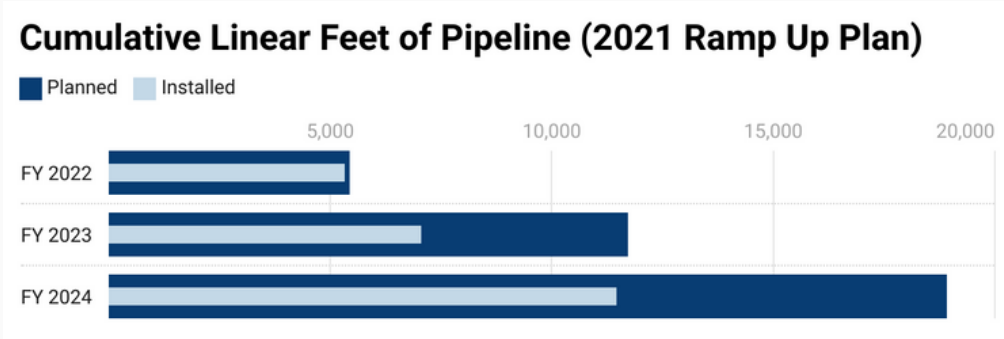




## Replacing Critical Pipeline Infrastructure

Crescenta Valley Water District (CVWD) is taking proactive steps to address aging pipelines in its service area. With many water mains approaching or exceeding their 50 to 75-year lifespan, CVWD has invested over \$1.5 million in pipeline renewal projects for fiscal year 2024. The completed or ongoing projects include:

- ✓ Orange Avenue
- ✓ Montrose Avenue
- ✓ El Sereno Avenue
- ✓ Fierro Circle
- ✓ Upper Terrace



The District prioritizes pipeline projects based on age, break history, and criticality to address urgent needs. Continued investment in pipeline replacement is essential for minimizing service disruptions, reducing water loss, and ensuring the long-term sustainability of CVWD's water distribution system.

**In 2024, CVWD's Maintenance and Operations team installed and replaced 810 linear feet of water pipelines. In addition, CVWD contracted to replace 4500 linear feet of pipeline.**

**CVWD's proposed Ramp-up Plan will install and replace close to 230,000 linear feet of water pipelines, ensuring a reliable water supply to meet the needs of the community and its growing population.**

## Reservoir Maintenance

CVWD periodically conducts reservoir maintenance to ensure long-term water reliability and performance. During FY 2023-2024, the District contracted with J. Colon Coatings, Inc. to rehabilitate Goss Canyon No. 2 Reservoir.

Goss Reservoir No. 2 is a 500,000-gallon steel water storage tank situated in Briggs Terrace. The reservoir's last rehabilitation took place in 1999. Regular maintenance is essential to prevent corrosion, which can lead to structural damage, leaks, and contamination of the stored water.





## Innovative in-house pipeline replacements

With industry and global trends, the District has faced many challenges recently that have increased our costs:

- Parts and materials are harder to find and more expensive
- There are fewer workers available, and outside contractors cost more
- Inflation has made everything more expensive - electricity, services, materials, etc. have gone up 6-18% multiple times per year

To fight rising costs and keep rates down, the District is trying something new. Instead of only using outside contractors for large water main projects, we are now having our own staff replace some water mains. This allows us to:

- Control costs better and work more efficiently. See below for illustrative contractor costs that are avoided:
  - \$10k per 300 linear feet for contracted welding
  - \$6k for a contractor to chlorinate and sample
  - \$4k for a contractor to conduct pressure testing
  - Avoid (variable) contracted inspection costs
- Choose smaller, high-priority projects that contractors won't bid on
- Adapt to big boulders without costly change orders
- Reduce impacts on the community by finishing projects faster and avoiding change orders
- Train staff and be better prepared for emergencies

By doing more work ourselves, we can save money, improve our service, and be more self-reliant. This helps us provide better value to our customers in the long run.





## Commitment to Efficiency

CVWD is dedicated to considering every opportunity to control costs and improve your community infrastructure.

### Hydrant Rebuild Program

With the integrity of our County Fire Station at the forefront of our minds, not every opportunity for cost savings is feasible to operating our system. CVWD's distribution system is the foundation for delivering safe potable water to our residents. Identifying areas where we can utilize hydrants that are not beyond their useful life and rebuild them saves the District \$2,850 per hydrant. This program was implemented in 2022 and has resulted in a total cost savings of \$45,600 this year.

### Smart Purchasing

Another avenue to control costs is to purchase items outside of our normal realm of procurement through lightly used equipment with the vast majority of its useful life remaining, but at heavier discount. Exploring this opportunity presented a cost savings of approximately \$20,000 for traffic control/message boards and contributed to expanding our ability to communicate with the community. We also purchased two heavy duty dump trucks at a significant cost savings of over \$100,000.

### Proactively Soliciting and Securing Outside Grant Funding

Over the last year, CVWD has significantly increased its pursuit of grant funding opportunities. We have also developed regional partnerships across other public agencies and nonprofits to increase the chance and size of award monies to fund critical infrastructure. The District's enhanced grant strategy has allowed it to secure funding for several important initiatives while also submitting applications for additional projects that align with its long-term goals.

Diverse grant pursuits reflect CVWD's comprehensive approach to securing external funding for projects that enhance water supply reliability, improve operational efficiency, and promote environmental sustainability. Outside funding directly helps keep ratepayer costs low and also helps invest in water resources projects like stormwater recharge and water recycling. Those innovative sources of local supply save the District money by avoiding expensive imported water costs.



# Our Commitment

CVWD's goal is to ensure a safe and reliable drinking water supply and to continuously enhance the water treatment process. We are dedicated to upholding water quality and providing you with information so that you can be an informed consumer.

## Water Quality

### Treatment

CVWD performs daily, weekly, and monthly tests required by the State Water Resources Control Board (SWRCB) to test its groundwater and imported water for bacteria, nitrates, organic and inorganic substances, minerals, and metal and non-metal compounds.



### Annual Water Quality Report 2023

To view CVWD's 2023 Annual Water Quality Report, visit our website at [www.cvwd.com/water-quality-reports](http://www.cvwd.com/water-quality-reports).

### Questions?

For water quality information or questions about your drinking water, contact the Engineering and Operations Department at (818) 248-3925.

### PFAS

As you've likely heard through recent widespread coverage, there is a family of chemicals called PFAS ("forever chemicals" or "per-and polyfluoroalkyl substances"). PFAS is being detected in the air, water, food, and everyday products across the world. Recent technology allows us to detect the formerly undetectable chemicals. Trace amounts have been detected in the District's groundwater supply and in our drinking water.

Water quality standards set by the United States are amongst the strictest in the world, and California's standards are the most stringent in the nation. CVWD conducts rigorous water quality tests to ensure we're providing you with high quality water – several hundred sample tests are conducted monthly. CVWD is committed to employing technology to ensure that it can deliver the cleanest water quality possible in the most cost-effective manner. If you consider members of your household to fall within an "at risk" population, including pregnant women, infants, elderly, people with compromised immune systems, or generally compromised systems, you may want to take a closer look at taking precautions beyond regulatory requirements. There are filtration systems that can be used to eliminate or virtually eliminate these trace amounts.

We will continue to act on the best information we have available while keeping you apprised of the research, regulations, and treatment methods as they develop, and to keep you informed about CVWD's evolving plans to ensure the delivery of exceptional drinking water in Southern California. We didn't create the PFAS issue, but we are committed to solving it.

## Emergency Partnerships

Emergency preparedness is one of CVWD's top priorities, whether supplying good water supply and water pressure to fire agencies during emergency events, holding regional tabletop exercises to stay prepared, or partnering with agencies to pursue grant funding or augment services. CVWD has further prioritized these commitments, strengthening partnership with neighboring first responders.

Over the last year, CVWD has taken the following steps -

- Completed an emergency water interconnection with Los Angeles Department of Water and Power;
- Developed a "water distribution manifold" for immediate deployment in multiple locations where the community can access drinking water in the event of an emergency;
- Dispatched two mobile water tanks to drastically increase firefighting effectiveness by reducing the round trip time for firefighting air operations, such as helicopters and planes;
- Updated its Emergency Response Plan;
- Increased the frequency of regional and internal tabletop exercises.

In addition, the District collaborated with a search and rescue team on a program for canyon crossing inspections. For its work, the District received an Association of California Water Agencies Joint Powers Insurance Authority Commitment to Excellence Program Award.





# Stay connected with Team CVWD!

## EMERGENCY ALERT PROGRAM

Residents can receive important updates on water emergencies and outages by signing up to the District’s emergency alert program through Everbridge.

## SAVE MONEY AND WATER

Residents can save money by conserving water! Learn more about various rebates and tips to conserve water at BeWaterWise.com.

## CONNECT ON SOCIAL MEDIA

CVWD is on Facebook! Like our page to get updates on upcoming maintenance, capital projects, and other activities across the district.

**bewaterwise.com®**



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