

# **CRESCENTA VALLEY WATER DISTRICT**

**2700 Foothill Boulevard  
La Crescenta, California**

**Agenda for the  
Adjourned Regular Meeting of the Board of Directors  
of the Crescenta Valley Water District  
to be held on January 21, 2014 at 7:00 p.m.**

**Posted: January 17, 2014 at 3:00 p.m.**

**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.**

## **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 non-agenda item relevant to the subject matter jurisdiction of the Board. This opportunity is non-transferable and speakers are limited to one three (3) minute comment.**

## **Foothill Municipal Water District Report**

1. Report on activities at Foothill Municipal Water District.

## **Consent Calendar**

1. Consideration and approval of Minutes of the Regular Meeting January 7, 2014.
2. Ratification of Disbursements for December 2013.

## **Action Calendar**

**The public shall have an opportunity to comment on any action item as each item is considered by the Board prior to action being taken. This opportunity is non-transferable and speakers are limited to one two (2) minute comment.**

1. **Relief from a High Water Bill** – Consideration of a request for relief from a high water bill from Mr. George Solymar.
2. **ACWA/JPIA Commitment to Excellence Program** - Consideration and motion to have the Board of Directors and General Manager sign a letter of support for ACWA/JPIA's Commitment to Excellence Program.

## **Information Items**

## **Written Communications to District**

## **Staff Reports**

### **Secretary-Treasurer**

1. Cash and Investments –November 19, 2013.

**General Manager**

1. Administrative Report.

**District Engineer**

1. Water Production Report –January 1 – 19, 2014.
2. Report on Administrative and Field Operations.

**Program Specialist**

1. Report on Water Conservation issues.

**Information Technology**

1. Report of Information Technology issues.

**Attorney**

1. Report on legal and related matters relevant to the District.

**Reports of Committees**

**Engineering Committee**

1. Report of Engineering Committee meeting held on January 10, 2014.

**Finance Committee**

1. Consideration of financial issues affecting the District.

**Employee Relations Committee**

1. Report of Employee Relations Committee meeting held on January 17, 2014.

**Policy Committee**

1. Report of Policy Committee meeting held on January 14, 2014.

**Community Relations/Water Conservation Committee**

1. Consideration of Community Relations/Water Conservation Committee.

**Emergency Planning Committee**

1. Consideration of emergency planning issues affecting the District.

**Director's Oral Reports**

Report on issues, meetings, or activities attended by Directors.

**Closed Session**

- **Conference with Labor Negotiators (\$54957.6)**
  - District negotiators: Dennis Erdman and Ron Mitchell

**Board Members' Request for Future Agenda Items**

**Adjournment**

# **CRESCENTA VALLEY WATER DISTRICT REGULAR MEETING, BOARD OF DIRECTORS**

**January 7, 2014**

Pursuant to the order of the Board of Directors of the Crescenta Valley Water District, made at the Regular Meeting of December 10, 2013, a Regular Meeting was held on January 7, 2014, at 7:00 p.m. at the District office at 2700 Foothill Blvd., La Crescenta, California, with President James D. Bodnar presiding.

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

|                             |                                                                                                                                                   |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Directors:</b>           | <b>James D. Bodnar</b><br><b>Kerry D. Erickson</b><br><b>Kenneth R. Putnam</b><br><b>Kathleen M. Ross</b><br><b>Judy L. Tejada (arrived late)</b> |
| <b>Attorney:</b>            | <b>Thomas S. Bunn</b>                                                                                                                             |
| <b>General Manager:</b>     | <b>Dennis A. Erdman</b>                                                                                                                           |
| <b>Secretary-Treasurer:</b> | <b>Ron L. Mitchell</b>                                                                                                                            |
| <b>District Engineer:</b>   | <b>David S. Gould</b>                                                                                                                             |
| <b>Others Present:</b>      | <b>Wendy Holloway, Customer Accounts Supervisor</b><br><b>Larry Byers, Plant Superintendent</b><br><b>Dennis Maxwell, Maintenance Supervisor</b>  |

## **PLEDGE OF ALLEGIANCE**

President Bodnar opened the meeting by asking Director Putnam to lead the Board and staff in reciting the Pledge of Allegiance.

## **ADOPTION OF AGENDA**

**It was moved by Director Erickson, seconded by Director Ross and carried by a 4-0 vote that the Agenda for the Regular Meeting of January 7, 2014 be adopted as presented.**

Director Tejada arrived at 7:02

## **PUBLIC COMMENT** – None

**FOOTHILL MUNICIPAL WATER DISTRICT REPORT** – Mr. Erdman reported that there is a manager's meeting tomorrow, January 8, 2014 at 10:00 AM. There has been no FMWD Board meeting since the last CVWD Board meeting.

## **CONSENT CALENDAR**

**It was moved by Director Ross, seconded by Director Tejada and carried by a 5-0 vote to approve the Minutes of the Regular Board Meeting held on December 10, 2013.**

**ACTION CALENDAR**

**Relief from a High Water Bill** – Mr. Mitchell reported that Mr. George Solymar owns the property at 2203 Crescent Avenue and has experienced higher than normal usage for the 9/15/13 and the 11/15/13 billing periods. Mr. Solymar wrote a letter on November 4, 2013 and explained that his high water usage is due to the irrigation needs of his property. Mr. Solymar said that he must water for fire control as mandated by the county. He informed staff that he does not have any leaks to report that would contribute to the high consumption and is asking that his bills be calculated at tier 2 rates. Mr. and Mrs. Solymar were present and addressed the Board. Following discussion, the Board has requested more information be gathered like have readings taken each day, having a water audit, and have staff meet with Mr. Solymar regarding possible ways to conserve water. Director Bodnar said that since Mr. Solymar is usually in the tier 3 & 4 rates, it shouldn't be recalculated at the tier 2 rate, but at the tier 3 rate. The Board referred this matter to the Policy Committee and has asked that this information be brought back to the next meeting for further discussion.

**Review and Acceptance of the 2012-13 Fiscal Year Financial Statements** – Mr. Mitchell reported at the December 10, 2013 Board meeting that the Finance Committee had met with staff and Mr. Chris Brown of Charles Z. Fedak & Co., to review the draft 2012-13 financial statements. Mr. Chris Brown was in attendance and gave a presentation to the Board regarding the 2012-13 audit results. He reviewed the District's internal controls, test of accounting transaction, and the trial balance. He also reviewed the significant audit areas such as, Cash and Cash Equivalents, Receivables, Capital Assets, Payables, Debt, Revenues and Expenses. Mr. Brown reported on new accounting pronouncements, such as Governmental Accounting Standards Board No 63 which is financial reporting of deferred outflows and deferred inflows of resources and No. 65, items previously reported as assets and liabilities such as expense debt issuance costs. He also presented the financial highlights and answered questions from the Board.

Following discussion:

**It was moved by Director Ross, seconded by Director Tejeda, and carried a vote of 5-0 to accept the 2012-13 Audit.**

**LAFCO Special District Alternate Representative Ballot** – Mr. Bunn reported that the District was informed that there is an opening for an LAFCO Special District Alternate Representative, as the previous Alternate Representative had passed away. The remaining term is scheduled to expire in May 2014 and the election will now be by paper ballot. The District has received a letter outlining the election procedures and copies of the candidate nomination forms and resumes. The District's ballot must be received by 5:00 p.m. on January 31, 2014.

Following discussion:

**It was moved by Director Tejeda, seconded by Director Ross and carried a 5-0 vote to support President Bodnar for the LAFCO Special District Alternate Representative.**

**Committee Assignments** – Director Bodnar was voted President for a second term at the December 7, 2013 Board meeting. At that time he said he would take input for Committee assignments. He has assigned the Directors to the following committees:

|                                                  |                                        |
|--------------------------------------------------|----------------------------------------|
| Emergency Planning Committee                     | James Bodnar (Chair)<br>Kerry Erickson |
| Engineering Committee                            | Kerry Erickson (Chair)<br>Ken Putnam   |
| Employee Relations Committee                     | James Bodnar (Chair)<br>Kathy Ross     |
| Finance Committee                                | Ken Putnam (Chair)<br>James Bodnar     |
| Policy Committee                                 | Kathy Ross (Chair)<br>Judy Tejada      |
| Community Relations/Water Conservation Committee | Judy Tejada (Chair)<br>Kerry Erickson  |

All Directors are in agreement with President Bodnar's committee assignments.

**Director Compensation** – Director Bodnar presented to the Board a list of other county water district's director compensations saying that he looked at the State Controllers website and found a list from 2011. He compared how much water they deliver, how many employees they have, the average director's pay and the maximum director's pay. He found that some of the water districts have a medical compensation pay for the Directors. He stated that many of the other water districts director's compensation are higher than Crescenta Valley Water District's and this item was just for informational purposes.

**Replacement of Roof at Edmund #1 Reservoir – Project E-936** – Mr. Gould reported that Edmund #1 reservoir is a 70' diameter circular concrete reservoir that holds 500,000 gallons of water. It has a wood roof that was constructed in 1956. In 2013, as part of CVWD's 5-year reservoir cleaning and inspection program, Harper Engineering & Associates (Harper) noted noticeable sags in the roof and underside of the wood roof showed areas of wood rot. This is decreasing the strength of the rafters and beams which support the roof and there was organic matter growing. Staff has taken Edmund #1 reservoir out of service and met with the Engineering Committee on November 8, 2013, and their recommendation was to proceed with replacing the entire roof. Staff met with Harper regarding the project and the design of a new steel roof and they have completed the design and the project is ready for advertising for bids. The anticipated project schedule is to award the contract at the Board meeting on February 4, 2014 and construction to begin early April 2014. Staff is also working on a public outreach program. The cost estimate for this project is \$236,500 and the entire project costs including materials, engineering services, staff engineering and inspection labor, outside field inspection, and contingencies are estimated at \$284,000. It is staff's recommendation to authorize the General Manager to advertise for bids. The contract documents will be sent to a selected group of contractors that specialize in the installation of reservoir steel roofs. Also to find this project

exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 of the CEQA guidelines.

Following discussion:

**It was moved by Director Putnam, seconded by Director Ross and carried a 5-0 vote to authorize the General Manager to advertise for bids for Project E-936 at a cost of \$284,000, and find this project exempt from CEQA.**

**District Vehicles** – Mr. Erdman reported that at the December 7, 2013 Board meeting staff requested authorization to purchase three vehicles that have come to the end of their useful life. During that discussion staff was asked to provide information about the District's fleet and how the trucks and equipment are used. Mr. Erdman has provided a compilation of the District's vehicle fleet. The District operates thirteen pick-up trucks, three dump trucks, one flat-bed with hydraulic crane, one welding truck, one Vactor sewer cleaning truck, one CCTV inspection van, and one multipurpose utility truck. The fleet also includes two meter reading vehicles, a forklift, four trailer-mounted emergency generators and one stationary emergency generator. The District also have a variety of utility trailers that are used for emergency response, water quality main line flushing, welding equipment transport and other purposes and operates a backhoe, rubber tire loader, and small excavator for construction and repair jobs. All District vehicles are subject to routine maintenance and records are kept for each vehicle tracking their maintenance history. Staff reviews vehicle fleet requirements each year during budget preparation and recommends which units are reaching their replacement time so that an appropriate allowance for replacement can be reviews with the Board in advance of adopting the annual budget.

**CVWD Pipeline Article** – Mr. Gould reported that as requested at the previous Board meeting, an article be placed in the CVWD's "Pipeline" newsletter that describes how the District will be using the settlement proceeds from the MTBE lawsuit that was settled out of court in November 2013. Mr. Bunn said that a good argument could be made that we could put this article in the pipeline without violating the confidentiality agreement to notify the customers of what the District is going to do with the funds, and the reserves. The Directors have reviewed the article and requested that staff make some changes on the article before placing it in the Pipeline for February 2014.

**INFORMATION ITEMS** – CV Weekly: Robbyn Battles succeeds Cheryl Davis for President of CVTC. Richard Atwater appointed to National Academy of Sciences Committee. Glendale Newspress: Glendale water rates found to be severely flawed. California Special Districts Association: How to be an effective Board Member. CV Weekly: Steve Pierce honored as a Hometown Hero. ACWA News Letter: Governor Brown convenes drought task force. Feinstein and Costa urge Governor Brown to declare state drought emergency. Dry conditions force water conservation in Northern California. CHHS & Cal/EPA: Notice of public meeting regarding drinking water reorganization.

**WRITTEN COMMUNICATIONS TO DISTRICT** – FMWD sub-agency managers wrote a letter of support for Devil's Gate Reservoir Sediment Removal and Management Project to Supervisor Michael Antonovich. The District received a Certificate of Appreciation from the Los Angeles Police Department for our generous contributions towards the 2013 National Night Out.

**REPORTS OF PERSONNEL**

**SECRETARY-TREASURER** – Mr. Mitchell provided the Summary of Cash and Investment report which contained the following items:

**Investment Portfolio Summary – as of January 7, 2014:**

|                              |             |
|------------------------------|-------------|
| Cash Accounts                | \$270,775   |
| Great Pacific Securities     | \$39,772    |
| Bond Debt Service Fund Acct  | \$220,736   |
| Local Agency Investment Fund | \$1,740,682 |
| Federal Farm Credit (78)     | \$482,875   |
| Federal Farm Credit (81)     | \$932,720   |
| Federal Farm Credit (83)     | \$495,440   |
| Federal Farm Credit (86)     | \$923,160   |
| Federal Farm Credit (87)     | \$492,655   |
| US Treasury (92)             | \$921,170   |
| US Treasury (93)             | \$921,170   |
| Federal Farm Credit (94)     | \$898,340   |
| Federal Farm Credit (95)     | \$550,716   |

**Fund Balances at June 30, 2013**

|                       |                |
|-----------------------|----------------|
| Water                 | \$5,677,245.28 |
| Wastewater            | \$3,944,953.78 |
| MTBE Contingency Fund | \$2,818,567.00 |

**GENERAL MANAGER** – Mr. Erdman reported that since the last Board Meeting, the crews have been busy repairing a number of unscheduled water main and water lateral repairs. The sewer crew has been busy cleaning and inspecting our facilities and in the Montrose area, they have found a significant quantity of rocks and debris in the larger sewer pipes. They are working on finding where this debris is entering the sewer. Recent news reports have noted that 2013 was one of the driest years on record. Governor Brown has convened a panel of water leaders to begin discussions on drought planning for 2014 and beyond. The District should take note of the outcome these discussions and factor drought planning into a local action plan. Employees celebrating anniversaries for January are: Joe Huerta – 28 years, Dave Spain – 27 years, and David Rawlings – 2 years. As of January 2, 2014, we have worked 48 days without a lost time accident. The next meeting of CV Ready will be on January 15, 2014 at 6:30 PM at 2912 Foothill Blvd. for any Director who may be interested to attend.

**DISTRICT ENGINEER**

**Water Production** – For the period of December 1 through December 31, 2013, water production averaged 116.1 million gallons per day, which is **24.0% more** than the daily average production of the same period in 2012. This is **17.5% more** from the daily average production of the previous five years.

|                                |              |
|--------------------------------|--------------|
| <b>Rainfall: December 2013</b> | <b>0.56"</b> |
| <b>Season-to-date:</b>         | <b>1.98"</b> |

**Administrative and Field Operations** – Mr. Gould provided a memorandum and discussed the following:

**Rainfall Update** – 0.56” for December 2013. Rainfall total for 2013-14 is 1.98”.

**Report on Engineering:**

**CIP Projects** – Pipeline – 3000 & 3100 Block of Paraiso Way – Pre-Construction meeting – December 17 - Start in January 2014. Ocean View Chlorination Project – Waiting on CDPH. Edmund #1 Roof – Advertising for bids. Ordunio – wall – under design. Oak Creek MCC – under design. SCADA – Phase 1B – complete.

**Local Groundwater Assistance Grant Application** – Finalizing Agreement with DWR.

**Glendale** – GWP & CVWD – finalizing Cost Analysis Study with GWP.

**FMWD Issues** – No report.

**ULARA** – No report.

**AT&T – Oak Creek** – No report.

**Water Meter Replacement Program** – Start FY 13/14 Water Meter Replacement Program – replaced 420 meters to date.

**Report on Administrative and Field Operations:**

**Well Status** – Current well capacity – Dec 1 – Dec 31- 2.45 MGD. Well 12 – Out of service since September 9, 2013. New water service at Well 9.

**Booster Pumps** – No Report.

**Glenwood Nitrate Plant** – No Report.

**Water Quality** – No Report.

**Mills Plant** – No Report.

**Reservoirs/Booster Stations** – Edmund #1 – Out of service on October 24, 2013; Remaining out of service until roof replacement completed in May 2014.

**MTBE Update** – MTBE levels in Wells below 1ppb.

**Field Maintenance and Operations update for December 1 – December 31, 2013**

**Water lateral leaks & repairs**

- 4630 Glenwood
- 2915 Mary
- 3041 Sycamore
- 2640 Honolulu

**Water Main Leaks** – 3900 Block of Park Place.

**Fire Hydrant Replacement** – No Report.

**Developer Projects** – No Report.

**Valve Replacement** – No Report.

**General Maintenance** – Continuing with Valve Exercising Program.

**SCADA/Telemetry System** – No Report.

**Sewer Maintenance** – Sewer Cleaning – Large amount of debris – Broadview between Las Palmas and Verdugo.

Mr. Gould also reported that he will not be at the next Board meeting on January 21, 2014.

**PROGRAM SPECIALIST** – No Report

**INFORMATION TECHNOLOGY** – No Report

**ATTORNEY** – Mr. Bunn reported on the lawsuit against MWD by San Diego Water Authority regarding the way MWD charges SDWA for wheeling the water it buys from Imperial Valley and the transportation cost. This went to trial last month with no decision yet and this could impact all MWD agencies if SDWA prevails. Also, there has been a change in the Brown Act as of January 1, 2014, requiring that each entity is to report on votes taken and on each matter brought to the table and who voted for or against.

### **REPORTS OF COMMITTEES**

**Engineering Committee** – Director Bodnar reported that the Committee will meet on January 10, 2014 at 8:00 a.m.

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

**Employee Relations Committee** – Director Bodnar reported that the Committee will meet on January 17, 2014 at 9:30 a.m.

**Policy Committee** – Director Ross reported that the Committee will meet on January 14, 2014 at 10:00 a.m.

**Community Relations/Water Conservation Committee** – Director Tejeda reported that the Committee had not met; however a meeting will be scheduled as needed.

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

### **DIRECTORS ORAL REPORTS**

Director Ross reported that she will not be attending the February 4<sup>th</sup> Board meeting and that she went to the website and was trying to look at old Board meetings and was wondering if all the minutes are there.

Director Erickson reported that he attended the CVTC meeting in December and that Superintendent Antonovich gave the oath of office to the Board members. He also attended a public meeting regarding the Skate Park at Crescenta Valley County Park.

Director Bodnar reported that he drove from California to Utah for the holidays and drove back through Colorado, New Mexico and Arizona.

Director Tejeda reported that she met with 9 family members after New Years in Las Vegas.

Director Putnam discussed the Glendale Water & Power water rate issue. He is glad that the Policy Committee is meeting to discuss the large lot issue and would like staff to gather information on how other water agencies address large lots.

**ADJOURNMENT**

There being no other business to come before the Board, at 9.45 p.m., it was moved by Director Ross, seconded by Director Tejeda that the meeting be adjourned to January 21, 2014 at 7:00 p.m.

**APPROVED**

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James D. Bodnar  
President

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Ron L. Mitchell  
Secretary-Treasurer

# CASH DISBURSEMENTS LIST

## DECEMBER 2013



| Check          |       |                                |                                                                 |  | Water     | Wastewater |
|----------------|-------|--------------------------------|-----------------------------------------------------------------|--|-----------|------------|
| Check#         | Date  | Payable To                     | Description                                                     |  | Amount    | Amount     |
| Fund: 01 Water |       |                                |                                                                 |  |           |            |
| 0              | 12/23 | Southern California Edison Co. | Power purchased 12/2013                                         |  | 20,686.65 | 295.16     |
| 29010          | 12/5  | Anawalt Lumber & Materials Co. | Misc hardware 11/2013                                           |  | 52.47     | 17.49      |
| 29011          | 12/5  | AT&T                           | PRI Line 11/2013                                                |  | 1,122.64  | 374.19     |
| 29012          | 12/5  | AT&T Mobility                  | Cell phone service                                              |  | 1,687.49  | 574.23     |
| 29013          | 12/5  | Auto Hutch                     | Unit #5 - replace fuel regulator & crankshaft position sensor   |  | 2,040.01  | 680.00     |
| 29014          | 12/5  | AVAYA Financial Services       | Land line phone lease                                           |  | 380.69    | 126.89     |
| 29015          | 12/5  | Cesar Avila                    | Testing reimbursement                                           |  | 245.00    | 35.00      |
| 29016          | 12/5  | Backflow Apparatus & Valve Co. | Calibration check for backflow device                           |  | 85.00     |            |
| 29017          | 12/5  | BC Laboratories, Inc           | Water Analysis                                                  |  | 247.50    |            |
| 29018          | 12/5  | Melvin L. Blevins              | M-781                                                           |  | 300.00    |            |
| 29019          | 12/5  | Kellen Boyce                   | Bonus for grade D-4                                             |  | 400.00    |            |
| 29020          | 12/5  | CA Dept. of Public Health-OCP  | Operator certification for D-4 - Kellen Boyce                   |  | 105.00    |            |
| 29021          | 12/5  | California Water Environment   | Collection System Maintenance certificate - C. Avila            |  |           | 77.00      |
| 29022          | 12/5  | Cargill, Inc - Salt Division   | 24.66 tons of salt                                              |  | 2,883.05  |            |
| 29023          | 12/5  | Cash-Petty Cash                | Reimburse petty cash                                            |  | 326.16    | 117.24     |
| 29024          | 12/5  | Cash-Petty Cash                | Repairing computer virus                                        |  | 228.72    | 76.23      |
| 29025          | 12/5  | Centro Print Solutions         | 1099 forms                                                      |  | 26.37     | 26.37      |
| 29026          | 12/5  | Charles Z. Fedak & Company     | Progress billing for audit                                      |  | 856.00    | 856.00     |
| 29027          | 12/5  | Charter Communications         | Fiber optic- cable - internet services - Glenwood, Mills Office |  | 3,660.47  | 1,220.14   |
| 29028          | 12/5  | Choice Pest Control            | Monthly service Mills house                                     |  | 365.00    | 84.00      |
| 29029          | 12/5  | City of Glendale Permits       | Excavation permits                                              |  | 4,893.84  |            |
| 29030          | 12/5  | Civiltec Engineering Inc       | E-733CS Chlorination Station                                    |  | 715.00    |            |
| 29031          | 12/5  | Colonial Life & Accidents Ins. | Employee paid insurance                                         |  | 183.61    |            |
| 29032          | 12/5  | Crescenta Valley Tow Service   | Tow unit #6 to Stilmor to have brakes checked                   |  |           | 55.00      |
| 29033          | 12/5  | Joseph Curreri                 | Refund Check                                                    |  | 43.24     |            |

| <u>Check#</u> | <u>Check Date</u> | <u>Payable To</u>                  | <u>Description</u>                                        | <u>Water Amount</u> | <u>Wastewater Amount</u> |
|---------------|-------------------|------------------------------------|-----------------------------------------------------------|---------------------|--------------------------|
| 29034         | 12/5              | Eurofins Eaton Analytical Inc.     | Water analysis                                            | 176.00              |                          |
| 29035         | 12/5              | Famcon Pipe & Supply, Inc.         | 10 sewer easement ring covers                             |                     | 3,379.00                 |
| 29036         | 12/5              | First Baptist Church               | Refund Check                                              | 251.83              |                          |
| 29037         | 12/5              | Betty Gjesdal                      | Refund Check                                              | 81.13               |                          |
| 29038         | 12/5              | Grainger                           | Drain cleaning cable                                      | 191.20              | 174.66                   |
| 29039         | 12/5              | Graybar Electric Co., Inc.         | 1000V megohmmeter & earth ground clamp                    | 2,483.35            |                          |
| 29040         | 12/5              | Great America Leasing Corp.        | Kyocera Copier lease                                      | 434.91              | 434.91                   |
| 29041         | 12/5              | David & Sheila Hansen              | Refund Check                                              | 75.00               |                          |
| 29042         | 12/5              | Meg Hawkins                        | Refund Check                                              | 100.00              |                          |
| 29043         | 12/5              | Dr. Kerstin Hellwig                | Refund Check                                              | 42.06               |                          |
| 29044         | 12/5              | John Hultberg                      | Refund Check                                              | 100.29              |                          |
| 29045         | 12/5              | Industrial Metal Supply Co         | Perforated aluminum sheet for Edmund 1                    | 192.37              |                          |
| 29046         | 12/5              | Lindsey Kaiser                     | Refund Check                                              | 42.70               |                          |
| 29047         | 12/5              | John Kang                          | Refund Check                                              | 100.00              |                          |
| 29048         | 12/5              | Kindness General Contractors, Inc. | Haul Spoils                                               | 1,508.75            |                          |
| 29049         | 12/5              | Stephen P. Korejwo                 | IT Support 11/2013                                        | 1,845.00            | 1,845.00                 |
| 29050         | 12/5              | LA County Tax Collector            | Property taxes 2013                                       | 6,015.05            | 2,005.01                 |
| 29051         | 12/5              | LA Dept Water and Power            | Power purchased 11/2013                                   | 47.11               |                          |
| 29052         | 12/5              | Lincoln Financial Group            | Life and Dental insurance for 12/2013                     | 2,901.64            | 1,934.43                 |
| 29053         | 12/5              | Lock-Up Inc.                       | Remotes for Glenwood gates                                | 346.04              | 115.34                   |
| 29054         | 12/5              | Mad Science of Los Angeles         | Class for Water conservation - What do you know about H2O | 615.00              |                          |
| 29055         | 12/5              | Ron Mitchell                       | Special License Comp                                      | 400.00              |                          |
| 29056         | 12/5              | New Image Landscape & Design       | Monthly maintenance                                       | 1,002.50            | 177.50                   |
| 29057         | 12/5              | Northern Safety Co., Inc           | Welding respirators and lens cleaners                     | 235.58              | 235.49                   |
| 29058         | 12/5              | Office Depot - Credit Plan         | Misc office supplies 11/2013                              | 828.67              | 828.66                   |
| 29059         | 12/5              | Orchard Supply Hardware            | Misc hardware 11/2013                                     | 656.77              | 267.71                   |
| 29060         | 12/5              | PMC Engineering LLC                | Well 11 level transducer                                  | 1,601.66            |                          |
| 29061         | 12/5              | Shelia Pope                        | Refund Check                                              | 29.43               |                          |
| 29062         | 12/5              | State Water Resource Control Board | Annual Permit Fee                                         | 1,940.00            |                          |
| 29063         | 12/5              | Natalie Stanczak                   | Refund Check                                              | 133.65              |                          |
| 29064         | 12/5              | Sully-Miller Contracting Co.       | 10.03 tons cold patch                                     | 1,007.67            |                          |
| 29065         | 12/5              | Systemated Business Products       | Stationary Letterhead                                     | 617.95              | 617.94                   |

| <u>Check#</u> | <u>Check</u><br><u>Date</u> | <u>Payable To</u>                     | <u>Description</u>                                       | <u>Water</u><br><u>Amount</u> | <u>Wastewater</u><br><u>Amount</u> |
|---------------|-----------------------------|---------------------------------------|----------------------------------------------------------|-------------------------------|------------------------------------|
| 29066         | 12/5                        | The Gas Company                       | Gas purchased Main office                                | 45.78                         | 15.26                              |
| 29067         | 12/5                        | Valley Property Investors LLC         | Refund Check                                             | 58.53                         |                                    |
| 29068         | 12/5                        | Vision Service Plan Co-(CA)           | Group vision for 12/2013                                 | 254.75                        | 169.83                             |
| 29069         | 12/5                        | Waste Management - Sun Valley         | Disposal Service Glenwood                                | 581.83                        | 193.95                             |
| 29070         | 12/5                        | Water Well Redevelopers Inc           | E-932 Well 1 rehabilitation                              | 795.00                        |                                    |
| 29071         | 12/5                        | Western Water Works                   | 36 rolls of PVC pipe wrapping tape & 12- adapters        | 440.80                        |                                    |
| 29072         | 12/10                       | Acme Wiping Materials                 | Rags                                                     | 127.20                        | 127.20                             |
| 29073         | 12/10                       | Ameripride Uniform Services, Inc      | Uniform rentals 11/2013                                  | 389.01                        | 129.67                             |
| 29074         | 12/10                       | Aqua - Metric Sales, Co.              | 1 - 2" C2 Omni meter                                     | 1,684.89                      |                                    |
| 29075         | 12/10                       | Arrowhead Mountain Spring Water       | Distilled water                                          | 47.83                         |                                    |
| 29076         | 12/10                       | Auto Hutch                            | Unit #7 - Replace camshaft sensor                        | 181.17                        | 60.39                              |
| 29077         | 12/10                       | BC Laboratories, Inc                  | Water analysis                                           | 3,029.25                      |                                    |
| 29079         | 12/10                       | Bonnars Equipment Rentals             | Misc rentals                                             | 459.80                        |                                    |
| 29080         | 12/10                       | CalPers                               | Employee contributions                                   | 21,565.93                     | 14,377.29                          |
| 29081         | 12/10                       | City of Glendale Water & Power        | Power purchased 11/2013                                  | 33,956.44                     | 12.23                              |
| 29082         | 12/10                       | Civil Environmental Survey Group Inc. | MTBE sampling                                            | 6,860.00                      |                                    |
| 29083         | 12/10                       | Do-it Center                          | Misc hardware 11/2013                                    | 11.84                         | 35.57                              |
| 29084         | 12/10                       | Foothill Car Wash, Lube & Oil         | Oil change units #1, Unit #6, and Unit #33               | 39.58                         | 113.30                             |
| 29085         | 12/10                       | Foothill Municipal Water              | Water delivery 11/2013                                   |                               |                                    |
| 29086         | 12/10                       | Fred M. Boerner Motor Co.             | Unit #31 - oil change & tire pressure system             | 248,995.92                    | 587.05                             |
| 29087         | 12/10                       | Golden Bell Products, Inc             | Lift station degreaser                                   |                               | 1,438.80                           |
| 29088         | 12/10                       | Grainger                              | Fan for well #5                                          | 222.53                        | 55.61                              |
| 29089         | 12/10                       | Hamilton Tool & Engineering           | Push Punch for backhoe                                   | 306.57                        | 102.18                             |
| 29090         | 12/10                       | Harper & Associates Eng, Inc          | Reservoir maintenance - Cleaning Pickens, Ed I and Ed II | 11,250.00                     |                                    |
| 29091         | 12/10                       | Harrington Ind Plastics LLC           | PVC pipe, couplings, tees, glue valves & daubers         | 1,366.05                      |                                    |
| 29092         | 12/10                       | Home Depot Credit Services            | Misc hardware                                            | 495.79                        | 59.67                              |
| 29093         | 12/10                       | Hutchinson & Bloodgood                | Compcon consulting 11/2013                               | 131.25                        | 43.75                              |
| 29094         | 12/10                       | Joe Johnson                           | Turf rebate                                              | 1,600.00                      |                                    |
| 29095         | 12/10                       | KR Nida Companies                     | Radio repairs for Unit #6                                |                               | 165.00                             |
| 29096         | 12/10                       | Lagerlof, Senecal, Gosney & Kr        | Legal services 11/2013                                   | 5,555.00                      | 1,075.00                           |
| 29097         | 12/10                       | Napa Auto Parts                       | Misc supplies                                            | 14.67                         | 14.66                              |
| 29098         | 12/10                       | Northern Tool & Equip Co.             | Brass couplings, spray nozzles & repair kit for turbo    | 196.44                        | 65.44                              |

| <u>Check#</u> | <u>Check Date</u> | <u>Payable To</u>                       | <u>Description</u>                                          | <u>Water Amount</u> | <u>Wastewater Amount</u> |
|---------------|-------------------|-----------------------------------------|-------------------------------------------------------------|---------------------|--------------------------|
| 29099         | 12/10             | O'Reilly Auto Parts                     | Misc parts 11/2013                                          | 53.47               | 55.88                    |
| 29100         | 12/10             | Paper Cuts, Inc                         | Paper Shredding                                             | 26.88               | 26.87                    |
| 29101         | 12/10             | Parkhouse Tire, Inc.                    | Unit #31 - 6 new tires                                      |                     | 2,580.53                 |
| 29102         | 12/10             | Paveco Construction Inc                 | Striping at Honolulu & Glenwood & various custs on list 74R | 9,831.85            |                          |
| 29103         | 12/10             | Plumbers Depot Inc                      | Sewer hose                                                  |                     | 2,020.86                 |
| 29104         | 12/10             | Ramco                                   | Misc base material 11/2013                                  | 1,587.76            |                          |
| 29105         | 12/10             | Sessions Consulting Engineers           | M-933 Orduio Reservior wall                                 | 2,828.00            |                          |
| 29106         | 12/10             | So Cal Water Utilities Assoc.           | Christmas luncheon                                          | 225.00              |                          |
| 29107         | 12/10             | Still Mor Automotive Inc.               | Unit #6 - front brake job                                   |                     | 399.99                   |
| 29108         | 12/10             | Judy Tejeda                             | ACWA Fall Conference reimbursement                          | 196.39              | 65.46                    |
| 29109         | 12/10             | The Gas Company                         | Gas purchased Mills                                         | 128.70              | 42.90                    |
| 29110         | 12/10             | Toro's Lawnmower & Garden               | Oil for generator in sewer van                              |                     | 71.79                    |
| 29111         | 12/10             | Tri County Pump Company, Inc.           | E-932 Well 1 rehabilitation                                 | 47,565.93           |                          |
| 29112         | 12/10             | Underground Service Alert/SC            | Underground notification 11/2013                            | 108.00              | 36.00                    |
| 29113         | 12/10             | Univar USA Inc                          | 830 gal. cl2 bleach                                         | 2,624.99            |                          |
| 29114         | 12/10             | UPS                                     | Freight charges for blue hose for Vactor truck              |                     | 123.00                   |
| 29115         | 12/10             | US Water Systems, Inc.                  | 2 Pails c.2 pellets                                         | 579.90              |                          |
| 29116         | 12/10             | USA Blue Book                           | 3' locating probes                                          | 161.07              | 161.07                   |
| 29117         | 12/10             | Western Water Works                     | Weld nozzles, bolts, nuts, rods, couplings                  | 570.51              |                          |
| 29118         | 12/12             | Ron Mitchell                            | Health Reimbursement                                        | 211.66              | 141.10                   |
| 29119         | 12/23             | ACWA/JPIA                               | Group health insurance 01/2014                              | 32,502.78           | 21,668.53                |
| 29120         | 12/23             | ADS, LLC                                | Monthly mointoring                                          |                     | 1,015.00                 |
| 29121         | 12/23             | Aflac                                   | Employee paid insurance                                     | 1,074.53            |                          |
| 29122         | 12/23             | Airgas USA, LLC                         | Monthly cylinder rental                                     | 246.34              | 414.95                   |
| 29124         | 12/23             | ARC                                     | Bond plots                                                  | 820.90              | 273.63                   |
| 29125         | 12/23             | Armco Utility & Valve Box Solutions LLC | 2 - 6' augers to clean valve cans                           | 457.67              |                          |
| 29126         | 12/23             | AT&T                                    | Phone service PRI Usage                                     | 2,060.20            | 694.68                   |
| 29127         | 12/23             | AT&T Mobility                           | Cell phone charges                                          | 1,552.89            | 528.22                   |
| 29128         | 12/23             | Auto Hutch                              | Unit #5 - New fuel pump                                     | 504.90              | 168.30                   |
| 29129         | 12/23             | AW Direct, Inc                          | Air hose reel & grease cartridges                           | 163.11              | 163.09                   |
| 29130         | 12/23             | BC Laboratories, Inc                    | Water analysis                                              | 2,760.00            |                          |
| 29131         | 12/23             | BC Laboratories, Inc                    | Water analysis                                              | 2,398.80            |                          |

| <u>Check#</u> | <u>Check Date</u> | <u>Payable To</u>                | <u>Description</u>                                          | <u>Water Amount</u> | <u>Wastewater Amount</u> |
|---------------|-------------------|----------------------------------|-------------------------------------------------------------|---------------------|--------------------------|
| 29132         | 12/23             | Mr. & Mrs. Richard Blough        | Turf rebate                                                 | 1,600.00            |                          |
| 29133         | 12/23             | Brithinee Electric               | E-932 Well 1 rehabilitation                                 | 1,263.86            |                          |
| 29134         | 12/23             | Cargill, Inc - Salt Division     | 24.74 tons of bulk solar salt                               | 2,888.46            |                          |
| 29135         | 12/23             | Corporate Telecomm               | Repair gates at Glenwood                                    | 574.07              | 191.35                   |
| 29136         | 12/23             | David Darwish                    | Refund Check                                                | 12.26               |                          |
| 29137         | 12/23             | William Davidson                 | Refund Check                                                | 12.85               |                          |
| 29138         | 12/23             | Kerry Erickson                   | Reimbursement ACWA Fall Conference                          | 56.25               | 18.75                    |
| 29139         | 12/23             | Eurofins Eaton Analytical Inc.   | Water analysis                                              | 2,000.00            |                          |
| 29140         | 12/23             | Eurofins Eaton Analytical Inc.   | Water analysis                                              | 4,775.00            |                          |
| 29141         | 12/23             | Eurofins Eaton Analytical Inc.   | Water analysis                                              | 4,500.00            |                          |
| 29142         | 12/23             | Gregory Foley                    | Turf rebate                                                 | 1,600.00            |                          |
| 29143         | 12/23             | G.M. Sager Construction Co. Inc  | Slurry seal for E-911 3100 Block Santa Carlotta             | 9,641.00            |                          |
| 29144         | 12/23             | Eric Geller                      | Turf rebate                                                 | 1,600.00            |                          |
| 29145         | 12/23             | Graybar Electric Co., Inc.       | 1000' of wire & 100' of conduit                             | 199.94              | 36.70                    |
| 29146         | 12/23             | Harrington Ind Plastics LLC      | Magmeter flow sensor                                        | 1,874.65            |                          |
| 29147         | 12/23             | HD Supply Waterworks Ltd         | Meter adapters, brass elbows, couplings, fittings, adaptors | 4,776.40            |                          |
| 29148         | 12/23             | Pete Hilke                       | Mileage reimbursement                                       | 8.20                |                          |
| 29149         | 12/23             | Jobs Available Inc.              | Membership renewal                                          | 33.75               | 11.25                    |
| 29150         | 12/23             | Vahe Kamalyan                    | Refund Check                                                | 61.81               |                          |
| 29151         | 12/23             | Armik Khodadadian                | Turf rebate                                                 | 1,600.00            |                          |
| 29152         | 12/23             | Elizabeth Kim                    | Refund Check                                                | 3.62                |                          |
| 29153         | 12/23             | L.A. County Dept. Public Works   | Excavation permits                                          | 4,349.00            |                          |
| 29154         | 12/23             | L.A. County Dept. Public Works   | Excavation permits                                          | 3,388.00            |                          |
| 29155         | 12/23             | Lance Allen Company, Inc         | Contract & copies 09/15/13 to 12/14/13                      | 1,055.62            | 1,055.61                 |
| 29156         | 12/23             | Lillestrand Leadership Cons. Inc | Consulting service Dennis & Christy                         | 702.60              | 702.60                   |
| 29157         | 12/23             | Lincoln Financial Group          | Group Life & dental insurance 01/2014                       | 2,718.25            | 1,812.16                 |
| 29158         | 12/23             | Logan Supply Co. Inc             | Flex ratchet & case of map gas                              | 123.00              | 122.99                   |
| 29159         | 12/23             | Mad Science of Los Angeles       | Water conservation class held at Lincoln School             | 615.00              |                          |
| 29160         | 12/23             | April McCurtain                  | Refund Check                                                | 11.89               |                          |
| 29161         | 12/23             | Mimecast North America, Inc.     | Email security                                              | 300.00              | 100.00                   |
| 29162         | 12/23             | Newegg, Inc.                     | Misc computer hardware                                      | 1,030.26            | 343.42                   |
| 29163         | 12/23             | Northern Tool & Equip Co.        | Plug                                                        | 7.48                | 7.48                     |

| <u>Check#</u> | <u>Check Date</u> | <u>Payable To</u>                | <u>Description</u>                                                                                        | <u>Water Amount</u> | <u>Wastewater Amount</u> |
|---------------|-------------------|----------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------|--------------------------|
| 29164         | 12/23             | Parkhouse Tire, Inc.             | Unit #18 - 1 new tire                                                                                     | 446.16              | 148.72                   |
| 29165         | 12/23             | Rush Truck Center of Cal Inc,    | Rebuild Motor - Unit #27                                                                                  | 3,626.05            | 1,208.68                 |
| 29166         | 12/23             | Sawyer Petroleum                 | 600 Gal.Clear Diesel/Glenwood                                                                             | 1,824.76            | 608.26                   |
| 29167         | 12/23             | Scotty's & Sons, Inc             | Misc tools                                                                                                | 43.81               | 43.81                    |
| 29168         | 12/23             | Serge's Automotive               | Headlight for Unit #23A                                                                                   | 15.00               | 5.00                     |
| 29169         | 12/23             | Shell                            | Gas purchased 11/2013                                                                                     | 1,892.58            | 630.86                   |
| 29170         | 12/23             | Star Brite Bldg. Maintenance Inc | Janitorial services 12/2013                                                                               | 618.75              | 206.25                   |
| 29171         | 12/23             | Sully-Miller Contracting Co.     | Freight for base materials                                                                                | 554.07              |                          |
| 29172         | 12/23             | Trench Shoring Company           | Trench plate rental for 3125 Montrose                                                                     | 695.00              |                          |
| 29173         | 12/23             | Univar USA Inc                   | 739 gal.bleach/Glenwood                                                                                   | 1,258.41            |                          |
| 29174         | 12/23             | Water Environment Federation     | Membership renewal Brook Yared                                                                            | 498.00              |                          |
| 29175         | 12/23             | Wells Fargo Card Services        | Erdman: LA Times subscription; ACWA Fall Conf (meals, parking)                                            | 110.24              | 36.75                    |
| 29176         | 12/23             | Wells Fargo Card Services        | Gould: Rolling files; CWEA prep class for 3 employees; ink for postage machine; laminating pouches        | 348.73              | 286.22                   |
| 29177         | 12/23             | Wells Fargo Card Services        | Hass: Monthly recurring charges; cellphone supplies; parts for security gates; software license, hardware | 734.91              | 244.97                   |
| 29178         | 12/23             | Wells Fargo Card Services        | Mitchell: Calpelra Conference (hotel, parking, car rental, gas, meals)                                    | 771.13              | 257.04                   |
| 29179         | 12/23             | Wells Fargo Card Services        | Water Quality Conf (hotel, parking); CWEA class for Brook; compost class refreshments                     | 1,128.75            | 310.99                   |
| 29180         | 12/23             | Wells Fargo Card Services        | Erickson: ACWA Fall Conference registration                                                               | 382.50              | 127.50                   |
| 29181         | 12/23             | Western Water Works              | Brass tees, nipples, couplings                                                                            | 419.66              |                          |
| 29182         | 12/23             | All American Landscape Co.       | Monthly maintenance                                                                                       | 217.50              | 72.50                    |
| Subtotals     |                   |                                  |                                                                                                           | \$ 588,412.53       | \$ 74,714.15             |
| Grand Total   |                   |                                  |                                                                                                           | \$ 663,126.68       |                          |

## **PAYROLL REPORT**

**December-13**

|                         |    |                |
|-------------------------|----|----------------|
| Directors               | \$ | 1,170          |
| Office Regular Payroll  | \$ | 102,024        |
| Office OT               | \$ | 307            |
| Plant Regular Payroll   | \$ | 111,838        |
| Plant OT and Standby    | \$ | 14,543         |
| Employer Payroll Taxes  | \$ | 14,599         |
| Payroll Service Charges | \$ | 347            |
| Total                   | \$ | <u>244,828</u> |

# CRESCENTA VALLEY WATER DISTRICT

## BOARD OF DIRECTORS - STAFF REPORT

Item No. 1

**To:** Honorable President and Members of the Board of Directors

January 21, 2014

**From:** Ron L. Mitchell – Secretary-Treasurer

**Subject:** Water Bill Relief for 2203 Crescent Ave., Montrose

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### **ACTION ITEM:**

1. **Relief from a High Water Bill** – Consideration and possible action to grant a request for relief from a high water bill by Mr. George Solymar at 2203 Crescent Ave.

### **BACKGROUND:**

Mr. George Solymar owns the property located at 2203 Crescent Ave. and experienced higher than normal usage for both the 7/16/13 to 9/15/13 (112 units) and the 9/16/13 to 11/15/13 (109 units) billing periods. His average consumption over the last four years for those two periods is 68 units and 59 units respectively. Staff noticed the extremely high usage in September and requested a re-read/check for leaks (twice) at the property which showed no leaks. In fact, the re-reads were done one day after the other and showed that 2,230 gallons had been used in that 24 hour period. Staff did not request a re-read after the November 15th reading as consumption had decreased from the September billing, consumption was not 50% greater than the previous period and no leaks were found in September.

Mr. Solymar wrote a letter dated November 4, 2013 which was provided to the Board for the January 7, 2014 meeting, and explained that his high water usage is due to the irrigation needs of his property. Staff reviewed his account history and found notes where Mr. Solymar said that he must water for fire control as mandated by the county. Staff has included aerial photographs of Mr. Solymar's property so you can see the surrounding terrain. Mr. Solymar informed staff that he does not have any leaks to report that would contribute to the high consumption and is asking that his bills be recalculated at tier 2 rates.

The Board discussed Mr. Solymar's request at the January 7<sup>th</sup> Board meeting and requested that a water audit be conducted, staff provide information pertaining to turf rebates, and daily meter reading to see if consumption has returned to normal. The water audit was conducted on Thursday, January 16<sup>th</sup> and staff hopes to have the finished report available at the meeting on January 21<sup>st</sup>. Staff has finished the reading cycle for January 15, 2014 and consumption is at 62 units (see 5-year history report attached) which is still higher than the average of 40 units for this period. This increase could be a result of a lack of rainfall this year.

Staff has not had a chance to speak with the Solymars about turf rebates and the use of native landscaping yet, but plan to do so soon. Staff did take several photographs during the water audit and some of these photos are included in the package for your benefit. At this time, Mr. Solymar informed staff, and Director Tejeda who was present during the audit, that he is watering a portion of the hillside that is not his property. He says that this land was saved by Assemblyman Schiff from a housing project and that the land is supposed to be turned into a park. Staff noted that there are rainbirds on this area and that they show rust which could be a result in leaking during watering.

The Policy Committee met on January 14 to discuss the issue of large lots (see committee notes under the Policy Committee tab) and the request by Mr. Solymar to have his consumption billed at tier 2 rates. The Committee did not feel it was fair to District customers to subsidize Mr. Solymar's usage by rebilling his consumption at tier 2 rates, especially since his consumption is always in tier 3 and/or tier 4 for each billing cycle. The Committee did support recalculating his tier 4 consumption at tier 3 rates.

Staff has performed these calculations and it would result in lowering his bills by \$160.58 for the 9/15/13 billing cycle and \$152.81 for the 11/15/13 billing cycle. If the Board approves these revisions, the total credit would be \$313.39.

**RECOMMENDATION:**

Staff has no recommendation for this request.

Prepared by:



Ron L. Mitchell  
Secretary-Treasurer

Submitted by:



Dennis Erdman  
General Manager

Attachments:

g:\management\board meeting staff reports\2013\01-07-14 board memo - relief request 2203 Crescent Ave..docx



## USAGE HISTORY

01/16/2014 - 9:28 AM

Current Customer: 019393-000

Established On: 2/1/1985

Route # 44

Name: GEORGE SOLYMAR

Address: 2203 CRESCENT

Meter #: 69184015

Meter Size: .75

Status: A

U/M: Gallons

Meter Install Date: 9/22/2008

|     | 2014 |    | 2013 |     | 2012 |    | 2011 |    | 2010 |                                    |
|-----|------|----|------|-----|------|----|------|----|------|------------------------------------|
| *** | Jan  | 62 | Jan  | 20  | Jan  | 50 | Jan  | 38 | Jan  | 53 <sup>***</sup> (AVG = 40 units) |
|     | Feb  | 0  | Feb  | 0   | Feb  | 0  | Feb  | 0  | Feb  | 0                                  |
|     | Mar  | 0  | Mar  | 70  | Mar  | 46 | Mar  | 42 | Mar  | 14                                 |
|     | Apr  | 0  | Apr  | 0   | Apr  | 0  | Apr  | 0  | Apr  | 0                                  |
|     | May  | 0  | May  | 47  | May  | 44 | May  | 38 | May  | 47                                 |
|     | Jun  | 0  | Jun  | 0   | Jun  | 0  | Jun  | 0  | Jun  | 0                                  |
|     | Jul  | 0  | Jul  | 47  | Jul  | 51 | Jul  | 64 | Jul  | 78                                 |
|     | Aug  | 0  | Aug  | 0   | Aug  | 0  | Aug  | 0  | Aug  | 0                                  |
| *   | Sep  | 0  | Sep  | 112 | Sep  | 72 | Sep  | 41 | Sep  | 64 <sup>*</sup> (AVG = 68 units)   |
|     | Oct  | 0  | Oct  | 0   | Oct  | 0  | Oct  | 0  | Oct  | 0                                  |
| **  | Nov  | 0  | Nov  | 109 | Nov  | 73 | Nov  | 52 | Nov  | 56 <sup>**</sup> (AVG = 59 units)  |
|     | Dec  | 0  | Dec  | 0   | Dec  | 0  | Dec  | 0  | Dec  | 0                                  |



To see all the details that are visible on the screen, use the "Print" link next to the map.



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# CRESCENTA VALLEY WATER DISTRICT

## BOARD OF DIRECTORS - STAFF REPORT

Action Item No.2  
January 14, 2014

**To:** Honorable President and Members of the Board of Directors  
**From:** Dennis A. Erdman, PE, General Manager  
**Subject:** ACWA/JPIA Commitment to Excellence Program

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### **ACTION ITEM**

**Review and Acceptance of ACWA/JPIA's Commitment to Excellence Program** - Consideration and motion to have the General Manager and Board of Directors sign a letter of support for ACWA/JPIA's Commitment to Excellence Program.

### **BACKGROUND:**

ACWA/JPIA is looking at high loss areas and emphasizing the programs and "best practices" that organizations have used to successfully control losses. The Commitment to Excellence Program will concentrate on the following five high loss/risk categories:

- **Vehicle Safety**
- **Construction**
- **Infrastructure Maintenance**
- **Employment Practices**
- **Ergonomic and Fall Injuries**

### **PROPOSAL:**

ACWA/JPIA would like its members to sign a letter of intent to make a commitment to excellence.

The Loss Reduction Focus process will highlight efforts on positive partnering methods and programs that will enlist the help of district decision-makers (Board members, General Managers, etc.) in influencing the loss reduction activities and practices of their unique organizations.

### **RECOMMENDATION**

Staff recommends that the Board and the General Manager sign a letter of support for the ACWA/JPIA Commitment to Excellence Program.

### **OF NOTE:**

The District recently received two special recognition awards from ACWA/JPIA for achieving a loss ratio of 20% or less in both the Property and Liability Programs from 2009 to 2012.

Submitted by:



Dennis A. Erdman, PE  
General Manager

## ACWA/JPIA Commitment to Excellence Program Introduction

In October 2013, the ACWA/JPIA initiated its ***Commitment to Excellence Program*** outreach. This will be a long-term effort to help JPIA's membership reduce the frequency and severity of liability, workers' compensation, and property losses. An ***"ACWA/JPIA Commitment to Excellence"*** agreement between the ACWA/JPIA membership and JPIA staff will be the catalyst for initiating and sustaining this effort.

Since the most frequent and costly losses come from auto, infrastructure, construction, employment practices, ergonomic, and fall injury claims, the JPIA's focus is on encouraging and assisting its members to implement programs and practices that can prevent these types of claims.

The support of member decision-makers (Board Members, General Managers, etc.) to influence the loss reduction activities and practices of their unique organizations, is absolutely essential. Each district's General Manager and President of the Board of Directors (and other members of the Board if they desire), will be asked to demonstrate their on-going support by signing an ***ACWA/JPIA Commitment to Excellence*** agreement. Members that sign the agreement will be recognized as follows:

- The member will receive an ***ACWA/JPIA Commitment to Excellence*** agreement and frame for display purposes.
- Beginning in 2014, the member's attendees at ACWA/JPIA Conferences will have a special ribbon added to their nametag indicating their district's commitment.
- Participation in the ***ACWA/JPIA Commitment to Excellence*** will be highlighted in future *Perspective* articles, and emphasized in Executive Committee Meetings and future JPIA Conferences.

The effectiveness of the ACWA/JPIA Commitment to Excellence outreach will be reflected in the long-term loss rate and cost statistics following its implementation. Loss rates and cost statistics will be reported and evaluated during JPIA Committee and Board Meetings.



ASSOCIATION OF CALIFORNIA WATER AGENCIES

**JOINT POWERS**  
INSURANCE AUTHORITY

# Commitment to Excellence

***Your District Name***

And the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA) in mutual support for ensuring the most consistent, cost effective, and broadest possible affordable insurance coverage and related services; and in partnership with all ACWA/JPIA members; and in the interest of reducing **district** insurance costs; commit to a program of excellence that, through the implementation of "best practices," reduces the potential and frequency of:

- **Vehicle Losses**
- **Infrastructure Related Losses**
- **Construction Related Losses**
- **Employment Practices Claims**
- **Ergonomic (Musculoskeletal) and Fall Injuries**

And fully support the goal of implementing effective preventive measures that work to achieve these loss reductions.

Walt "Andy" Sells CEO, ACWA/JPIA  
Signature

\_\_\_\_\_  
Signature (District Board President)

\_\_\_\_\_  
Signature (District General Manager)

\_\_\_\_\_  
Signature (District Board Member)

\_\_\_\_\_  
Signature (District Board Member)

\_\_\_\_\_  
Signature (District Board Member)

\_\_\_\_\_  
Signature (District Board Member)

\_\_\_\_\_  
Signature (District Board Member)



RECEIVED

JAN 13 2014

CRESCENTA VALLEY  
WATER DISTRICT

January 10, 2014

**JOINT POWERS**  
INSURANCE AUTHORITY

P. O. Box 619082  
Roseville, CA 95661-9082

phone  
916.786.5742  
800.231.5742

direct line  
916.774.7050  
800.535.7899

fax  
916.774.7040

[www.acwajpia.com](http://www.acwajpia.com)

**President**  
E.G. "Jerry" Gladbach

**Vice President**  
Tom Cuquet

**Chief Executive Officer**  
Walter "Andy" Sells

**Executive Committee**

John A. Coleman  
Tom Cuquet  
Joseph Dion  
E.G. "Jerry" Gladbach  
David T. Hodgins  
W.D. "Bill" Knutson  
Melody A. McDonald  
Charles W. Muse  
Lou Reinkens

Dennis Erdman  
Crescenta Valley Water District  
2700 Foothill Blvd.  
La Crescenta, CA 91241-3516

Dear Dennis:

Each year at Fall Conference, the JPIA recognizes members that have a Loss Ratio of 20% or less in either of the Liability, Property, or Workers' Compensation programs (loss ratio = total losses / total premiums).

The members with this distinction receive the "**President's Special Recognition Award**" certificate for each Program that they qualify in.

The JPIA is extremely pleased to present Crescenta Valley Water District with this special recognition and commends the District on the hard work in reducing claims.

Congratulations to you, your staff, Board, and District. Keep up the good work!

The JPIA wishes you the best in 2014.

Sincerely,

Walter "Andy" Sells  
Chief Executive Officer

Enclosure: President's Special Recognition Award(s)

# *President's Special Recognition Award*

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ACWA Joint Powers Insurance Authority  
hereby gives Special Recognition to*

## *Crescenta Valley Water District*

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"  
in the Property Program for the period 04/01/09 – 03/31/12  
announced at the Board of Directors' Meeting in Los Angeles.*

*E. G. "Jerry" Gladbach*  
E. G. "Jerry" Gladbach, President



December 02, 2013

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*December 02, 2013*

info item

**Randall Benton / [RBenton@sacbee.com](mailto:RBenton@sacbee.com)**

A pair of fishermen stand near the shallow water of the American River below Watt Ave on Saturday, January 11, 2014. Flows from Folsom Dam to the American River will be reduced this week because of drought like conditions. The American River will have its lowest flows since 1993.



### More Information

- [Brown says he is monitoring drought but says 'governors can't make it rain'](#)
- [Brown meets with drought task force, pledges help](#)
- [Drought prompts deep cuts in American River flows](#)

## California drought will test Jerry Brown

By David Siders and Matt Weiser

[dsiders@sacbee.com](mailto:dsiders@sacbee.com)

Published: Sunday, Jan. 12, 2014 - 12:00 am

As California withered through a drought in 1977, Gov. Jerry Brown called for a 25 percent reduction in personal water use statewide and flew to Washington to press the Carter administration for federal aid.

He reduced the spray of his shower head and, in a characteristic moment of stagecraft, replaced a pitcher of water at a news conference with a single cup.

“We have only one glass of water,” Brown said at the time, “which is an indication of our effort here.”

Today Brown is governor again, and California is entering one of the driest winters on record. Two dry years already have depleted many reservoirs. The snowpack is meager, and streams and rivers are running low.

If it remains dry – as long-term forecasts suggest – the drought will test the management abilities of a governor who, with the exception of the Rim fire last year, has largely avoided widespread natural disasters since returning to the Capitol in 2011.

“The drought could be the first real disaster, and it’s an interesting kind of disaster because it’s slow moving, as opposed to a bomb going off, or an earthquake or a firestorm,” said Rob Stutzman, a Republican strategist who worked for former Gov. Arnold Schwarzenegger. “He could have some tough decisions to make.”

Pressure has been building on Brown to formally declare a drought emergency, with eight state lawmakers, U.S. Sen. Dianne Feinstein and Rep. Jim Costa, D-Fresno, sending letters urging action. Brown has appointed a committee to review conditions, and his administration said it is considering a formal declaration.

The third-term Democrat suggested his authority is limited, however.

“Governors can’t make it rain,” he said Thursday, “but we’ll do everything that is humanly possible to allow for a flexible use of California’s water resources.”

Although California has experienced many droughts, historically there have never been clear rules about when to formally declare one. Scientists use the term to refer to abnormally dry conditions, which California is clearly experiencing. But for governors, formally declaring a drought has been largely a political decision based on mounting anecdotal reports of weather-related hardship and evidence that relief is not in the forecast.

Tim Quinn, executive director of the Association of California Water Agencies, said there is no question the state is in the midst of a drought. The association represents more than 400 agencies that deliver 90 percent of the state’s urban and agriculture water, and it believes the governor should issue a declaration, Quinn said.

“It’s something that’s threatening the entire state,” he said. “The governor is a powerful instrument of public education. That’s the most important thing it would do.”

Chris Brown, executive director of the California Urban Water Conservation Council, said there are generally three concrete ways to assess whether a drought prevails: low water storage, low soil moisture and dry weather forecasts.

“I think from those three basic measures, clearly we’re in a drought,” he said.

He also said there are clear benefits to a governor’s drought declaration. One is that it helps bring the crisis to the attention of federal officials, who can accelerate some relief programs. The other, he said, is that it exerts a significant motivational force on the public.

“That’s an important step in all of this,” he said. “Having the governor speak out and say everybody needs to start behaving like we have a water shortage, because we do, is going to help send the whole message across the state.”

Still, he said, there can be a reluctance to do so, because a drought declaration also suggests a state is experiencing economic hardship.

“The reason people hesitate to do it is that it also sends a message that things are dire here,” he said. “A lot of people interpret that as being ‘bad for business.’ I’ve seen this happen in a number of states over the years.”

‘Down this road before’

The California Department of Water Resources said last week it is considering whether to present a drought declaration for Brown’s consideration. Natural Resources Secretary John Laird said the administration is engaged in a “very deliberate effort to really look at the facts on the ground.”

“You go through Step 1 to get to Step 2 to get to Step 3,” he said.

A drought declaration could have political implications for the governor. Both sides of a major dispute over Brown’s plan to build two tunnels to divert water around the Delta have employed the dry conditions in recent arguments about the \$25 billion project, claiming the Delta has no water to give in a drought, or conversely, that the project is critical to improving water management statewide.

Dry conditions also are focusing attention on an \$11.1 billion water bond the Legislature has twice deferred, in part over concerns about its cost, since voting in 2009 to place it on the ballot. The measure is scheduled for the November election but is likely to be replaced, if not put off again.

“I think there is a growing sentiment out there (to ask voters to act on a water bond), with news reports about the drought and how it keeps getting worse,” said Assemblyman Anthony Rendon, the Lakewood Democrat who chairs an Assembly water bond working group. “I think public opinion is definitely moving in favor of doing something big relating to water.”

Brown, however, is noncommittal. Asked about the water bond at a budget-related news conference Thursday in Sacramento, the governor said, "The world is changing with these serious drought conditions, but I think I'll withhold judgment on that."

As for the drought itself, Brown told reporters in Los Angeles he had been "down this road before."

"It's a real challenge," he said. "We're going to have to do a lot of different things."

During one hard-hitting drought in 1991, then-Gov. Pete Wilson told Californians he was turning off the water before soaping up in the shower, and he urged other residents to do the same. He also created a water bank that allowed Northern California farmers to sell water for use in arid parts of the state.

Wilson contrasted a drought with some faster-moving natural disasters in which "you don't have much in the way of warning."

"With a drought, obviously, you don't know necessarily how long it will last, but at least it is not an imminent peril, like fire, flood or earthquake," Wilson said last week. "But what they all have in common is the need to anticipate."

Schwarzenegger issued 85 disaster proclamations during his seven years in office, according to the state. Brown has declared 20 states of emergency in various parts of California since taking office three years ago, perhaps none more significant than the Rim fire. The fire last year burned more than 257,000 acres in and around Yosemite National Park and became the third-largest wildfire in state history.

President Barack Obama in December declared the fire a major disaster, freeing up federal funding for the state after Brown appealed an earlier denial of aid.

Not all regions hurting

Brown's handling of other natural disasters has not always been so successful. Most notable is his decision to forgo aerial spraying against the Mediterranean fruit fly, which threatened California's agricultural industry in 1981. Brown later acknowledged he waited too long to act.

Jeanine Jones, interstate resources manager at the California Department of Water Resources, said a drought declaration would help expedite water transfers among local agencies. It could also loosen water quality standards that often prevent water diversions from the Sacramento-San Joaquin Delta, a move that would be opposed by environmental groups.

A drought declaration also would allow the state to activate police powers in regard to water rights. For instance, during a drought, those who hold water rights in a river are not allowed to divert water that flows by their property when it is released from an upstream reservoir for someone else's benefit. In such cases, the state could put inspectors in the field to monitor diversions and move to curtail or rescind a water right if necessary.

But a governor's declaration would not necessarily make money available to anyone suffering from drought, whether from the state or federal government.

During the last drought, from 2007-09, the state had money available for conservation projects thanks to a recently approved water bond. That isn't the case now.

"We haven't had a new water bond since then, and many of the funds that were made available then are already obligated," said Jones, who is a member of the drought task force recently activated by the governor. "It's not like we have a new source of revenue to make available."

In the federal government's case, a formal declaration by the president of a drought disaster in a particular state is exceedingly rare. The last presidential drought declaration came for New Jersey in 1980, Jones said. One has never been made for California.

That does not mean federal money is not available to assist in a drought. In fact, every county in California already has been declared eligible for drought disaster assistance from the U.S. Department of Agriculture. Help is available in the form of low-interest loans – for farm and non-farm businesses as well as nonprofits – to cover expenses such as rent, utilities and providing water and feed to livestock.

Although many local communities and farmers are already suffering from dry conditions, this is not the case statewide. The Metropolitan Water District of Southern California, which serves the Los Angeles-San Diego metropolis, is not planning any drought restrictions this year. It may even have enough water if the dry conditions continue into 2015.

The district depends almost entirely on water imported from other places, including the Sacramento-San Joaquin Delta. The state's last prolonged drought, which lasted from 1987-1992, strained the district's supplies and brought harsh conservation measures to the region.

Since then, Metropolitan has invested \$3 billion in local water storage projects. This includes Diamond Valley Lake, the largest reservoir built in California in nearly 50 years, a billion-dollar tunnel to move larger pulses of water into the reservoir when available, and a range of groundwater storage systems. As a result, it has a cushion to survive droughts even if its imported water supplies dry up.

"We'll have plenty of water in 2015," said Jeffrey Kightlinger, Metropolitan's general manager. "And even if it's still a drought, we'll still have enough water in 2016. But our board will be taking a hard look at how do we ease into it. That's the nice thing about having made all these investments. We have options."

Metropolitan also has invested heavily in conservation. Since 1990, it has reduced systemwide water demand from 2.4 million acre-feet to about 1.8 million today, despite adding 5 million people to the region's population.

Many communities in Southern California will pay customers 30 cents per square foot to remove lawns, the biggest source of water demand in most cities. Rebates available for water-saving appliances go way beyond low-flow toilets. Customers can get money back on rain barrels, urinals, ice machines, soil moisture sensors and lots more.

"We have enormous reserves, and we've lowered our demand substantially," said Kightlinger. "My guess is, as you look around the state, not many regions have done that. And that is what's needed."

Read more here: <http://www.sacbee.com/2014/01/12/6063205/california-drought-will-test-jerry.html#storylink=cpy>



info item

A boat ramp is now several hundred yards away from the water's edge at California's Folsom Lake.  
(Rich Pedroncelli / Associated Press / January 13, 2014)

By Anthony York

*January 13, 2014, 4:48 p.m.*

FRESNO -- Gov. [Jerry Brown](#) said Monday his administration would soon declare that California is officially in the midst of a drought.

"It's coming," Brown said of a formal proclamation when asked during a press conference at Fresno City Hall. "Just be patient."

A recent survey of the snowpack in the Sierra Nevada Mountains found the state's water reserves are at just 20% of normal levels. Other measures have declared 2013 to be the driest year in California history.

"It's really serious," Brown said. "In many ways it's a mega-drought; it's been going on for a number of years."

Brown's comments came at a Fresno City Hall press conference after a day of meetings here with members of the Westlands Water District, local farmers and other regional agriculture leaders. He also toured downtown Fresno with Republican Mayor Ashley Swearingin, who showed the governor the pedestrian mall she hopes to help redevelop with an assist from the state.

Dressed in a blue sweater and foregoing the formality of a tie, Brown also offered another defense of his \$68-billion bullet train proposal, which he wants to help fund by using new fees on large polluters. The state's nonpartisan legislative analyst raised concerns Monday about the legality of that funding plan, but the governor defended it.

"I believe it's legal, my lawyers believe it's lawful," he said. "It's a very appropriate source of funding. You take funding that's coming off petroleum or fossil fuel use and put it into a rail system that will over time reduce greenhouse gases."

On Tuesday, Brown will meet with local leaders in Bakersfield and Riverside, capping his two-day swing through California's interior.

<http://www.latimes.com/local/political/la-me-pc-jerry-brown-says-drought-declaration-imminent-20140113,0,3247475.story#ixzz2qTxj3WjD>

## COMMENTARY

# Record dry year puts water systems to the test

The new year finds California in some unsettling territory when it comes to water supply. In 2013, just about every corner of the state experienced the driest year on record.

The primary reservoirs that capture snowmelt in Northern California are roughly a third of capacity. And a drought cycle that has persisted since 2000 throughout the Southwest has depleted the Colorado River's two main reservoirs to less than half full.

The remarkably dry stretch of weather is raising questions about the statewide water picture. The public should not wait until there is a full-blown emergency before using every drop of water wisely.

California needs a statewide water system that is more durable and reliable in the face of drought and

**JEFFREY KIGHTLINGER**

## GUEST COLUMNIST

other threats of nature. The current dry cycle is exposing some weaknesses that must be addressed.

Southern California and its trillion-dollar economy simply could not exist without reliable imported water supplies. The region imports slightly more than half of its supplies from the Colorado River and Northern California via the Sacramento-San Joaquin Delta. Local supplies make up the rest.

A generation ago, Metropolitan Water District planned to have adequate imported supplies to rely on each and every year, including dry years, to meet demand. A six-year

dry cycle in the late 1980s and early 1990s prompted widespread rationing that served as a wake-up call to the region.

Metropolitan chose then to diversify its water supply portfolio with investments in local resources like recycled water. We expanded storage so imported supplies could be captured in wet years for use during dry years. And we authorized new programs to incentivize conservation and efficient water use.

Overall, this strategy has served the region well.

Today, more than a year's supply of imported water is now in reserve in various reservoirs and groundwater banks available for use if 2014 stays dry. This reserve only exists because of billions of dollars of investments

over the years in new reservoirs and distribution system upgrades.

Long-term, our imported water sources face different challenges. On the Colorado River, studies point to an imbalance between future supplies and demands. It will take the coordinated efforts of seven western states and two countries (Mexico shares in this river) to address the challenge.

In Northern California, the challenge has more to do with an outdated water delivery system that awaits modernization.

The pumps in the southern Delta that feed the California Aqueduct provide water to Silicon Valley, San Joaquin Valley farmland and Southern California — more than 25 million Californians in all. This pumping can conflict

with migratory fish species, triggering water supply reductions.

And earthquakes threaten to collapse the Delta's earthen levees, cutting off water supplies for months, if not years. Our ability to capture enough supplies in wet years to withstand the dry cycles has been compromised. This is a vulnerability that California must address.

State and federal agencies are proposing new intakes in the northern Delta and a twin tunnel system to transport and protect this supply for the existing delivery system.

The cost would be about \$5 a month onto a typical Southland water bill. The investment would help ensure the reliability and high quality of our water supplies while improving the Delta's struggling

environment, enhancing habitat for fish species such as salmon and steelhead trout.

A lasting solution in Northern California is many years away, at best. However, the time for decisions is now.

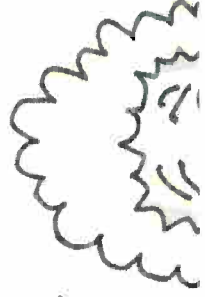
Our challenge today is to work within the existing system to maximize whatever water nature provides.

With more conservation, more local supplies and a modernized statewide water system, California can be far better prepared for the future dry cycles that are certain to happen. For more information, visit [www.baydeltaconservationplan.com](http://www.baydeltaconservationplan.com).

Jeffrey Kightlinger is the general manager of the Metropolitan Water District of Southern California.

Ensuring plastic bag ban works for all involved

YOU CAN HAVE MY INCANDESCENT LIGHT BULB WHEN YOU PRY IT FROM MY COLD, DEAD HANDS.



INFO ITEM

# California governor proclaims drought emergency

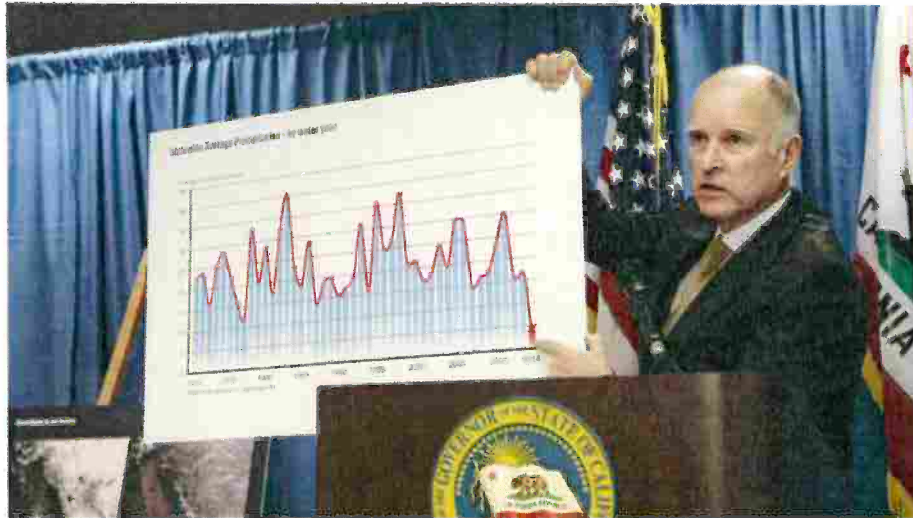
INFO ITEM

AP

By JASON DEAREN 26 minutes ago 1/17/2014

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Done



.SAN FRANCISCO (AP) — Gov. Jerry Brown formally proclaimed California in a drought Friday, saying the state is in the midst of perhaps the worst dry spell it has seen in a century, and the conditions are putting residents and their property in "extreme peril."

Brown made the announcement in San Francisco amid increasing pressure in recent weeks from the state's lawmakers, including Democratic Sen. Dianne Feinstein.

The proclamation allows California to request a broad emergency declaration from President Barack Obama, which would expedite some water transfers, provide financial assistance and suspend some state and federal regulations.

"Today, I'm declaring a drought emergency in the state of California because we're facing perhaps the worst drought California has ever seen since records began being kept 100 years ago," Brown said.

The drought and water shortage are creating "conditions of extreme peril to the safety of persons and property" in the state, the proclamation said. For example, some cities are in danger of running out of water, and people in farming communities that will not be able to find work will need assistance getting food.

Brown spoke against the backdrop of a chart with statewide average precipitation by year dating back to 1970 and a satellite image of California in January 2013 and January 2014 side by side that showed the state's dwindling snowpack.

He encouraged people to voluntarily conserve water but said his administration is considering a mandatory conservation order.

"I think the drought emphasizes that we do live in an era of limits, that nature has its boundaries," the governor said.

The U.S. Drought Monitor has reported extreme drought conditions in central and northern California, and there has been little snowfall so far this winter.

Precipitation in most of the state is less than 20 percent of normal, and reservoirs are dwindling. Forecasts suggest the dry spell could continue, exacerbating the already heightened fire danger.

The proclamation came as firefighters chased flare-ups in a damaging wildfire that has kept thousands of people from their homes in the foothill suburbs northeast of Los Angeles.

The fire around Glendora has swept through about 2 1/2 square miles of tinder-dry chaparral and destroyed five homes. It was 30 percent contained.

A leading Republican lawmaker praised Brown's announcement but said the excessively dry conditions already have had a deep impact in Central Valley farming communities.

"Today's drought declaration is better late than never," said Connie Conway of Tulare, the Assembly minority leader.

She said the declaration will be a "sign of hope" for farmers and field hands in one of the nation's most important agricultural regions.

Droughts also are persisting or intensifying elsewhere in the West.

On Wednesday, federal officials said they were designating portions of 11 drought-ridden western and central states as primary natural disaster areas, highlighting the financial strain the lack of rain is likely to bring to farmers in those regions.

The announcement by the U.S. Department of Agriculture included counties in Colorado, New Mexico, Nevada, Kansas, Texas, Utah, Arkansas, Hawaii, Idaho, Oklahoma and California. The designation means eligible farmers can qualify for low-interest emergency loans from the department.

Agriculture Secretary Tom Vilsack said he and Obama want to ensure that agriculture remains a bright spot in the nation's economy.

Officials with the U.S. Drought Monitor say a ridge of high pressure is to blame for keeping storms off the Pacific coast and guiding them to the East. Poor snowpack also is threatening regions dependent on major western rivers.

# Memorandum

**DATE:** January 17, 2014  
**TO:** Board of Directors  
**FROM:** Dennis A. Erdman   
**RE:** General Manager's Report  
**CC:** Management Staff

Due to the unseasonably warm weather and lack of rain, fire danger remains high for the Southern California area. "Red Flag" alerts have been common in recent weeks and the fire this week in the mountains north of Glendora are a reminder of the danger communities face who are on the edge of the Angeles National Forest. CVWD operations staff has been paying careful attention to this situation and have taken precautionary steps to be as ready as possible for any fire or fire related event in our area. Last week CVWD emergency generators were moved from storage and positioned in strategic locations to allow booster pump operation in the event of a power outage. Reservoir levels have been kept as full as possible and staff is monitoring news, police, and fire department websites for updated information.

On a related matter, Director Tejeda and I attended a meeting of CV Ready on January 15. The guest speaker was Pat Wood of Los Angeles County Department of Public Works. She is a water resources specialist who is tasked with development of plans for post-fire mud and debris protection. In addition to her remarks, the group discussed the money spent last year to get the group up and operating and plans for their new budget. The community assistance grant for this group was \$15,000 per year for two years. The focus of the group has been public education and developing communication links that may be useful in disaster response and recovery. It is my intention to keep attending their meetings and develop partnerships that have mutual benefit to the community and CVWD.

As of January 17, 2014, the district has worked 70 days without a lost time accident. Since the last report, one employee who has been working on restricted duty, has been cleared of any work restrictions and can have full participation in work related duty once more.

# CRESCENTA VALLEY WATER DISTRICT

## MEMORANDUM

DATE: January 14, 2014  
TO: Engineering Committee Meeting File  
FROM: David S. Gould, District Engineer  
SUBJECT: CVWD Engineering Committee Meeting No. 283

Following is a summary of Engineering Committee Meeting No. 283, held at 8:00 AM on January 10, 2014, at the CVWD main office, and was attended by the following:

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|                                               |      |
|-----------------------------------------------|------|
| Director James Bodnar - Committee Chairperson | CVWD |
| Director Kerry Erikson - Committee Member     | CVWD |
| Dennis Erdman – General Manager               | CVWD |
| Ron Mitchell – Secretary -Treasurer           | CVWD |
| Brook Yared – Associate Engineer              | CVWD |
| David S. Gould - District Engineer            | CVWD |

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### 1. Well Levels and Well Production

Mr. Gould and Mr. Yared discussed the well levels through December 2013 stating that the static levels for the majority of the wells have decreased over the last few months and well pumping capacity has also decreased. Mr. Gould presented a new chart that showed the status of the well pump capacity in 2013. The chart showed a steady decrease in the amount of water pumped from the groundwater basin, from 3.6 MGD in January 2013 to the current 2.51 MGD. This is due to declining well levels in the basin and Well 12 being out of service for rehabilitation. Mr. Gould reported that Well 1 rehabilitation was completed and the well was placed back into service.

### 2. Discussion of Recycled Water and IRWM Grant

Mr. Gould discussed the possibility of CVWD using FWMD's Recycled Water Grant for a Recycled Water Project at Two-Strike Park. Mr. Gould gave a review of FMWD's Recycled Water Project. He indicated that any similar recycled water project submitted as an Integrated Regional Water Management (IRWM) grant would have the same elements of FMWD's Project. This includes meeting the needs of CVWD, stormwater capture, public education and be under construction within the time frame of the IRWM grant of May 25, 2015. See attached staff report.

Mr. Gould talked about the scope of work for the Two-Strike Park project including installation of a membrane bioreactor (MBR) plant that will treat local wastewater and irrigation system for the park, and using recycled water for groundwater recharge through infiltration galleries under the park. Mr. Gould estimated that the project would generate about 200 ac ft/yr and that the park uses about 19 ac ft/yr for irrigation. The remaining amount of recycled water could be used for groundwater recharge. However, the recycled water must meet the requirements of CDPH and RWQCB.

Mr. Gould said that the preliminary cost for the project would be \$2.84M and that CVWD could receive \$1.24M from the IRWM Grant. Finally, Mr. Gould discussed the project schedule to start construction before May 25, 2015 and could be under construction within the time frame. However, the EIR, permitting process and public outreach could take longer than projected since it involves other agencies. In addition, a staff member would have to be assigned to this project full-time to manage the project and the current workload of the Engineering Department would have to be adjusted to meet this schedule.

After much discussion, it was the recommendation of the Engineering Committee at this time to not pursue the Integrated Regional Water Management (IRWM) grant with FMWD.

### **3. Discussion of Rockhaven Well Cost Analysis**

Mr. Gould discussed that he has been working with Mr. Grant Hoag from Hoag Consulting, LLC on a cost analysis study relative to the Rockhaven Well. Mr. Gould indicated that staff met with GWP and Mr. Hoag to review the preliminary cost analysis study and discussed the parameters such as estimated water production from the new well, FMWD variable costs, capital costs, O & M costs, reimbursement cost to GWP for well construction, land lease costs, and well production costs. See attached staff report.

Mr. Gould showed the overall cost savings to the District by buying water from GWP and reducing the amount of water purchased from FMWD. In addition, Mr. Gould said that the groundwater purchased from the Rockhaven Well by CVWD will be accounted for in GWP's annual report to the Watermaster. This will allow CVWD to pump its adjudicated rights and to lease a portion of GWP's adjudicated rights. It was also agreed that the total amount of water pumped from the basin cannot be more than the safe-yield of 7,150 ac-ft/yr.

The Engineering Committee reviewed the cost analysis study by Mr. Hoag and commented that it would like staff to discuss with GWP about two (2) projected water rates; 1) when the District is below CVWD's adjudicated amount and 2) when the District is above CVWD's adjudicated amount, the proposed land lease, and the possibility of purchasing the land and the well.

### **4. Discussion of Replacement of 12-inch Waterline on the 3800 Block of Honolulu Avenue**

Mr. Gould discussed that the City of Glendale, Department of Public Works is doing a pavement resurfacing project on Honolulu Avenue between Boston Avenue and Lowell Avenue which is scheduled to begin in June or July 2014 and Glendale has a moratorium where no utility work is allowed within the street for at least three (3) years or until the end of 2017. CVWD has an existing 12-inch water main on the 3800 Block of Honolulu that is planned to be replaced in FY 15/16 due to it being undersized, the age of the pipe, and two (2) major leaks in 2011. It was staff's recommendation to accelerate the Honolulu pipeline schedule to Spring 2014 so that the pipe will be replaced before the new pavement is placed.

The Engineering Committee agreed with the recommendation to replace the pipeline and use existing CIP funds for the improvement. The Committee indicated that a number of projects slated for FY 13/14 will continue into FY 14/15 and there will be enough funding for this project.

### **5. Discussion of Status of FY 13/14 Capital Improvement Project Program**

Mr. Gould discussed the FY 13/14 CIP Program schedule which showed two (2) new projects have been added to the schedule which is the Rehabilitation of Wells 5, 8, 9, 11, & 12 and the installation of a wall along the north side of Ordunio Reservoir. A possible third project has been added to the schedule, which is the pipeline replacement on the 3800 Block of Honolulu Avenue.

Overall, there are 23 projects planned for FY 13/14, the attached schedule shows 4 projects have been completed, 7 projects are on schedule, 7 project schedules have been revised, 2 projects are under construction and 3 projects have been deferred until FY 14/15.

Staff re-evaluated the projects that were previously behind schedule, and revised the schedule accordingly. In addition, staff will provide an update on the CIP budget that will be reported at the next Engineering Committee meeting.

# CRESCENTA VALLEY WATER DISTRICT

## STAFF REPORT

Information Item No. 2  
January 10, 2014

**To:** Engineering Committee  
**From:** David S. Gould, P.E. – District Engineer  
**Subject:** Discussion of possibility of utilizing FWMD's Recycled Water Grant

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### **INFORMATION ITEM:**

**Recycled Water Grant** – Discussion for the possibility of CVWD to utilize FWMD's Recycled Water Grant

### **BACKGROUND**

CVWD has been looking into the long-term benefits of utilizing recycled water as a way of reducing potable water demands on the system, to provide an alternative source of water to users such as parks, schools, Caltrans and other open space for irrigation purposes and to increase CVWD's overall supply reliability. Recycled water could be used for groundwater recharge in the Verdugo Basin.

Recycled water is derived from wastewater that is treated to remove solids and certain impurities, and used in sustainable landscaping irrigation or to recharge groundwater aquifers. The purpose of these processes is sustainability and water conservation, rather than discharging the treated waste water to rivers and oceans.

### **DISCUSSION:**

In 2011, Foothill Municipal Water District (FMWD) completed a Water Recycling Facilities Planning/Project Report (Planning Report). This Planning Report was prepared to evaluate the feasibility of using recycled water to offset the use of imported water and was partially funded by a grant from the State Water Resources Control Board. The Planning Report addressed the use of recycled water in the Arroyo, Verdugo Basin, and Eaton Canyon areas of FMWD's service area. The Planning Report discussed six (6) alternatives for the Verdugo Basin and the costs ranged from \$879/ac-ft to \$7,225 ac-ft. The recommended alternative (A-4) would use recycled water from CVWD to recharge groundwater in the Raymond Basin.

In 2012, FMWD was selected to receive an Integrated Regional Water Management (IRWM) Plan grant from the Greater Los Angeles County Region for a FMWD Recycled Water Project (Project).

The goals of FMWD's Project was to develop recycled water for recharge to the groundwater basin, increase stormwater and urban runoff capture for recharge to the groundwater basin, and increase conservation throughout the FMWD service area. FMWD was pursuing the construction of a 0.25 million gallons per day (MGD) membrane bioreactor (MBR) plant that will connect into a Sanitation Districts of Los Angeles County (LACSD) main sewer line.

The municipal wastewater, along with the urban runoff and captured stormwater, would be treated at the proposed MBR plant and pumped into the infiltration galleries. The solids from the MBR plant will be returned to the sewer line for processing by LACSD. The infiltration galleries were to be installed underneath athletic fields. The recycled water would help replenish the Raymond Groundwater Basin and allow FMWD to obtain pumping credits to distribute to five of its eight members. This Project was estimated to yield on average 318 acre-feet of pumping credits annually.

The proposed Project costs were as follows:

| BUDGET CATEGORY                  | Requested Grant Amount | Cost Share: Non-State Fund Source (Funding Match) | Cost Share: Other State Fund Source | Total Cost  | % Funding Match |
|----------------------------------|------------------------|---------------------------------------------------|-------------------------------------|-------------|-----------------|
| a. Direct Project Administration | \$73,000               | \$73,000                                          | \$0                                 | \$146,000   | 50%             |
| b. Land Purchase / Easement      | \$35,000               | \$35,000                                          | \$0                                 | \$70,000    | 50%             |
| c. Planning/Design/Engineering/  | \$232,213              | \$157,212                                         | \$75,000                            | \$464,425   | 34%             |
| e. Construction/Implementation   | \$17,500               | \$17,500                                          | \$0                                 | \$35,000    | 50%             |
| e. Construction/Implementation   | \$770,000              | \$770,000                                         | \$0                                 | \$1,540,000 | 50%             |
| f. Environmental Compliance      | \$28,000               | \$28,000                                          | \$0                                 | \$56,000    | 50%             |
| g. Other Costs                   | \$3,938                | \$3,937                                           | \$0                                 | \$7,875     | 50%             |
| h. Construction/ Contingency     | \$308,000              | \$308,000                                         | \$0                                 | \$616,000   | 50%             |
| i. Grand Total                   | \$1,467,650            | \$1,392,650                                       | \$75,000                            | \$2,935,300 | 47%             |

Matching funds for the Project (local and in-kind contribution) were to be made through FMWD sales revenue and/or reserves collected from the member agencies. Other potential external funding for the Project may include contributions from MWD's Local Resources Program (LRP) and/or State Water Resources Control Board (SWRCB) Water Recycling Funding Loans. The Planning/Project Report, completed in January 2012, was partially funded by a \$75,000 grant from the SWRCB Facilities Planning Grant Program.

FMWD has suspended the project due to lack of support from member agencies and inability to secure additional grant funding from MWD through the Foundational Actions Funding Program.

FMWD has made preliminary inquiries to CVWD about submitting a similar recycled water project to IRWM that would have the same elements of FMWD's Project, would meet the needs of CVWD and be under construction within the time frame of the IRWM grant of May 25, 2015.

#### **RECYCLED WATER PROJECT AT TWO STRIKE PARK**

It was suggested that staff look into a possible recycled water project at Two-Strike Park as a possible candidate to utilize the FMWD grant. Staff reviewed FMWD's grant application, past studies, reviewed regulatory requirements, and researched similar recycled water projects in Southern California to assess if a recycled water project at Two-Strike Park would be feasible for CVWD.

#### **Project Description:**

The Two-Strike Park Project (Two-Strike) would include providing recycled water for irrigation purposes. The source for the recycled water would be the installation of a membrane bioreactor (MBR) plant that will treat local wastewater from CVWD's sewer system. The local wastewater will be treated to levels that meet state and federal standards for potable water. The irrigation system within Two-Strike would have to be replaced with a "purple pipe" system that is used exclusively for recycled water. A new potable water service would have to be installed for the existing restroom facility. The biosolids created from the MBR plant will have to be piped back to CVWD's sewer system on Rosemont Avenue.

It is estimated that the sewer flow at the connection for the MBR plant is about 0.15 MGD and that the average annual usage at Two-Strike is 0.017 MGD as shown in the table below.

**Water Usage at Two-Strike**

| Use                                                               | Feb 13<br>Unit | Apr 13<br>Unit | Jun 13<br>Unit | Aug 13<br>Unit | Oct 13<br>Unit | Dec 13<br>Unit | Total<br>Units | Total<br>(MG) | Total<br>(ac-ft) |
|-------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|------------------|
| Two - Strike<br>Park                                              | 109            | 361            | 690            | 260            | 1,733          | 588            | 3,741          | 3.741         | 11               |
| Use                                                               | Feb 12<br>Unit | Apr 12<br>Unit | Jun 12<br>Unit | Aug 12<br>Unit | Oct 12<br>Unit | Dec 12<br>Unit | Total<br>Units | Total<br>(MG) | Total<br>(ac-ft) |
| Two - Strike<br>Park                                              | 582            | 803            | 1,583          | 1,403          | 1,495          | 429            | 6,295          | 6.3           | 19               |
| Use                                                               | Feb 11<br>Unit | Apr 11<br>Unit | Jun 11<br>Unit | Aug 11<br>Unit | Oct 11<br>Unit | Dec 11<br>Unit | Total<br>Units | Total<br>(MG) | Total<br>(ac-ft) |
| Two - Strike<br>Park                                              | 970            | 767            | 1,446          | 2,134          | 2,057          | 1,209          | 8,583          | 8.6           | 26               |
| 3-yr Average                                                      | Feb 11<br>Unit | Apr 11<br>Unit | Jun 11<br>Unit | Aug 11<br>Unit | Oct 11<br>Unit | Dec 11<br>Unit | Total<br>Units | Total<br>(MG) | Total<br>(ac-ft) |
| Two - Strike<br>Park                                              | 554            | 644            | 1,240          | 1,266          | 1,762          | 742            | 6,206          | 6.2           | 19               |
| <b>Average Daily<br/>Use per bi-<br/>monthly period<br/>(MGD)</b> | 0.009          | 0.011          | 0.021          | 0.021          | 0.029          | 0.012          | 0.017          |               |                  |

The remaining portion of recycled water that is not used for irrigating Two-Strike can either be put back into the sewer system or used to recharge the groundwater basin through infiltration galleries under the Park.

Recharging the groundwater basin with recycled water has the benefits of increasing the amount of water available during low rainfall years and allows for better utilization of the basin. It is estimated that the MBR plant would recharge about 150 ac-ft/yr of recycled water into the basin. However, the recycled water must meet the requirements of CDPH and RWQCB.

The State of California has set goals for increasing the amount of recycled water used for groundwater recharge statewide. This has prompted CDPH to update its regulations on recycled water, which are due in early 2014. Also, the State Water Resources Board is updating their regulations to address using recycled water as groundwater recharge. Therefore, the Two-Strike project could add the benefit of using recycled water to recharge the basin.

Another factor with respect to CVWD's ability to recharge the Verdugo Basin is the San Fernando Judgment which does not allow for any storage credit in the Verdugo Basin. CVWD can put water into the basin, but it does not have the right to take additional water above its adjudicated right of 3,294 ac-ft/yr. This issue would have to be discussed further with the ULARA Watermaster and the City of Glendale.

FWMD indicated that to meet the requirements of the IRWM grant, CVWD would have to have the same benefits as outlined in FMWD's grant which included recycled water for recharge, stormwater for recharge and public education. Therefore the Two-Strike project would have to include capture of the on-site stormwater from the park and the parking lot and a demonstration native plant garden. It estimated that the on-site stormwater from the park and the parking lot would recharge 50 ac-ft/yr of stormwater into the basin for a total of 200 ac-ft/yr.

Staff looked at a preliminary scope of work for the Two-Strike Park project the includes the following:

1. Installation of an MBR plant near the north parking lot entrance to the Park. The MBR plant will have a treatment capacity of 0.15 MGD.
2. The MBR treatment plant will be connected to CVWD's sewer on Rosemont Avenue.
3. The effluent treated recycled water will be used to provide irrigation to Two-Strike Park and for infiltration galleries under the Park for groundwater recharge.
4. Installation of a new on-site recycled water irrigation system.
5. A new potable water service and piping for the existing restroom facility.
6. The infiltration galleries for recycled water and to capture stormwater.
7. A public native plant garden will be constructed for public education.

Other tasks that would be necessary for the completion of the project include the following:

1. Coordination and easements from Los Angeles County, Department of Parks & Recreation.
2. Permits from the CDPH and RWQCB.
3. Preparation and approval of an Environmental Impact Report.
4. Geotechnical Services to determine effects of recycled water on the groundwater basin.
5. ULARA Watermaster approval for recharging the Basin.
6. Performing a Title 22 report regarding water quality in the Basin.
7. Other sources of funding.
8. Public Outreach.

#### Project Preliminary Cost Estimate

Staff looked into the different elements of the project and contacted suppliers and contractors to get a rough cost estimate for the project.

| Task                    | Quantity |    | Unit      | Total        |
|-------------------------|----------|----|-----------|--------------|
| MBR Plant               | 1        | LS | \$250,000 | \$ 250,000   |
| Infiltration gallery    | 1        | LS | \$500,000 | \$ 500,000   |
| Sewer Connection        | 400      | LF | \$75      | \$ 30,000    |
| Water Service           | 1        | EA | \$15,000  | \$ 15,000    |
| Off-site piping         | 1        | LS | \$75,000  | \$ 75,000    |
| On-site piping          | 1        | LS | \$50,000  | \$ 50,000    |
| Electrical              | 1        | LS | \$125,000 | \$ 125,000   |
| Telemetry               | 1        | LS | \$85,000  | \$ 85,000    |
| Retrofitting Irrigation | 175,000  | SF | \$2       | \$ 350,000   |
| Park Restoration        | 1        | LS | \$125,000 | \$ 125,000   |
| Demonstration Garden    | 1        | LS | \$85,000  | \$ 85,000    |
| Subtotal                |          |    |           | \$ 1,690,000 |
| Contingency             |          |    | 20%       | \$ 338,000   |
| Subtotal                |          |    |           | \$ 2,028,000 |
| Engineering             |          |    | 10%       | \$ 202,800   |
| Construction Management |          |    | 8%        | \$ 152,100   |
| Soils Engineering       |          |    | 5%        | \$ 101,400   |
| Total                   |          |    |           | \$ 2,484,300 |
| IRWM Grant              |          |    |           | \$ 1,242,150 |
| CVWD                    |          |    |           | \$ 1,242,150 |

Project Schedule:

The following is a preliminary project schedule to meet the requirements of the grant which is to be under construction by May 25, 2015. The schedule includes preparing a request for proposal to hire a consulting firm to perform a variety of design services, permitting, environment impact report and public outreach. The project schedule below shows that the project could be under construction within the time frame.

However, the EIR, permitting process and public outreach could take longer than projected since it involves other agencies. In addition, a staff member would have to be assigned to this project full-time to manage the project and the current workload of the Engineering Department would have to be adjusted to meet this schedule.

| <b>Preliminary Project Schedule</b>                                        |                   |                 |             |
|----------------------------------------------------------------------------|-------------------|-----------------|-------------|
| <b>Task</b>                                                                | <b>Start Date</b> | <b>End Date</b> | <b>Days</b> |
| RFP - Scope of Work                                                        | 2/4/2014          | 2/18/2014       | 14          |
| <i>Preliminary Design - Irrigation System &amp; Infiltration Galleries</i> |                   |                 |             |
| <i>Geotechnical Study</i>                                                  |                   |                 |             |
| <i>CEQA -EIR Report</i>                                                    |                   |                 |             |
| <i>RWQCB Permit</i>                                                        |                   |                 |             |
| <i>CDPH Approval</i>                                                       |                   |                 |             |
| <i>LA County, Health Department Approval</i>                               |                   |                 |             |
| <i>LA County Approval, Easement, retrofit, User Agreement</i>              |                   |                 |             |
| <i>Public Outreach</i>                                                     |                   |                 |             |
| <i>Final Design &amp; Cost Estimate</i>                                    |                   |                 |             |
| RFP - Proposals Due                                                        | 2/18/2014         | 4/1/2014        | 42          |
| AC - Staff Report                                                          | 4/11/2014         | 4/11/2014       | 10          |
| Award Contract                                                             | 4/15/2014         | 4/15/2014       | 4           |
| Contract/Kickoff meeting                                                   | 4/29/2014         | 4/29/2014       | 14          |
| Preliminary Design/Technical Memo                                          | 4/29/2014         | 6/10/2014       | 42          |
| CEQA - EIR - Start Report                                                  | 6/10/2014         | 12/5/2014       | 178         |
| Staff Report                                                               | 12/5/2014         | 12/5/2014       |             |
| CEQA - EIR - Complete Report/ Review with Board                            | 12/9/2014         | 12/9/2014       |             |
| Notice to Public Comment & Review                                          | 12/12/2014        | 12/12/2014      |             |
| 30 Day Review Period                                                       | 12/13/2014        | 1/12/2015       | 30          |
| Public Hearing - Board Meeting (Approve)                                   | 1/20/2015         | 1/20/2015       |             |
| RWQCB - Start                                                              | 5/5/2014          | 5/5/2014        |             |
| RWQCB - Approval                                                           | 5/5/2014          | 9/2/2014        | 120         |
| LA County Easement - Start                                                 | 6/10/2014         | 6/10/2014       |             |
| LA County Easement - Complete                                              | 6/10/2014         | 11/7/2014       | 150         |
| Final Design - Start                                                       | 6/10/2014         | 6/10/2014       |             |
| Final Design - Complete                                                    | 6/10/2014         | 12/2/2014       | 175         |
| AB - Staff Report                                                          | 12/5/2014         | 12/5/2014       | 4           |
| Advertise for Bid                                                          | 12/9/2014         | 12/9/2014       |             |
| Bid opening                                                                | 12/9/2014         | 1/13/2015       | 35          |
| AC - Staff Report                                                          | 1/16/2015         | 1/16/2015       | 4           |
| Award Contract                                                             | 1/20/2015         | 1/20/2015       |             |
| Sign Contract & Start Shop Drawings submittals                             | 2/2/2015          | 3/19/2015       | 45          |
| Complete Shop Drawings & Order Materials                                   | 3/19/2015         | 3/19/2015       | 60          |
| Start/Mob                                                                  | 5/18/2015         | 5/18/2015       | 7           |
| Start Construction                                                         | 5/25/2015         | 5/25/2015       |             |

**SUMMARY:**

In staff's opinion, the Two-Strike project could be a feasible project if there was sufficient time to complete the project, the availability of personnel to work on the project and adequate funding available for the project. In addition, the regulatory requirements are uncertain and the time frame to complete them could greatly affect the project.

Another issue not discussed fully here is the commodity cost to charge Los Angeles County for the recycled water as compared to the existing irrigation water rate. This would have to be fully analyzed before any decision is made.

Finally, staff and the Board would have to have further discussion regarding CVWD's Recycled Water Program that could include the following goals and objectives:

The goals of CVWD's recycle water program would be to:

1. Meet customer demands for non-potable water at an economic cost.
2. Reduce the amount of imported water purchased from FMWD.
3. Increase the amount of local groundwater available through recharge.

A recycled water system would also have to include the following elements:

1. Source of Recycle Water.
2. Water Quality/Environmental:
  - a. Water quality of the treated water has to meet CDPH and RWQCB water standards.
  - b. Recycled water has to meet the requirements of the Salt & Nutrient Management Plan.
3. Capital costs to install the public infrastructure.
4. Operation & Maintenance costs to maintain the public system.
5. Recycled Water rate that CVWD would have to charge the end user.

It has been shown from past studies that the cost per ac-ft to supply recycled water is higher than delivering potable water. In addition, CVWD is limited in the amount of end-users who will use the recycled water.

Prepared & Submitted by:



David S. Gould, P.E.  
District Engineer

# CRESCENTA VALLEY WATER DISTRICT

## STAFF REPORT

Information Item No. 3

January 10, 2014

**To:** Engineering Committee  
**From:** David S. Gould, P.E. – District Engineer  
**Subject:** Discussion of Glendale Water and Power – Rockhaven Well

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### **INFORMATION ITEM:**

**Glendale Water and Power – Rockhaven Well** – Update on recent discussion with GWP on the Rockhaven Well

### **BACKGROUND**

Glendale Water and Power (GWP) drilled a new groundwater well at the old Rockhaven Sanitarium on Honolulu Avenue near La Crescenta Avenue called the Rockhaven Well. The well construction report showed that the well could produce between 350 gpm to 450 gpm and GWP was planning to use this well to increase water production within the Verdugo Basin. However, the water quality for this well showed high nitrate levels, which is typical of the Verdugo Basin.

For the past 3 years, GWP has been looking into various treatment methods for nitrate removal treatment such as ion exchange, biological removal and blending with imported water from FMWD. However, these methods have been shown to be costly and GWP is looking at other options.

Staff has been meeting with GWP to discuss a solution to utilizing the local groundwater supply at the Rockhaven Well to meet CVWD's & GWP's water needs.

At one of the meetings, CVWD presented a memo on Talking Points about GWP – Rockhaven Well (see attached). GWP indicated that they were in favor of Alternative 3, which was CVWD completing the construction of the well and piping, leasing the land and selling water to CVWD. GWP indicated that Alternative 3 provides a source of revenue to the City and would relieve a potential conflict with the use of the Rockhaven site. The City is planning to make the Rockhaven site a park with a library.

Alternative 3 involves CVWD completing the above ground well facility including pump, electrical system, and piping, and installation of 1,200 LF of pipeline to Sycamore & La Crescenta Avenue. After completion of the infrastructure, CVWD will buy water from GWP at a cost lower than FMWD. In addition, CVWD will reimburse GWP for the cost to drill the well and pay an annual cost to lease the land from Glendale.

At the conclusion of this meeting, it was agreed that a cost analysis study should be done to determine the cost to purchase water from GWP; the reimbursement cost for GWP's drilling of the well, the length of time to pay back GWP and the cost to lease the land. This information will be used to determine if there is a positive cost/benefit to CVWD.

CVWD and GWP agreed to create a scope of work for the study and to get a cost from a consultant that specializes in cost analysis studies. It was also agreed that CVWD and GWP will share in the cost of the consultant.

### **DISCUSSION:**

Staff met with Mr. Grant Hoag from Hoag Consulting, LLC to discuss the scope of work for the cost analysis study. Mr. Hoag provided a proposal dated August 15, 2013 (see attached) for a cost of \$4,545 and GWP will be paying for half the cost of the study.

In November, 2013, Staff met with GWP and Mr. Hoag to review the preliminary cost analysis study and discussed the parameters such as estimated water production from the new well, FMWD variable costs, capital costs, O & M costs, reimbursement cost to GWP, land lease costs and well production costs. These items are discussed further in Mr. Hoag's cost analysis study.

The key element for CVWD was the overall cost savings to District by buying water from GWP and reducing the amount of water purchased from FMWD. The key element for GWP was recovering the stranded cost of the well construction and to receive annual revenue of about \$320,000 from CVWD.

Verdugo Basin Water Rights: It was discussed among the group and the general consensus was the groundwater purchased from the Rockhaven Well by CVWD will be accounted for in GWP's annual report to the Watermaster. This will allow CVWD to pump its adjudicated rights and to lease a portion of GWP's adjudicated rights. It was also agreed that the total amount of water pumped from the basin cannot be more than the safe-yield of 7,150 ac-ft/yr.

### SUMMARY

The final item that needs to be discussed with the Engineering Committee is the Projected rate for Verdugo Basin GW leasing (\$/AF). This amount is important in determining the discount rate of return for 15 years. The current analysis shows the GW rate at \$300/AF, which translates to a 9% rate of return or a savings of \$1.1M over the next 15 years. If the GW rate per AF goes higher, than the rate of return or savings are lower. GWP indicated that they would like to see the rate of return less than 10%.

After reviewing the cost analysis study with the Engineering Committee, staff will present the Rockhaven Well project to the Board of Directors for comments at a future Board Meeting. At the same time, staff will be preparing a preliminary agreement for review by GWP. GWP will also review the cost analysis study with the Glendale Water Commission for their comments. After the final review, the CVWD/GWP Rockhaven agreement will be presented to the CVWD Board of Directors and the City of Glendale City Council for final approval.

A preliminary project schedule will be that CVWD and GWP enter into an agreement by May 2014. Start the design in July 2014 and to be completed by December 2014. Construction would start in March 2014 and to be completed by July 2015, and the Rockhaven Well in operation by September 2015 after approval from the California Department of Health Services.

Prepared & Submitted by:

  
David S. Gould, P.E.  
District Engineer

#### Attachments:

Taking Points about GWP – Rockhaven Well dated 5/30/13  
Financial Review of Rockhaven – Scope of Work  
Financial Review of Rockhaven Study dated 1/7/14

# **Taking Points about GWP – Rockhaven Well**

**Date: May 30, 2013**

## **Alternative 1 – GWP completes Well & Piping & CVWD buys water from GWP**

- GWP installs pump, piping, electrical & misc.
- GWP installs pipeline from Hermosa to Sycamore & La Crescenta – 1,200 LF
- GWP connects to CVWD's Well 8 & Well 14 pipeline
- CVWD treats water at Nitrate Plant
- CVWD buys water from GWP

**Cost of Water:** MWD rate (\$890/ac-ft) – CVWD treat/pump rate (\$450/ac-ft) = \$440/ac-ft

### **Issues:**

1. How does this affect the adjudication?
2. Water Quality – for containments other than Nitrate - Who is responsible for testing? How often? Coordination between agencies?
3. How will the Rockhaven well affect well capacity at CVWD's Well 14?
4. Who pays O & M, well rehabilitation, & electrical costs at Rockhaven well?

Assume Rockhaven Well pumps at 450 gpm = 2 ac-ft/day; annual water production is 730 ac-ft

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## **Alternative 2 – GWP completes Well & Piping, CVWD treats water and there is a water transfer between GWP & CVWD**

- GWP installs pump, piping, electrical, & misc.
- GWP installs pipeline from Hermosa to Sycamore & La Crescenta – 1,200 LF
- GWP connects to CVWD's Well 8 & Well 14 pipeline
- CVWD treats water at Nitrate Plant
- GWP installs interconnection at GWP's New York or Markridge Reservoirs
- Water transfer – ½ water to GWP & ½ water to CVWD
- No cost between agencies – cost to treat water is offset by cost of producing the groundwater

**Cost of Water = \$0;** 1 ac-ft/day to GWP & 1 ac-ft/day to CVWD – 365 ac-ft/ year for each agency

### **Issues:**

1. Is the transfer an equitable exchange, need cost analysis?
  2. Water Quality – Water received from CVWD at GWP's New York or Markridge Reservoirs will be blended GW & FWMD water. Will this create any WQ issues for GWP?
  3. How does this affect the adjudication?
  4. Water Quality – for containments other than Nitrate - Who is responsible for testing? How often? Coordination between agencies?
  5. How will the Rockhaven Well affect well capacity at CVWD's Well 14?
  6. Who pays O & M, well rehabilitation, & electrical costs at Rockhaven well?
-

### **Alternative 3 – CVWD completes Well & Piping & CVWD buys water from GWP**

- CVWD installs pump, piping electrical, & misc.
- CVWD installs pipeline from Hermosa to Sycamore & La Crescenta – 1,200 LF
- CVWD connects to CWVD's Well 8 & Well 14 pipeline
- 
- CVWD treats water at Nitrate Plant
- CVWD pays annual installment for X years to reimburse GWP for cost incurred for the project
- CVWD buys water or leases water rights from GWP
- CVWD leases land from GWP for X years

**Cost of Water:** MWD rate (\$890/ac-ft) – CVWD treat/pump rate (\$450/ac-ft) = \$440/ac-ft

#### **Issues:**

1. How does this affect the adjudication?
2. Water Quality – for containments other than Nitrate –will become CVWD's responsibility?
3. The Rockhaven well affecting the well capacity at CVWD's Well 14 will become CVWD's responsibility.
4. O & M, well rehabilitation, & electrical costs at Rockhaven Well will become CVWD's responsibility>

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### **Alternative 4 – CVWD completes Well & Piping & CVWD transfers water to GWP**

- CVWD installs pump, piping electrical, & misc.
- CVWD installs pipeline from Hermosa to Sycamore & La Crescenta – 1,200 LF
- CVWD connects to CWVD's Well 8 & Well 14 pipeline
- CVWD treats water at Nitrate Plant
- CVWD pays annual installment for X years to reimburse GWP for cost incurred for the project
- CVWD transfers water to GWP in lieu of paying for water
- CVWD leases land from GWP for X years

**Cost of Water = \$0;** 1 ac-ft/day to GWP & 1 ac-ft/day to CVWD – 365 ac-ft/ year for each agency

#### **Issues:**

1. Is the transfer an equitable exchange, need cost analysis?
2. Water Quality – Water received from CVWD at GWP's New York or Markridge Reservoirs will be blended with GW & FWMD water. Will this create any WQ issues for GWP?
3. How does this affect the adjudication?
4. Water Quality – for containments other than Nitrate –will become CVWD's responsibility?
5. The Rockhaven well affecting the well capacity at CVWD's Well 14 will become CVWD's responsibility.
6. O & M, well rehabilitation, & electrical costs at Rockhaven Well will become CVWD's responsibility.

# Financial Review of Rockhaven Well

## Scope of Work

The Crescenta Valley Water District operates a water utility service and a sewer collection system. Water is produced from adjudicated groundwater rights and from supplies purchased from the Main San Gabriel Basin Watermaster, and sewage is conveyed to the City of Los Angeles via Glendale for treatment and disposal. This project (Review) is to review the financial cashflows of a lease agreement for the Rockhaven Well owned by the City of Glendale (GWP). The water produced from the well site, while high in nitrates, may be a resource to the District that has a value greater than the costs of development and production plus the leasing or purchase costs from the City.

### Scope of Work Tasks

The Review scope of work consists of tasks to create a cashflow model from the draft prepared by the District, prepare two alternatives on the model, and document the Review assumptions, findings and conclusions. All costs, estimates, operating and production values and other information required for the Review shall be provided by the District.

#### *Task 1 - Cashflow Projection Base Case*

The District has provided Hoag Consulting with a draft MS Excel-based cashflow model to support the Review effort. We will prepare a 10-year annualized cashflow projection of all sources and uses of funds associated with the District's replacement of current FMWD imported water supplies with groundwater from the Rockhaven Well. The Base Case cashflow analysis will represent the sources and uses of funds for the current delivery of water supplies without the Rockhaven Well. Expenditure elements that are identical in the alternatives to the Base Case are excluded from the model and the Review; these include, for example, District management costs and FMWD fixed costs of water supply services.

#### *Task 2 - CVWD Leases Site & Buys GWP Water*

The alternative to the Base Case is the District's opportunity to lease the Rockhaven Well Site from the City of Glendale, complete the site improvements for groundwater production, construct a 1,200 foot waterline from the site to a denitrification and water blending plant for introduction into the District's water supply, and operating costs of production and treatment. Costs of this alternative also include the purchase costs of adjudicated groundwater owned by the City, leasing of the site and payments to the City for their past investments in the Rockhaven Well. The alternatives cashflow analysis projection period will be the same 10-years as the Base Case, and will be less than the life cycle of the well site or the duration of a long-term lease.

# CVWD/GWP – Rockhaven Well

## Cost Analysis

**Date: November 15, 2013**

1. CVWD/GWP agreed to proceed with a cost analysis of Alternative 3

***Alternative 3 – CVWD completes Well & Piping & CVWD buys water from GWP***

- CVWD installs pump, piping electrical, & misc.
- CVWD installs pipeline from Hermosa to Sycamore & La Crescenta – 1,200 LF
- CVWD connects to CWVD's Well 8 & Well 14 pipeline
- CVWD treats water at Nitrate Plant
- CVWD pays annual installment for X years to reimburse GWP for cost incurred for the project
- CVWD buys water or leases water rights from GWP
- CVWD leases land from GWP for X years

***Cost of Water:*** MWD rate (\$890/ac-ft) – CVWD treat/pump rate (\$450/ac-ft) = \$440/ac-ft

***Issues:***

1. *How does this affect the adjudication?*
2. *Water Quality – for containments other than Nitrate – becomes CVWD's responsibility*
3. *The Rockhaven well affecting well capacity at CVWD's Well 14 becomes CVWD's responsibility.*
4. *O&M, well rehabilitation, & electrical costs at Rockhaven Well become CVWD's responsibility.*

2. CVWD did a Scope of Work and got a proposal from Grant Hoag
3. CVWD awarded a contract to Grant Hoag of Hoag Consulting, LLC
4. Preliminary Cost Analysis – Review
  - a. **GWP Capital Cost – CVWD reimbursement over \_\_\_\_ years**
    - i. Need current amount from GWP for preliminary work, pilot well construction, design and well construction.
    - ii. Need to agree on number of years to payback
    - iii. Need to agree on Amortization rate
  - b. **Annual Lease from GWP for land**
    - i. Need to get a land appraisal to determine lease amount
    - ii. Need to agree on number of years to lease land
  - c. **Groundwater Rights leased GWP for water**
    - i. Cost per ac-ft for water below CVWD's adjudication
    - ii. Cost per ac-ft water above CVWD's adjudication

## MEMORANDUM

January 7, 2014

**Subject: Crescenta Valley Water District  
Financial Review of Rockhaven Well**

**To:** David Gould, District Engineer

**From:** Grant Hoag, P.E.

The purpose of this memo is to document my study of the Crescenta Valley Water District (District) Financial Review of Rockhaven Well water supply (Review). The District contracted with Hoag Consulting, LLC on September 19, 2013 to conduct the Review.

### **1.0 Background**

The Crescenta Valley Water District operates a water utility service to the La Crescenta area. More than 90% of the water delivered by the District is imported by the Foothill Municipal Water District (FMWD), and the remainder is groundwater produced from the adjudicated San Gabriel Basin.

This Review examines the financial feasibility of replacing an estimated 484 acre-feet per year (AFY) of imported FMWD water with lower cost local groundwater from the Rockhaven well site. To replace the imported water supply, the District must make a capital investment in Rockhaven well production facilities, build water delivery pipelines, sustain operating and maintenance (O&M) costs for producing and treating the groundwater, pay well site leasing costs for the use of land owned by the City of Glendale Department of Water and Power (GWP), reimburse GWP for their past expenditures in the Rockhaven well site, and lease the adjudicated groundwater production rights from the GWP. The Review methodology, assumptions, and findings are documented in this technical memo.

### **2.0 Analysis Methodology**

The analysis methodology used in this Review is based on a comparison of a 15-year annualized cashflows of importing 484 AFY of water from FMWD (the Base Case) versus the alternative of construction and operation of the Rockhaven well (Alternative) in order to produce the same amount of groundwater. If the costs of delivering the water to the District system from the Rockhaven well are lower than importing it from FMWD, then the Rockhaven well is financially feasible; otherwise, it is not. This analysis does not consider the qualitative value of an improved diversification of water sources of supply to the District, nor does it quantify the financial feasibility of the Rockhaven well if it delivers less than the projected 484 AFY.

### *Task 3 - Technical Memo*

The Review assumptions, findings, and conclusions, and all calculation tables and appendices, will be documented in a single technical memo. The documentation will include a comparison of the different cashflows of the Base Case and alternative for the projection period, and a sensitivity analysis of varying the key cost assumptions. The documentation will be provided to the District digitally in PDF with the Excel-based calculation model.

### *Participation at Staff Meeting*

Hoag Consulting will meet with staff once to discuss the Review elements.

## Schedule

Hoag Consulting is ready to proceed with this Review immediately. The Review will be completed within six weeks of an executed contract, notice to proceed and delivery of key data and information.

## Budget

All services on of this Review will be completed by Mr. Hoag. The scope of work for the Review has been estimated at 28 hours, as detailed below. Based on an hourly rate of \$160, the estimated budget for this Review is \$4,545. Charges will be invoiced monthly based on tasks completed.

### **Review Budget**

| Description                                              | Hours | Budget     |
|----------------------------------------------------------|-------|------------|
| Hourly Rate for Grant Hoag, P.E                          |       | \$160      |
| <b>Study Tasks</b>                                       |       |            |
| Task 1 -- Cash flow Projection Base Case                 | 12    | \$1,920    |
| Task 2 -- CVWD Leases Site & Buys GWP Water              | 4     | \$640      |
| Task 3 - Technical Memo                                  | 8     | \$1,280    |
| Participation at Staff Meeting (1 meeting)               | 4     | \$640      |
| Travel Cost: 55 miles (one way) @ \$0.565/mi per meeting |       | \$65       |
| Total Review                                             | 28    | \$4,545    |
| CVWD Cost                                                |       | \$2,272.50 |
| GWP Cost                                                 |       | \$2,272.50 |

Note that the analysis includes only the costs that would differ between the Base Case and the Alternative Case. District costs that are unaffected by either option, including water distribution, supply costs other than the 484 AFY, District administration and management, etc. are not included in the Analysis. In addition, the analysis is only for the 484 AFY of water that is projected to be produced from the Rockhaven well, as shown in Table 1. This volume would replace approximately one-third of the FMWD imported supplies currently received by the District. The Review also provides a net present value analysis (NPV) of the annualized cashflows, and the annual payments by the District to GWP.

### **3.0 Base Case**

The District's current most costly water source of supply is FMWD Tier 1 imported water; at approximately 1,500 AFY of purchases, it is less than 10% of the District's total water supply. The Base Case cashflow analysis is shown in Table 1, where the CY 2014 unit rate for FMWD Tier 1 water is \$992 per AF including power costs for the deliveries. At the projected Rockhaven Well projection level of 484 AFY, the District's 2015 cost of FMWD Tier 1 water is approximately \$527,000 per year. A 15 year projection of these costs is \$10.8 million. In order for the Rockhaven Well to be financially feasible, its projected costs, including one-time site improvement costs and annual payments to GWP, must be less than the FMWD supply costs.

### **4.0 Alternative Case: CVWD Improves Rockhaven Wellsite and Produces GWP Groundwater**

The alternative to the Base Case is the District's opportunity to improve the Rockhaven Wellsite, and operate the well to produce groundwater for blending with the District's other sources of supply.

The Alternative Case is evaluated over the same 15 year cashflow analysis period as the Base Case. Note that while 15 years is an appropriate duration for a reimbursement to GWP of their sunk costs from their past investments in the Rockhaven Well, due to the effect of discounting the value of future costs, a \$1 cost in year 15 has only a small portion of that value today.

Table 2 provides an estimate of the District's \$845,000 one-time capital investment to complete the site improvements for groundwater production and construct a 1,200 foot raw water transmission line. The table also provides the calculation of the fixed O&M labor and materials costs at the wellsite of over \$36,000 per year. Not included in this Review is an estimate of the periodic costs of major maintenance on the wellsite equipment.

Table 3 identifies all the District's costs of producing water from the Rockhaven Wellsite. These costs are:

1. The District's well site improvements and pipeline connection, as shown in Table 2;

2. The District's O&M costs of the Rockhaven Well, including the fixed labor and materials costs shown in Table 2;
3. The District's O&M costs of water production including power and treatment for production;
4. Reimbursements over 15 years to GWP of their sunk costs from their 2011 \$1.1 million in investments in the Rockhaven well site;
5. Lease costs the Rockhaven Well Site from GWD at \$60,000 per year; and
6. Leasing of GWP adjudicated groundwater rights at an estimated \$300 per AF.

The District's estimates of projected O&M and capital costs, the estimates of inflationary escalations, and the reimbursements to GWP of their sunk costs in 2011 for preparing the well site can be projected with some reliability. However, the District's payments to FMWD for imported water supplies, and District payments to GWP for leasing of the wellsite and leasing of GWP groundwater rights are negotiable. While the negotiations are beyond the scope of this review of project financial feasibility, it is possible to use the analysis to identify GWP leasing costs for the wellsite and for the water rights that result in an acceptable rate of return on the District's one-time capital investment in the Rockhaven Well, from the potential reduction in future water supply costs from the replacement of 484 AFY of imported water from FMWD with local groundwater from the San Gabriel Basin.

## 5.0 Findings

As shown at the bottom of Tables 1 and 3, 15 years of 484 AFY of FMWD imported water is projected to cost the District \$10.8 million, while 15 years of 484 AFY of Rockhaven well groundwater is projected to cost \$9.7 million. Subtracting the annualized District costs of the groundwater supplies from the annualize cost of FMWD water demonstrates that the District would make a Year 1 capital expenditure of \$845,000 for wellsite improvements, followed by 14 years of savings in water supply costs. The annual water supply savings range from \$25,000 in Year 2 to \$261,000 in Year 15.

Using financial calculations, the District's initial investment of \$845,000 plus 14 years of varying net savings on water supply costs yields a discounted rate of return of 9.0%. This rate of return is not guaranteed, and may be lower if the production level of the Rockhaven well is lower or the leasing rates of GWP assets are higher.

GWP is projected to receive \$4.8 million from the District over the 15 year projection period for the use of its wellsite property and leasing of 484 AFY of its groundwater rights. These payments also include a reimbursement of \$1.1 million in Year 2011 capital expenditures on the Rockhaven Well.

## MEMORANDUM

January 13, 2014

**Subject: Crescenta Valley Water District  
Financial Review of Rockhaven Well**

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**From:** Grant Hoag, P.E.

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Note that the analysis includes only the costs that would differ between the Base Case and the Alternative Case. District costs that are unaffected by either option, including water distribution, supply costs other than the 484 AFY, District administration and management, etc. are not included in the Analysis. In addition, the analysis is only for the 484 AFY of water that is projected to be produced from the Rockhaven well, as shown in Table 1. This volume would replace approximately one-third of the FMWD imported supplies currently received by the District. The Review also provides a net present value analysis (NPV) of the annualized cashflows, and the annual payments by the District to GWP.

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**Table 1**  
**Existing CWD Water Supply Costs**

[illegible]

Table 2  
Rockhaven Well Future Construction Costs

| Description                                    | Cost                    |
|------------------------------------------------|-------------------------|
| <b>Rockhaven Well Project Capitalized Cost</b> |                         |
| Transmission Pipe to Blending Plant (a)        | \$240,000               |
| Well Equipment                                 |                         |
| Pump & Motor                                   | \$90,000                |
| Electrical                                     | \$90,000                |
| Piping                                         | \$40,000                |
| SCADA/Telemetry                                | \$44,000                |
| Building/Misc                                  | \$35,000                |
| Site work                                      | \$25,000                |
| Subtotal                                       | <u>\$564,000</u>        |
| <b>Construction Cost Multipliers</b>           |                         |
| Contingency                                    | 20% \$112,800           |
| Engineering & Permitting                       | 15% \$84,600            |
| Soils Engineering                              | 1% \$5,640              |
| Construction Mgmt                              | 10% \$56,400            |
| CVWD Labor, Eqpt, Mtls                         | \$21,560                |
| <b>Grand Total Capital Cost (2014)</b>         | <b><u>\$845,000</u></b> |
| <b>Rockhaven Well Site Costs (2013)</b>        |                         |
| Local Wellsite Labor                           |                         |
| Weekly                                         | 10                      |
| Annual                                         | 520                     |
| Burdened Labor Rate (\$/hour)                  | \$60                    |
| Annual Labor Cost                              | <u>\$31,200</u>         |
| Materials Cost at Wellsite (\$/year)           | <u>\$5,000</u>          |
| <b>Total Annual Labor &amp; Materials</b>      | <b><u>\$36,200</u></b>  |

a. The transmission line is 1,200 ft. at \$200/lf.



# CRESCENTA VALLEY WATER DISTRICT

2700 FOOTHILL BOULEVARD  
LA CRESCENTA, CALIFORNIA

Minutes for the  
Meeting of the Policy Committee  
of the Crescenta Valley Water District  
held on Tuesday, January 14<sup>th</sup> 2014 at 10:00 a.m.

DATE: January 15, 2014  
TO: Policy Committee Meeting File  
FROM: Christy Scott, Program Specialist  
SUBJECT: CVWD Policy Committee Meeting

Following is a summary of the Policy Committee Meeting held at 10:00 am on January 14, 2014 at the CVWD main office, and was attended by the following:

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|                                             |      |
|---------------------------------------------|------|
| Director Kathy Ross - Committee Chairperson | CVWD |
| Director Judy Tejada - Committee Member     | CVWD |
| Dennis Erdman – General Manager             | CVWD |
| Ron Mitchell – Secretary -Treasurer         | CVWD |
| Christy Scott – Program Specialist          | CVWD |

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For this meeting, the committee members were provided with the detailed package from the February 2013 Policy Committee meeting that addressed a change to rate structure for large lots.

**1. Consideration of change to rate structure for large lots – Requested by the Board of Directors for the Policy Committee to meet and examine the existing water rate structure relative to large lots.**

Staff reviewed the materials that were provided to the Policy Committee in early 2013. Discussion followed as to the definition of a “large lot”, equity of rates, tiered versus flat rates, and variances for special conditions (i.e. hillside and fire protection). It was also noted, that since the implementation of tiered rates, there have been only three such requests for variances for either a large lot or for hillside lots with fire hazard issues.

It was concluded that staff would work in addressing and defining the issues listed above and develop a program based on a water budget that could be applied as a variance to the existing rate structure by modifying the units allowed in the tiers. This will be brought back to the full Board at a later date.

There was also a discussion regarding Mr. Solymar’s high water bill. Staff recommended rebilling all water usage in tier 4 at the tier three rate. This item will come to the Board at the January 21<sup>st</sup> meeting.

Adjourned: 11:35 a.m.