

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 Tuesday, March 28, 2023, at 7:00 p.m.**

Posted: Friday, March 24, 2023 at 4:30 p.m.

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

(669) 900-6833

(346) 248-7799

(929) 205-6099

(253) 215-8782

(301) 715-8592

(312) 626-6799

Then, enter Access Code: 890 6953 1051

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

<https://us02web.zoom.us/j/89069531051>

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

Public comment may be made either by emailing comments ahead of the meeting or by speaking over the phone. Emailed comments will be sent to the Board of Directors prior to the meeting and posted on the District's website. Comments may be sent to Christy Colby, Regulatory and Public Affairs Manager, at (818) 248-3925 or customerservice@cvwd.com by 3pm on March 28, 2023.

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

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

Call to Order and Determination of Quorum

Pledge of Allegiance

Adoption of Agenda

Public Comments

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

Foothill Municipal Water District Report

1. Report on activities at Foothill Municipal Water District.

Consent Calendar

1. Consideration and approval of the Minutes of the Regular Board Meeting on March 14, 2023.
2. Ratification of Disbursements for February 2023.

Action Calendar

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

1. **Acceptance of Audited Financial Statements for Fiscal Year 2021-22** – Consideration and motion to accept the audited financial statements for Fiscal Year 2021-22.
2. **Conservation Alert** – Discussion and possible action regarding the current Water Conservation Alert status.
3. **Revenue Requirements for Infrastructure Funding on the Property Tax Roll** – Discussion and possible action regarding revenue requirements for infrastructure funding on the property tax roll.
4. **Policies & Procedures for Commercial Facilities Located on District Properties (Cellular Site Leases)** – Consideration and possible motion to approve the amended “Policies & Procedures” for cell tower lease revenues based on Board input.

Information Items

Written Communications to District/Board of Directors

General Manager’s Report

Attorney Report

Reports of Committees

- Engineering Committee
- Finance Committee
- Employee Relations Committee
- Policy Committee
- Community Relations/Water Conservation Committee

- Emergency Planning Committee
- Technology Committee

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

Board Members' Request for Future Agenda Items

Closed Session - None

Adjournment

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CRESCENTA VALLEY WATER DISTRICT REGULAR MEETING, BOARD OF DIRECTORS March 14, 2023

Pursuant to the order of the Board of Directors of the Crescenta Valley Water District made at the Adjourned Regular Meeting on February 28, 2023, a Regular Meeting was held on March 14, 2023, at 7:00 p.m. at the District office at 2700 Foothill Blvd., La Crescenta, California and through audio and video conference. A call-in number was clearly noted on the meeting Agenda, posted in accordance with the Brown Act, with President Sharon Raghavachary presiding.

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

Directors:

**James D. Bodnar
Kerry D. Erickson
Jeffery W. Johnson
Sharon S. Raghavachary
Judy L. Tejeda (absent)**

Attorney:

Thomas Bunn

General Manager:

Nem Ochoa (absent)

Director of Finance & Administration:

James Lee

**Interim Director of Engineering
and Operations:**

Brook Yared

Staff Members:

**Arturo Montes, Finance & Administration Manager
Christy Colby, Regulatory & Public Affairs Manager
Kellen Boyce, System Operations Manager
Darlene Telles, Operations & Maintenance Manager
Jake Whittaker, Construction Supervisor
Tessa Allmon, Customer Service Lead
Pam Leddy, Administrative Assistant**

Guests:

**Frank Colcord, FMWD Director
Tony Ingegneri, ATS
Peter Roses**

PLEDGE OF ALLEGIANCE

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

ADOPTION OF AGENDA

It was moved by Director Erickson, seconded by Director Bodnar, and carried by a 4-0 vote that the Agenda for the Regular Meeting of March 14, 2023, be adopted as presented.

PUBLIC COMMENTS – None

FOOTHILL MUNICIPAL WATER DISTRICT REPORT – No report

CONSENT CALENDAR

It was moved by Director Bodnar, seconded by Director Erickson and carried by a 4-0 vote to approve the Minutes of the Adjourned Regular Board Meeting held on February 28, 2023.

PUBLIC COMMENTS – None

ACTION CALENDAR

Policies & Procedures for Commercial Facilities Located on District Properties (Cellular Site Leases)

Mr. Lee presented the amended Policies and Procedures for Communication Facilities Licenses located on Crescenta Valley Water District properties for reference, including highlighted changes from the March 14, 2023 Board meeting. The final version will be brought back before the Board at the March 28, 2023 Board meeting after making suggested revisions and reviewing the agreement between ATS Communications and CVWD.

PUBLIC COMMENTS – None

INFORMATION ITEMS – CV Weekly “More Rain, Less Drought” dated March 9, 2023.

WRITTEN COMMUNICATIONS TO DISTRICT – Letter from Mr. Peter Roses considering a modified methodology for calculating the winter water usage applicable to wastewater usage charges.

GENERAL MANAGER – Mr. Lee provided information regarding water supply availability through Metropolitan Water District and the initiation of an effort to develop an “Integrated Resources Plan” designed to inform future decisions regarding sources of water supply and the demands on those supplies. Mr. Yared said that 78.5 MG of water was produced during the month of February 2023, representing a 62%/38% split. Mr. Yared stated that the rainfall for the month was 9.51” and shared highlights of the capital improvement projects, grant programs, AMI Customer Engagement Portal, SCADA System, and developer projects. Ms. Telles and Mr. Yared provided an update on how staff was mobilized to contain and repair the main break on Ocean View.

ATTORNEY REPORT – Mr. Bunn shared information on a case involving the California Environmental Quality Act (CEQA) and the Brown Act.

REPORTS OF COMMITTEES

Engineering Committee – Director Erickson reported that the Committee had met on March 1, 2023. A meeting will be scheduled during the month of April 2023.

Finance Committee – Director Raghavachary reported that the Committee had not met; however, a meeting is scheduled for March 15, 2023.

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

Policy Committee – Director Raghavachary reported that the Committee had not met; however, a meeting is scheduled on March 22, 2023.

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

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

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

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

DIRECTORS' ORAL REPORTS

Director Bodnar – No report.

Director Erickson – Attended a tour of Melody Ranch in Newhall hosted by the CV Historical Society.

Director Johnson – No report.

Director Raghavachary – Reported the low water levels of the Colorado River during a recent visit to Laughlin, Nevada.

Director Tejeda – Absent.

BOARD MEMBERS REQUESTS FOR FUTURE AGENDA ITEMS – Director Bodnar requested information on the possibility of changing the current Conservation Alert status.

CLOSED SESSION – None

ADJOURNMENT

There being no other business to come before the Board, at 8:41 p.m., the meeting was adjourned to March 28, 2023, at 7:00 p.m.

Sharon S. Raghavachary
President

James Lee
Director of Finance & Administration

CASH DISBURSEMENTS LIST

FEBRUARY 2023



<u>Check#</u>	<u>Check Date</u>	<u>Payable To</u>	<u>Description</u>	<u>Water Amount</u>	<u>Wastewater Amount</u>
0		Los Angeles County Public Works	Excavation permits - February 2023	3,115.00	
0	02/24/2023	U.S. Bank	Bond payment - February 2023	177,787.00	
0	10/28/8065	SCE	Power purchased- January 2023	18,814.10	938.23
0	02/02/2023	Valley Power	Unit #3 - vactor trailer motor rebuild/pistons (replaces voided check #45434)		2,255.98
0	02/06/2023	Colonial Life	Employee paid insurance - Nov/Dec 2022, Jan 2023	535.83	
0	02/07/2023	PatChem	Water sampling- January 2023	1,925.00	
0	02/15/2023	Aflac	Employee paid insurance - December 2022/January 2023	1,627.24	
0	02/16/2023	Waterworth	Annual Software Subscription & Service Package	5,250.00	1,750.00
0	02/24/2023	Shell Gas	Gas purchased - January 2023	2,701.87	900.62
45474	02/02/2023	Doris Shi	2743 Los Olivos - payment for claim #2023-01	506.25	168.75
45475	02/02/2023	Wells Fargo Card Services	Montes - Employee recognition, 1099 forms, misc. shipping	375.05	137.69
45476	02/02/2023	Wells Fargo Card Services	Colby - CV Weekly Ad, Constant Contact email plus, employee retirement event	1,483.92	296.15
45477			*This check was voided		
45478	02/02/2023	Wells Fargo Card Services	Telles - Smog Inspections, tool box for vactor trailer, disseccant, fire retardant uniform	929.84	137.11
45479	02/02/2023	Wells Fargo Card Services	Lee - Monthly zoom teleconferencing, Covid Tests	369.23	357.65
45480	02/02/2023	Wells Fargo Card Services	Boyce - Employee recognition, misc. office supplies	555.48	206.36
45481	02/02/2023	Wells Fargo Card Services	Ochoa -Stock photo graphics, working lunches, employee development	820.76	436.42
45482	02/02/2023	Wells Fargo Card Services	Leddy - employee retirement event, Board room supplies	17.25	8.89
45483	02/02/2023	Wells Fargo Card Services	Whittaker - Misc. truck equipment	29.73	14.64
45484	02/02/2023	Steve Kang	Claim #2023-02 payment - Steve Kang	430.66	143.55
45485	02/02/2023	Bridgemore Consulting, Inc.	Consulting services for employee training/development - November 2022	1,826.00	374.00
45486	02/02/2023	Aaron Claypool	Refund check - 3312 Alabama	43.82	
45487	02/02/2023	Rebekah Clendening	Refund check - 4423 Maryland	30.01	
45488	02/08/2023	ADS, LLC	Flow Monitoring & Disposal Alternative Study for WW Master Plan	10,803.32	
45489	02/08/2023	Airgas USA, LLC	Safety vest & raingear - January 2023	252.10	
45490	02/08/2023	Apex Manufacturing Solutions	SCADA Support services - Jan/Feb/March 2023	12,075.00	4,025.00
45491	02/08/2023	Applied Technology Group, Inc.	E-939 - SCADA equipment	30.00	
45492	02/08/2023	Aquatic Informatics, Inc.	Water Information Management System - contract services	20,700.00	
45493	02/08/2023	Athens Services	Glenwood - Waste collection - January 2023	254.93	80.50
45494	02/08/2023	Regino Avalos	Landscape services @ 7 sites - January 2023	959.03	195.97
45495	02/08/2023	B.L. Wallace Distributor, Inc.	E-1046 - AMI meter lids & boxes (36 ea.)	5,952.42	
45496	02/08/2023	Brown and Caldwell	E-1052 - Consulting services - January 2023	7,984.62	

45497	02/08/2023	BSK Associates	Water Sampling - January 2023	6,850.00	
45498	02/08/2023	California Water Environment	DuRose - Annual CWEA membership renewal	202.00	
45499	02/08/2023	Cannon	E-1034 - Design services - November 2022	29,694.99	
45500	02/08/2023	CCS Interactive, Inc.	Monthly website hosting & analytics report- February 2023	127.50	42.50
45501	02/08/2023	City of Glendale	Rockhaven lease & water purchased - January 2023	10,302.62	
45502	02/08/2023	City of Glendale Water & Power	Purchased Power - January 2023	28,979.25	
45503	02/08/2023	Clark Pest Control, Inc.	Pest control at 5 sites - January 2023	6.93	2.07
45504	02/08/2023	Consolidated Electrical Distributors, Inc.	E-939 - SCADA equipment	1,429.31	
45505	02/08/2023	Raymond Dodge	E-939 - reimbursement	185.70	
45506	02/08/2023	Dunn-Edwards Corporation	Mills - painting supplies	67.12	
45507	02/08/2023	Grainger	Misc. supplies (water hose assembly credit) - January 2023	137.96	-22.10
45508	02/08/2023	Great America Leasing Corp.	Kyocera copier leases - March 2023	1,418.64	1,363.00
45509	02/08/2023	Gsolutionz Professional Services	Voice communication - March 2023	189.53	148.92
45510	02/08/2023	Hercules Industries, Inc.	Meter locks & keys (36 ea.)	456.52	
45511	02/08/2023	Highroad Information Technology	Maintenance, Support and Software - February 2023	12,830.25	4,276.75
45512	02/08/2023	InfoSend, Inc.	Printing and postage for billing - January 2023	1,282.78	1,335.13
45513	02/08/2023	Jay & J Janitorial Services	Janitorial services - February 2023	494.00	156.00
45514	02/08/2023	John Robinson Consulting, Inc.	E-1051 - Consulting services - January 2023	3,000.00	
45515	02/08/2023	Kennedy Jenks	M-1037 - Consulting services - December 2022	922.50	
45516	02/08/2023	Lawn & Construction Equipment Depot	Misc. supplies - February 2023	66.14	22.05
45517	02/08/2023	One Ring Networks, Inc.	Wireless communication - February 2023	1,012.50	337.50
45518	02/08/2023	O'Reilly Auto Parts	Unit #3 - Hi-power belt	7.76	2.59
45519	02/08/2023	Paper Cuts, Inc.	Paper shredding - February 2023	33.15	30.60
45520	02/08/2023	Plumbers Depot, Inc.	Unit #53 - tigertail & nozzle extender		609.99
45521	02/08/2023	Prohealth Glendale Medical Group	Covid testing - January 2023	112.50	37.50
45522	02/08/2023	Public Water Agencies Group	Emergency Preparedness services - February 2023	481.88	481.87
45523	02/08/2023	Robert Brkich Const. Corp.	E-1034 - Monthly progress payment - December 2022	52,826.17	
45524	02/08/2023	SoCal Gas	Glenwood - Purchased gas - January 2023	796.31	265.43
45525	02/08/2023	Spectrum Business	Glenwood - voice communication - February 2023	116.90	41.07
45526	02/08/2023	Spectrum Business	Mills - voice communication - February 2023	110.99	38.99
45527	02/08/2023	Spectrum Business	Lowell - voice communication - February 2023	88.79	31.19
45528	02/08/2023	State Water Resources Control Board	Kopelman - T2 Certification renewal	60.00	
45529	02/08/2023	State Water Resources Control Board	Wood - T1 Certification renewal	55.00	
45530	02/08/2023	Teichert Pipeline	Flooding meter charges - November/December 2022	890.00	
45531	02/08/2023	Underground Service Alert	Underground notifications - January 2023	215.17	101.25
45532	02/08/2023	Water Resources Economics	Consulting services - Drought rate analysis - January 2023	2,169.69	1,068.65
45533	02/08/2023	Western Water Works	E-1046 - 10 gate valves, stock - meter boxes & lids	35,660.98	
45534	02/08/2023	ADS, LLC	Sewer Flow Monitoring and Wastewater Sampling - December 2022		1,130.00
45535	02/21/2023	Creative Concepts Landscape Mgmt., Inc.	Courtyard transitional landscape design	2,555.00	945.00
45536	02/21/2023	Cypress Ancillary Benefits	Group dental - January 2023	6,244.93	2,360.93
45537	02/22/2023	Department of Consumer Affairs	Yared - PE Renewal 2023	180.00	
45538	02/22/2023	SWRCB Accounting Office	Yared - T2 renewal		60.00

45539	02/22/2023	Vulcan Materials Company	Crushed mixed base - January 2023	860.00	
45540	02/23/2023	Abe's Lock and Key	S-962 - Lift Station locks & keys		371.30
45541	02/23/2023	ACC Ramco	Mixed bobtail Truck/Equipment - February 2023	2,802.66	
45542	02/23/2023	ACWA/JPIA	Insurance coverage - January/February 2023	86,147.25	49,733.46
45543	02/23/2023	ADS, LLC	Sewer Flow Monitoring and Wastewater Sampling - January 2023		1,130.00
45544	02/23/2023	Advanced Centrifugal Systems, Inc.	E-1054 - Foothill PRV welding/fabrication	2,431.25	
45545	02/23/2023	Affordable Generator Services, Inc.	Preventative maintenance - major services for six (6) generators	7,889.96	
45546	02/23/2023	Airgas USA, LLC	Well #2 - carbon dioxide rental tank - January 2023	34.09	32.76
45547	02/23/2023	Apex Manufacturing Solutions	E-939 - SCADA Support services - February 2023	19,698.44	
45548	02/23/2023	ARC	Monthly MPS billing - January 2023	102.04	34.01
45549	02/23/2023	ATT Mobility	Voice communication - February 2023	1,401.12	467.04
45550	02/23/2023	ATT Landlines	Voice communication - February 2023	1,051.87	350.62
45551	02/23/2023	Athens Services	Glenwood - Waste collection - February 2023	254.93	80.50
45552	02/23/2023	AVEVA	Annual software support agreement renewal	1,177.00	
45553	02/23/2023	Best Best & Krieger	Legal services - January 2023	645.15	215.05
45554	02/23/2023	Boot Barn, Inc.	Ortega - safety work boots	157.43	64.30
45555	02/23/2023	Cannon	S-962 - Inspection services, E-1046 - Design services - January/February 2023	28,700.89	6,511.39
45556	02/23/2023	Clark Pest Control, Inc.	Pest control at 5 sites - February 2023	389.18	64.82
45557	02/23/2023	Consolidated Electrical Distributors, Inc.	E-939 - SCADA equipment	1,255.34	
45558	02/23/2023	Creative Concepts Landscape Mgmt., Inc.	Landscape maintenance - February 2023	474.50	175.50
45559	02/23/2023	Delta Tech Corp.	Weld equipment - replace carburetor & filter	2,273.84	
45560	02/23/2023	Foothill Municipal Water	Water delivery - January 2023	189,790.53	
45561	02/23/2023	General Pump Company, Inc.	C-1059 - Encinal Booster B Inspection	1,744.20	
45562	02/23/2023	Golden Bell Products, Inc	Lift Station degreaser - February 2023		639.45
45563	02/23/2023	Governmentjobs.com, Inc.	Job postings	600.00	
45564	02/23/2023	Grace Environmental Services	Well #2 monitoring assistance - January 2023	4,016.55	
45565	02/23/2023	Grainger	Misc. supplies - February 2023	671.28	187.41
45566	02/23/2023	Harper & Associates Eng., Inc.	E-1053 - Consulting services - January 2023	3,600.00	
45567	02/23/2023	Highroad Information Technology	System upgrade - February 2023	275.25	91.75
45568	02/23/2023	Pete Hilke	Reimbursement - LA County Public Works	87.08	
45569	02/23/2023	Itron, Inc.	Annual software maintenance renewal	1,751.81	583.94
45570	02/23/2023	LA Dept Water and Power	Purchased power - January 2023	41.83	
45571	02/23/2023	Lagerlof, LLP	Legal Services - January 2023	15,093.66	3,313.24
45572	02/23/2023	Lincoln Financial Group	Life & Disability insurance - February 2023	950.14	500.36
45573	02/23/2023	O'Reilly Auto Parts	Unit #2 - Boot clamp	32.10	10.70
45574	02/23/2023	Quadient Finance USA, Inc.	Purchased postage - February 2023	350.00	350.00
45575	02/23/2023	Quadient Leasing USA, Inc.	Postage machine lease - February 2023	215.54	207.09
45576	02/23/2023	Red Wing Business Advantage	Hernandez - Safety work boots	200.77	82.00
45577	02/23/2023	Jonathan Russo	Tuition reimbursement - January 2023	100.48	33.49
45578	02/23/2023	Sawyer Petroleum	Diesel fuel purchased - January 2023	1,358.69	
45579	02/23/2023	Southwest Hydrotech	E-1054 - valve Start Up, Wells #10 & #12 - rebuild valves	1,232.55	
45580	02/23/2023	Spectrum Business	Office - voice communication - February 2023	302.23	106.19

45581	02/23/2023	Spectrum Business	Office - wireless communication - February 2023	1,048.50	349.50
45582	02/23/2023	Sully-Miller Contracting Co.	Cold mix for temporary repairs - January 2023	1,565.61	
45583	02/23/2023	Ultra Welding, Inc.	2736 Mountain Pine - Fire hydrant lateral welding services	910.00	
45584	02/23/2023	Univar Solutions USA, Inc.	Sodium Hypochloride - Glenwood (580 gals.)	4,789.74	
45585	02/23/2023	Utility Cost Management, LLC	Professional services for SCE Bills - October 2022 - January 2023	2,683.46	549.62
45586	02/23/2023	Vision Service Plan	Group vision - February 2023	303.45	142.80
45587	02/23/2023	Western Water Works	Stock - 4" & 6" gate valves - February 2023	4,712.23	
45588	02/23/2023	Wil-Power Battery & DC Special	Eagle Canyon, Ed II, Shields - replacement batteries	549.05	

Subtotals	\$ 877,170.59	93,672.68
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Total Disbursements for February 2023		970,843.27
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Payroll Report

Directors	1,875.00
Office Regular Payroll	137,392.00
Office OT	2,362.00
Plant Regular Payroll	116,138.00
Plant OT & Standby	13,363.00
Employer Payroll Taxes	20,487.00
Payroll Service Charges	442.00

Total Payroll for February 2023	292,059.00
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CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 1
March 28, 2023

To: Honorable President and Members of the Board of Directors
From: James Lee – Director of Finance and Administration
Subject: Acceptance of Audited Financial Statements

ACTION ITEM:

Consideration and motion to accept the Audited Financial Statements for Fiscal Year 2021-22.

BACKGROUND:

The use of an independent audit firm to review the District's financial statements is required and is also a key factor in the District's commitment to transparency and accountability. Audited financial statements ensure that the District's financial position is accurately stated and that the District's internal controls are working appropriately. Additionally, they are required for disclosure to the District's creditors. The Board has hired Clifton Larson Allen (CLA) as the District's auditors. Although staff provides the auditors with the information they need, CLA reports to and takes direction from the Board of Directors.

The highest opinion an auditor can confer is that the financial statements present fairly, in all material aspects, the financial position of the District. CLA will share this opinion with the Board, in addition to the process used to perform the audit.

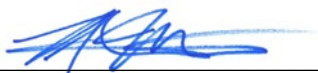
Fiscal responsibility and efficient use of public funds is of utmost importance to the Board and staff. The constantly changing environment requires staff to adapt and modify its practices in order to continue efficient use of and safeguarding of public funds. Staff's goal is to provide accurate information in a timely manner to the Board and community. In addition to an annual audit, staff has recently scheduled an annual review with the Board regarding processes to prevent and detect fraud.

Staff has provided a copy of the final draft of the report for review and approval. CLA will provide a short presentation and will be available as a resource related to the statements.

RECOMMENDATION

Staff recommends that the Board accept the Audited Financial Statements for Fiscal Year 2021-22.

Prepared by:



Arturo Montes
Finance & Administration Manager

Submitted by:



James Lee
Director of Finance & Administration

Attachment(s):

1. Communication Letter
2. FY 2021-22 Audited Financial Statement

Board of Directors
Crescenta Valley Water District
La Crescenta, California

We have audited the financial statements of Crescenta Valley Water District (the District) as of and for the year ended June 30, 2022, and have issued our report thereon dated March 21, 2023. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit in our audit engagement agreement dated July 18, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Crescenta Valley Water District are described in Note 1 to the financial statements.

The entity changed accounting policies related to leases by adopting Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases* in 2022. There was no material impact on the District's net position or changes in net position as a result of the adoption of this accounting standard. The standard requires restatement of the comparative period presented and management determined that would not be done as the impact to the comparative amounts presented was not material.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

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

- Management's estimate of the useful lives of its capital assets and the related period of depreciation which is based on historic knowledge of the assets and the frequency with which capital assets must be replaced;
- Management's estimate of the fair value of investments based upon relevant information about similar investments held in managed portfolios and used to determine the probable market value of the investments;
- Management's estimate of pension liabilities and postemployment benefits based upon actuarial assumptions; and

- Management's estimate of unbilled revenues which is based on the revenue cycle of the water system and expected usage of water, and the revenue cycle of the wastewater system, using historic information.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has determined that the effects of the uncorrected misstatement is immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The following summarizes the uncorrected misstatement of the financial statements:

- Evaluation of the implementation of GASB 87 resulted in the calculation of a right of use asset for the Rockhaven land lease and Great American equipment lease of \$218,472 and an offsetting lease liability of \$211,364. The change to net position would have been \$7,108.

Uncorrected misstatements or the matters underlying uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if management has concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

Corrected misstatements

Management did not identify and we did not notify them of any financial statement misstatements detected as a result of audit procedures.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated March 21, 2023.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application

of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Required supplementary information

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Supplementary information in relation to the financial statements as a whole

With respect to the combining schedule of net position, combining schedule of revenues, expenses and changes in net position and the detailed schedules of revenues, expenses and changes in net position for the water and wastewater operations (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated March 21, 2023.

The introductory section, which is the responsibility of management, is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we did not express an opinion or provide any assurance on it.

* * *

This communication is intended solely for the information and use of the board of directors and management of Crescenta Valley Water District and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

Glendora, California
March 21, 2023

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 2
March 28, 2023

To: Honorable President and Members of the Board of Directors
From: Christy Colby – Regulatory and Public Affairs Manager
Subject: Discussion and possible action to change CVWD’s Conservation Alert Status

ACTION ITEM:

Discussion and possible action to change CVWD’s Conservation Alert Status from “Phase 4-Orange” to “Phase 2-Green.”

BACKGROUND:

In July 2021, the District adopted a Water Shortage Contingency Plan (WSCP). The plan contains a 6-level water conservation alert based on water shortage levels as outlined below. The District is currently in Water Conservation Alert Status “Phase 4 -Orange”.

Stage No.	Water Supply Conditions	% Shortage
Phase 1 - Color Code “Blue”	Standard Water Conservation. MWD can meet all Member Agency demands. Voluntary water conservation applies.	Up to 10%
Phase 2 - Color Code “Green”	Increased Water Conservation. Some supplies have been impacted, and consumers should increase efforts to conserve.	10% to 20%
Phase 3 - Color Code “Yellow”	Extraordinary Water Conservation. MWD is withdrawing water from most of its storage programs to meet demands. Extraordinary conservation is called for from consumers.	20% to 30%
Phase 4 - Color Code “Orange”	Allocation. MWD has implemented its allocation plan to its member agencies. Thus, supplies are limited.	30% to 40%
Phase 5 - Color Code “Red”	Critical. Water supplies are reduced drastically.	40% to 50%
Phase 6 - Color Code “Purple”	Emergency. Water supplies are only available for health and safety needs.	Greater than 50%

Each color code represents different outdoor water restrictions as shown in the table below.

Stage No.	Outdoor Watering Restrictions
Phase 1 - Color Code “Blue”	Outdoor irrigation is allowed any day of the week.
Phase 2 - Color Code “Green”	Outdoor irrigation is limited to odd or even days, based on ending number of customer’s address.
Phase 3 - Color Code “Yellow”	Outdoor irrigation will be permitted only on Tuesday, Thursday, and Saturday.
Phase 4 - Color Code “Orange”	Outdoor irrigation will be permitted only on Tuesday and Saturday.
Phase 5 - Color Code “Red”	Outdoor irrigation is limited to no more than one (1) day per week.
Phase 6 - Color Code “Purple”	All Outdoor irrigation is prohibited.

DISCUSSION

Based on water supply conditions at the time, the District entered Stage 3 (Yellow) of the Water Supply Contingency Plan in November 2021, and moved to Stage 4 (Orange) of the Water Supply Contingency Plan in June 2022 following MWD’s Emergency conservation mandate.

With the increase rainfall and snowpack, there has been improvement in State Water Project (SWP) supplies. The SWP allocation increased to 75% on Friday, March 24, 2023. Metropolitan has rescinded its emergency declaration for State Water Project dependent only areas which were at health and safety water consumption levels for nine months.

Though conditions have improved on the State Water Project, Southern California is seeing a very different story on our other source of imported water, the Colorado River. More than two decades of drought and severely dry conditions have caused reservoirs to drop to historic low levels, jeopardizing water supply and power generation that the Southwest relies on. The Colorado River is no longer insurance against shortages in our other water supplies. Therefore, we need to encourage customers to remain diligent in using water efficiently.

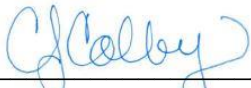
On March 15, 2023, staff attended a Foothill Municipal Water District (FMWD) meeting to discuss the current conservation levels and outdoor watering restrictions along with any plans to adjust those restrictions. FMWD Retail Agencies, except for Rubio, agreed request Board approval to move to Stage 2, Green Alert on April 3, 2023. Stage 2, Green Alert is still in line with the State’s recommendations of a 20% reduction and consistent with the fact that Colorado River supplies are still impacted.

Along with changing out the water conservation signs throughout the District, any change in the water conservation alert is noticed to the public in the CV Weekly newspaper as well as an email blast through constant contact, and website and social media posts.

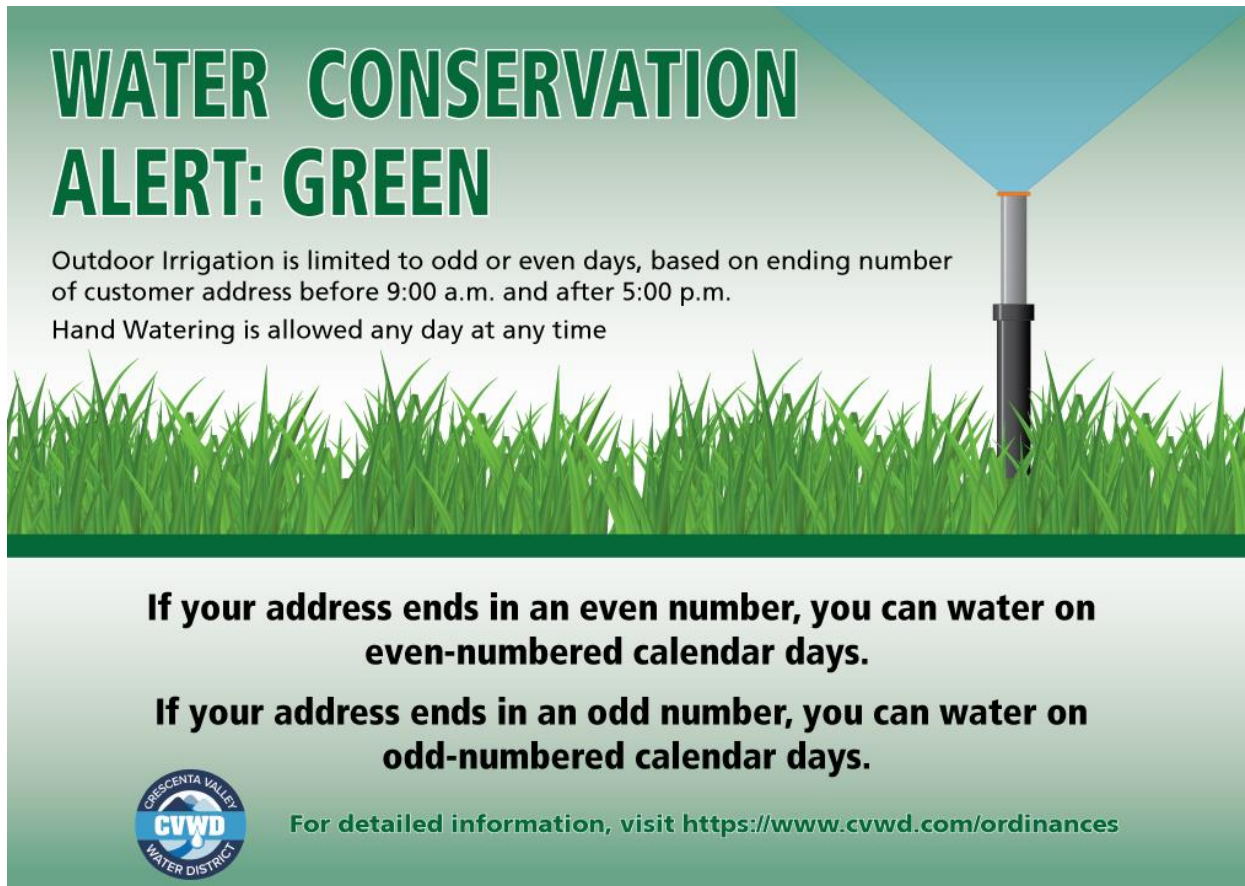
RECOMMENDATION

Staff's recommendation is to change CVWD's Conservation Alert Status from "Phase 4-Orange" to "Phase 2-Green" on April 3, 2023.

Prepared and Submitted by:



Christy J. Colby
Regulatory and Public Affairs Manager



**WATER CONSERVATION
ALERT: GREEN**

Outdoor Irrigation is limited to odd or even days, based on ending number of customer address before 9:00 a.m. and after 5:00 p.m.
Hand Watering is allowed any day at any time

If your address ends in an even number, you can water on even-numbered calendar days.

If your address ends in an odd number, you can water on odd-numbered calendar days.

 For detailed information, visit <https://www.cvwd.com/ordinances>

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 3
March 28, 2023

To: Honorable President and Members of the Board of Directors
From: James Lee – Director of Finance & Administration
Subject: **Revenue Requirements for Infrastructure Funding on the Property Tax Roll**

ACTION ITEM:

Discussion and possible action regarding revenue requirements for infrastructure funding on the property tax roll.

BACKGROUND:

During the February 28, 2023 Board meeting, staff provided a public outreach plan for letting the community know about the District's consideration for placing a capital charge on the property tax roll to fund infrastructure reliability projects, specifically for replacing aging pipelines. The objectives of the public outreach plan are to invite participation, educate customers about why the charge is being considered and how the process works, and receive input from the community before finalizing the required Prop 218 notice. Staff has placed two ads in the CV Weekly and announced at the CV Town Council Meeting on March 16, 2023, that the District will host two virtual town hall meetings to provide more details and answer any questions the community might have regarding the program. The two town hall meetings are scheduled for April 4, 2023, one in the early afternoon and one in the evening to accommodate varying schedules for interested customers.

Staff has worked closely with the District's consultant, Sanjay Gaur of Water Resource Economics to analyze and develop options for generating varying levels of funding to support the District's infrastructure reliability needs. These amounts represent the revenue requirements for capital charges on the property roll. They are driven by the planned cost of replacing pipelines that comprise the backbone of the District's water distribution system, thereby representing the most direct benefit to properties and their owners. The analysis with various considerations were presented to the Finance Committee by Mr. Gaur during the March 15, 2023 committee meeting. The Finance Committee supported a \$4M requirement to directly fund pipeline replacements. It was determined that this baseline option will be used as the benchmark for program outreach purposes because it accurately reflects the funding needed to address critically aging infrastructure.

Recognizing the proposed impact on the community, the Finance Committee also supports modifying the existing Low-Income Discount Program to increase assistance across a broader range of customers. The updated program could potentially expand assistance in three areas: 1) expand the overall budget for the program; 2) increase the minimum income threshold so more customers qualify; and 3) increase the amount of the discount, which is currently 20 percent of the bill. Such a program would need to be funded by "non-rate revenues" such as rental income, investment income, or the cell tower lease revenue that is being considered. Staff is currently working on a supplemental analysis to determine feasible parameters of the revised assistance program and "right sizing" it to meet the community's needs.

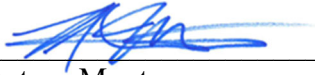
Staff will share the community's input from the two virtual town hall meetings with the Board during the April 11, 2023 Board meeting. A draft Prop 218 notice will also be shared with the Board for review and comments.

RECOMMENDATION

Review and discuss revenue requirements for capital charges on the property tax roll.

Prepared by:

Submitted by:



Arturo Montes
Finance & Administration Manager



James Lee
Director of Finance & Administration

Attachment(s):

1. Revenue Requirements Analysis

g:\management\board meeting staff reports\2023\03-28-23 Board Memo - Revenue Requirements for Property Roll.docx

Property Roll Charge for Pipeline Replacement

Crescenta Valley
Water District

Board Meeting
March 28, 2023



**Water Resources
Economics**

PROMOTING THE VALUE AND PRICE OF
WATER SERVICE



Current Financial Conditions

- The last rate adoption occurred July 2021
 - Three years of rates were adopted – 2021, 2022 and 2023
- Several unanticipated events occurred
 - 15%+ reduction in metered revenues
 - Significant drought and customer response
 - Historically high inflation
 - Significant increase in water cost
 - Heightened need to develop a pipeline replacement program

Pipeline Replacement Requirements

"Roadmap" Plan to ramp up: Board-approved June 2021 ¹

	FY 2023-24	FY 2024/25	FY 2025-26	FY 2026-27	FY 2027-28
Cost	\$ 3,734,726	\$ 4,444,842	\$ 5,324,596	\$ 6,570,494	\$ 7,608,455
Linear Ft	7,200	8,200	9,400	11,100	12,300
Miles	1.36	1.55	1.78	2.10	2.33

"Roadmap" Plan to ramp up: Board-approved June 2021 ¹

	FY 2023-24	FY 2024/25	FY 2025-26	FY 2026-27	FY 2027-28
Cost	\$ 3,000,000	\$ 2,912,000	\$ 2,200,000	\$ 5,800,000	\$ 6,064,963
Linear Ft	5,784	5,372	3,884	9,798	9,805
Miles	1.10	1.02	0.74	1.86	1.86

1 - Includes assumption of 4.5% inflation on cost/LF

3-Year Average of Pipeline Replacement	\$2.70 million
4-Year Average of Pipeline Replacement	\$3.49 million
5-Year Average of Pipeline Replacement	\$4.00 million

Baseline Financial Scenario

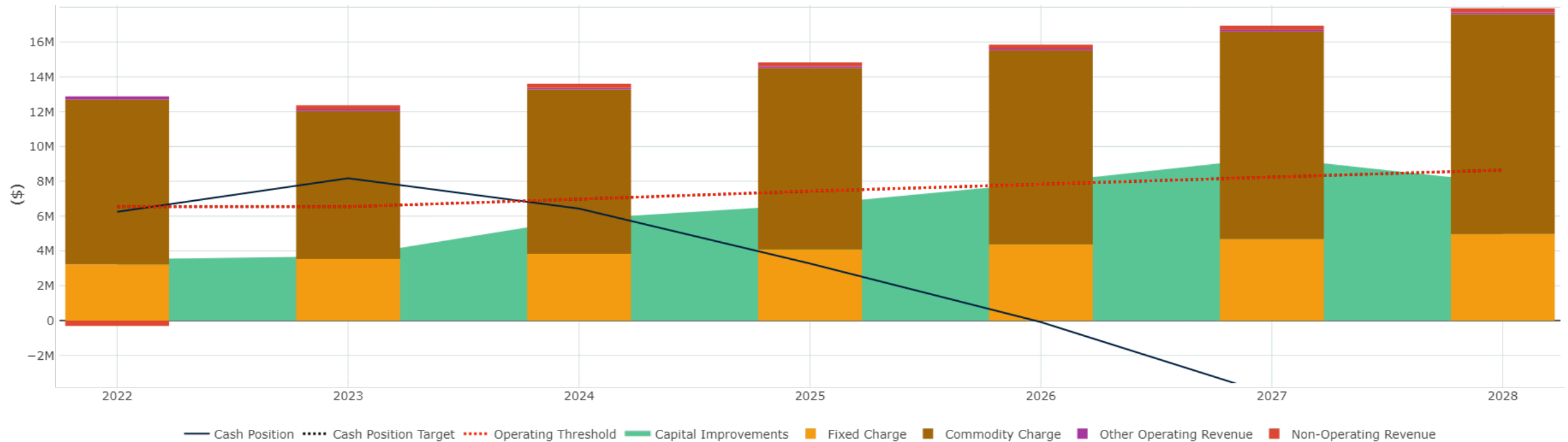
- 3% rebound in water sales in FY 23/24 and in FY 24/25
- Following revenue increases have been discussed through the District's ongoing "Roadmap" discussion:

FY 2023 / 2024	FY 2024 / 2025	FY 2025 / 2026	FY 2026 / 2027	FY 2027 / 2028
8.00%	7.00%	7.00%	7.00%	6.00%

- O&M increasing by 5%+ per year
- CIP expenditure averages \$6.9M per year
 - Includes Pipeline Replacement

Current Financial Condition

Projected to be below reserve targets by 2024 and run out of money by 2026



Financial Solution

- Develop a dedicated stream of revenue to fund the pipeline replacement program
- Assess this charge on the property roll
 - Enhances revenue stability and equity
 - Charge is based on meter size capacity; every property benefits from the ability to use water
 - Pipeline replacement program maintains this availability

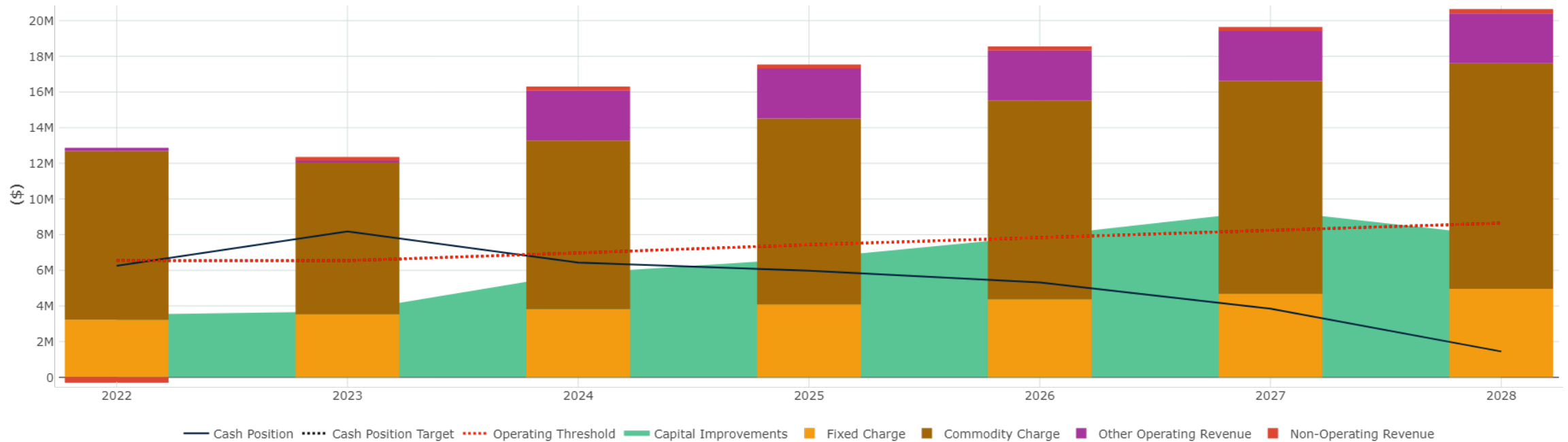
Pipeline Replacement Scenarios

- Three pipeline replacement scenarios are developed

3-Year Average of Pipeline Replacement	\$2.70 million
4-Year Average of Pipeline Replacement	\$3.49 million
5-Year Average of Pipeline Replacement	\$4.00 million

3-Yr Avg Pipeline Replacement
(\$2.7M per year)

Significant double-digit increase to be required



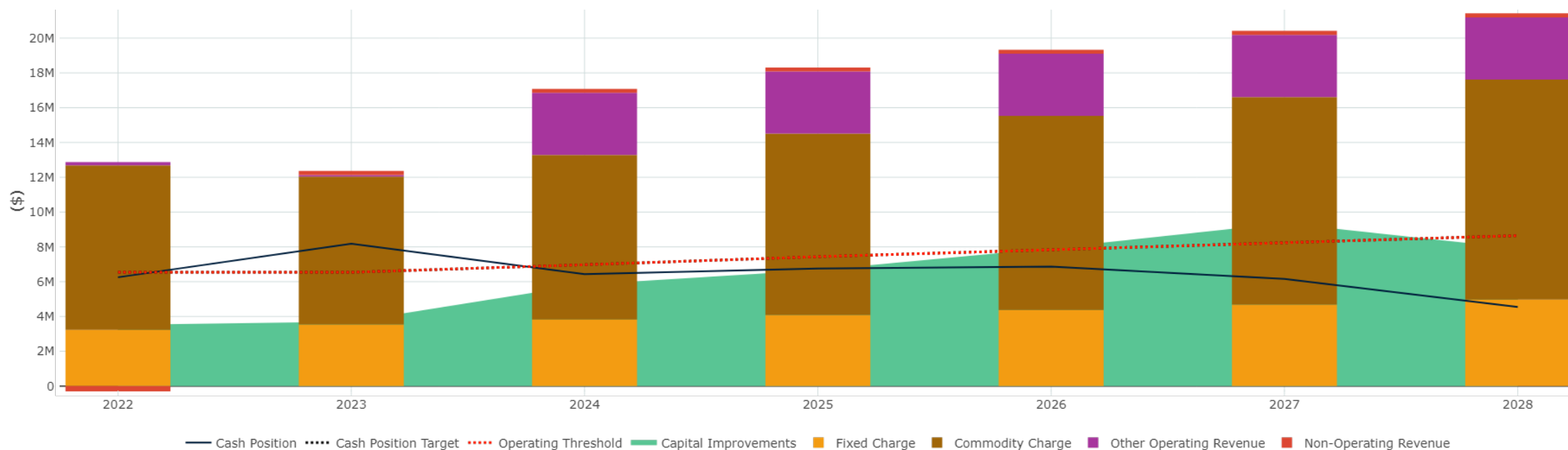
3-Year Average Pipeline Fee

Potable Meters				
Meter	Number of Meters	AWWA Ratio	Annual Cost	
3/4"	7,044	1.00	\$	273.62
1"	885	1.67	\$	456.03
1 1/2"	152	3.33	\$	912.07
2"	66	5.33	\$	1,459.30
3"	29	11.67	\$	3,193.14
4"	2	21.00	\$	5,746.01

Private Fire Meters				
Meter	Number of Meters	Fire Pipeline Rate	Annual Cost	
1	1	1	\$	4.69
2	11	6.19	\$	29.02
3	2	17.98	\$	84.29
4	78	38.32	\$	179.64
6	18	111.31	\$	521.82
8	6	237.21	\$	1,112.04
10	2	426.58	\$	1,999.80

4-Yr Avg Pipeline Replacement
(\$3.5M per year)

High single-digit increase to be required



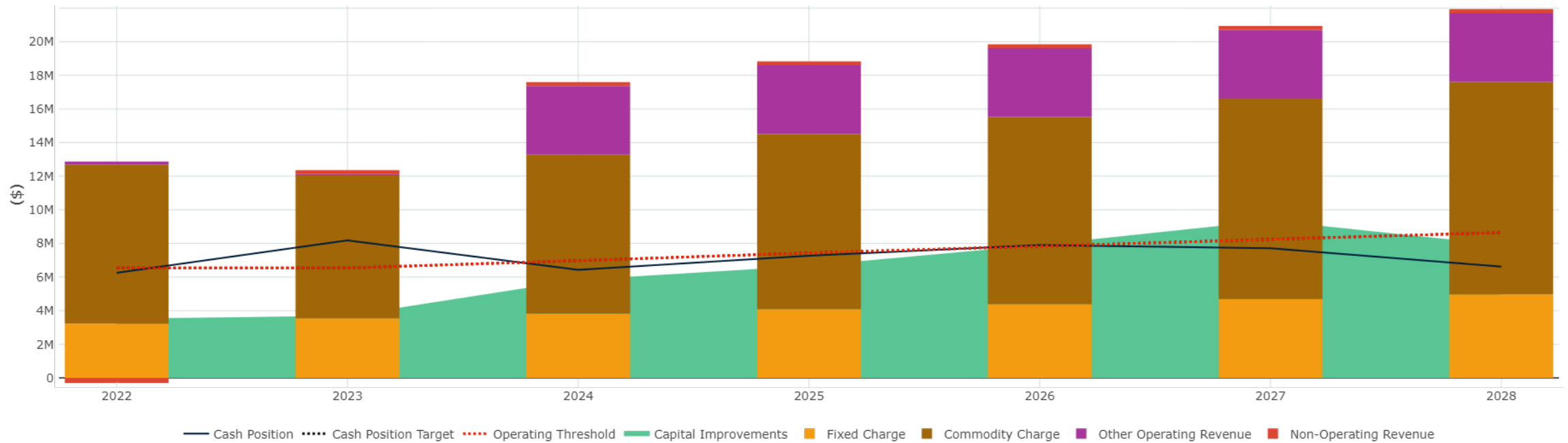
4-Year Average Pipeline Fee

Potable Meters				
Meter	Number of Meters	AWWA Ratio	Annual Cost	
3/4"	7,044	1.00	\$	351.94
1"	885	1.67	\$	586.57
1 1/2"	152	3.33	\$	1,173.14
2"	66	5.33	\$	1,877.02
3"	29	11.67	\$	4,107.15
4"	2	21.00	\$	7,390.77

Private Fire Meters				
Meter	Number of Meters	Fire Pipeline Rate	Annual Cost	
1	1	1	\$	6.03
2	11	6.19	\$	37.32
3	2	17.98	\$	108.42
4	78	38.32	\$	231.07
6	18	111.31	\$	671.19
8	6	237.21	\$	1,430.35
10	2	426.58	\$	2,572.23

5-Yr Avg Pipeline Replacement (\$4M per year)

Financial Health is achieved



5-Year Average Pipeline Fee

Potable Meters				
Meter	Number of Meters	AWWA Ratio	Annual Cost	
3/4"	7,044	1.00	\$	404.30
1"	885	1.67	\$	673.83
1 1/2"	152	3.33	\$	1,347.66
2"	66	5.33	\$	2,156.25
3"	29	11.67	\$	4,718.14
4"	2	21.00	\$	8,490.23

Private Fire Meters				
Meter	Number of Meters	Fire Pipeline Rate	Annual Cost	
1	1	1	\$	6.93
2	11	6.19	\$	42.88
3	2	17.98	\$	124.55
4	78	38.32	\$	265.44
6	18	111.31	\$	771.03
8	6	237.21	\$	1,643.13
10	2	426.58	\$	2,954.88

Comparison of Scenarios

Meter	3 Yr Avg		4 Yr Avg		5 Yr Avg	
3/4"	\$	273.62	\$	351.94	\$	404.30
1"	\$	456.03	\$	586.57	\$	673.83
1 1/2"	\$	912.07	\$	1,173.14	\$	1,347.66
2"	\$	1,459.30	\$	1,877.02	\$	2,156.25
3"	\$	3,193.14	\$	4,107.15	\$	4,718.14
4"	\$	5,746.01	\$	7,390.77	\$	8,490.23

Next Steps

- Revenue requirements
 - Begin drafting supplemental report
- Public outreach messaging
- Board Meeting – March 28th
- Prop 218 Notice
 - Draft review – April 11th
 - Approval– April 25th
- Public Hearing – June 13th

2022

ANNUAL SECURED PROPERTY TAX BILL

2022

CITIES, COUNTY, SCHOOLS AND ALL OTHER TAXING AGENCIES IN LOS ANGELES COUNTY

SECURED PROPERTY TAX FOR FISCAL YEAR JULY 1, 2022 TO JUNE 30, 2023

KEITH KNOX, TREASURER AND TAX COLLECTOR

FOR ASSISTANCE, CALL 1(213) 974-2111 OR 1(888) 807-2111, ON THE WEB AT propertytax.lacounty.gov

ASSESSOR'S ID. NO. YR SEQ CK

PROPERTY IDENTIFICATION

ASSESSOR'S ID. NO.:

OWNER OF RECORD AS OF JANUARY 1, 2022

SAME AS BELOW

MAILING ADDRESS 000107664 02 AV 0.455

0107664-0107664 ENGL 002 1234-- 457596

DETAIL OF TAXES DUE FOR

AGENCY	AGENCY PHONE NO.	RATE	AMOUNT
GENERAL TAX LEVY ALL AGENCIES		1.000000 \$	8,274.57
VOTED INDEBTEDNESS			
METRO WATER DIST		.003500 \$	28.96
COMMNTY COLLEGE		.035015	289.73
UNIFIED SCHOOLS		.045730	378.40
DIRECT ASSESSMENTS			
SOLID WASTE FEE	(626) 458-3517	\$	3.51
LACO VECTR CNTRL	(800) 273-5167		14.67
SAFE CLEAN WATER	(833) 275-7297		121.99
FLOOD CONTROL	(626) 979-5498		41.23
COUNTY LIBRARY	(562) 940-8455		33.20
RPOSD MEASURE A	(833) 265-2600		33.66
MWD STANDBY #3	(866) 807-6864		10.28
LA CO FIRE DEPT	(323) 881-6151		73.68
TRAUMA/EMERG SRV	(866) 587-2862		99.00

Save Money -- Save Time -- Pay Online
tlo.lacounty.gov

Electronic Payment Information

(Required for Online and Telephone Payments)

YEAR: 22 SEQUENCE: 000 4

Personal Identification Number (PIN)

SPECIAL INFORMATION

PROPERTY LOCATION AND/OR PROPERTY DESCRIPTION

VALUATION INFORMATION

ROLL YEAR 22-23	CURRENT ASSESSED VALUE	TAXABLE VALUE
LAND	487,680	487,680
IMPROVEMENTS	339,777	339,777

ASSESSOR'S REGIONAL OFFICE

REGION #03 INDEX:
NORTH DISTRICT OFFICE
13800 BALBOA BLVD.
SYLMAR CA 91342
(818) 833-6000

TOTAL	827,457
LESS EXEMPTION:	
NET TAXABLE VALUE	827,457

ACCT. NO.:

PRINT NO.:

2022

ANNUAL SECURED PROPERTY TAX FOR FISCAL YEAR JULY 1, 2022 TO JUNE 30, 2023

CITIES, COUNTY, SCHOOLS AND ALL OTHER TAXING AGENCIES IN LOS ANGELES COUNTY

KEITH KNOX, TREASURER AND TAX COLLECTOR

FOR ASSISTANCE, CALL (213) 974-2111 OR 1(800) 807-2111, ON THE WEB AT propertytax.lacounty.gov

ASSESSOR'S ID. NO. YR SEQ CK

PROPERTY IDENTIFICATION

ASSESSOR'S ID. NO.:

OWNER OF RECORD AS OF JANUARY 1, 2022

SAME AS BELOW

MAILING ADDRESS 000107673 03 AV 0.455

0107673-0107673 MAIL 000 0300-00 001000

Save Money - Save Time - Pay Online
laassessor.gov

Electronic Payment Information
 (Required for Online and Telephone Payments)

Personal Identification Number (PIN)

SPECIAL INFORMATION

DETAIL OF TAXES DUE FOR

AGENCY	AGENCY PHONE NO.	RATE	AMOUNT
GENERAL TAX LEVY ALL AGENCIES		1.000000 1	23,645.00
VOTED INDEBTEDNESS		.003500 1	82.76
METRO WATER DIST		.035015	827.93
COMMUNITY COLLEGE		.045730	1,081.28
UNIFIED SCHOOLS			
CORRECT ASSESSMENTS			
SOLID WASTE FEE	(426) 458-3517	\$	3.51
LACO VECTR CNTRL	(800) 273-5167		14.87
SAFE CLEAN WATER	(833) 275-7297		115.65
FLOOD CONTROL	(626) 879-5498		61.71
COUNTY LIBRARY	(562) 940-8455		33.20
RPOSD MEASURE A	(818) 365-2800		60.52
RMD STANDBY #3	(866) 807-8864		10.28
LA CO FIRE DEPT	(323) 881-6151		73.68
TRAUMA/EMERG SRV	(866) 587-2862		178.00

PROPERTY LOCATION AND/OR PROPERTY DESCRIPTION

ROLL YEAR 23-23

LAND
IMPROVEMENTS

VALUATION INFORMATION

CURRENT ASSESSED VALUE	TAXABLE VALUE
1,284,690	1,284,690
1,086,810	1,086,810

ASSESSOR'S REGIONAL OFFICE

REGION #03 INDEX:
 NORTH DISTRICT OFFICE
 11800 BALBOA BLVD.
 SYLMAR, CA 91342
 (818) 835-6000

ACCT. NO.:

PRINT NO.:

TOTAL	2,371,500
LESS EXEMPTION: HOME	7,000
NET TAXABLE VALUE	2,364,500

1ST	\$13,094.11	2ND	\$13,094.10	1ST	\$26,188.21
	DUE NOVEMBER 1, 2022 (After December 10, 2022, add 10% penalty)		DUE FEBRUARY 1, 2023 (After April 10, 2023, add 10% penalty and \$10 cost)		IF PAYING BOTH BY DECEMBER 10, 2022 (Include 18.5% interest if paying by mail)

ANY RETURNED PAYMENT MAY BE SUBJECT TO A FEE UP TO \$66.00.

SEE REVERSE SIDE FOR IMPORTANT INFORMATION



Water Resources Economics

PROMOTING THE VALUE AND PRICE OF
WATER SERVICE

Thank You!

Sanjay Gaur

Principal Consultant

sgaur@water-economics.com

213-327-4405

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 4
March 28, 2023

To: Honorable President and Members of the Board of Directors
From: James Lee – Director of Finance & Administration
Subject: **Policies & Procedures for Commercial Facilities Located on District Properties
(Cellular Site Leases)**

ACTION ITEM:

Consideration and possible motion to approve the amended “Policies & Procedures” for cell tower lease revenues based on Board input.

BACKGROUND:

The District has incorporated the Board’s various considerations over the last year, including from the March 14, 2023 Board meeting. With approval of the Policies & Procedures, the District’s consultant, ATS Communications, will be able to commence marketing the District’s sites to cellular carriers to secure leases that provide passive income and additional coverage for the service area.

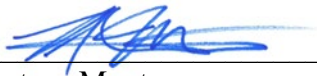
The document has been reviewed by legal counsel, and Mr. Tony Ingegneri of ATS Communications will be available as a resource for the Board for this discussion.

RECOMMENDATION

Staff recommends that the Board approve the amended “Policies & Procedures” for cell tower leases.

Prepared by:

Submitted by:



Arturo Montes
Finance & Administration Manager



James Lee
Director of Finance & Administration

Attachment(s):

1. Amended Policies & Procedures

g:\management\board meeting staff reports\2023\03-28-23 P&P Cell Towers Update.docx



**Communication Facilities License Program
Policy and Procedures
for
Communication Facilities Licenses
located on
Crescenta Valley Water District Properties
March 28, 2023**

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Appendices

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1. Introduction

Crescenta Valley Water District (“District”) is a local, independent county water district, operating pursuant to the County Water District Law, Division 12, sections 30000 et seq. of the California Water Code. Because a wide range of general and special acts exist under California state law, water special districts are governed by a large number of distinct statutory authorizations, which allows the District to provide designated water services. Members of the District’s five-member governing body, its “Board of Directors,” are directly elected by the voters for a fixed term of four years and are responsible for setting policy and decision-making. Legally a political subdivision of the state, the District operates in an open and public environment. The District’s mission is to provide its customers reliable, high-quality water services in a fiscally sustainable manner.

Ancillary to this directive, the District desires to grant licenses to approved applicants to construct and operate a wireless communication facilities (“Communication Facility”), as governed by the Federal Communication Commission’s (“FCC”) requirements, on approved sites located on the District’s various properties where feasible and compatible with the District’s facilities or operations. **The wireless facilities are considered a benefit to the community and must not interfere with the use or operations at any District property where a Communication Facilities may be installed under this Program, pursuant to the FCC’s requirements.**

The District has developed this Program Procedures and Guidelines for Communication Facilities Licenses (“Program”) to define, explain, and set forth the policies, terms, conditions, and requirements for granting a communication license (“License”) and approving licensee improvements for the construction, installation, operation, and maintenance of an unmanned communication facilities at an approved site on District property.

Under this Program, the District will maximize additional revenues from wireless communication companies while protecting District operational needs, allowing flexibility for changes-in-use at its facilities, and assuring safety at the facility sites.

The terms and requirements set forth in this Program shall apply to all licenses and arrangements for an unmanned communication facility on District property and is to be followed by all current licensees that have been granted a License or an amendment to a License under this Program (“Licensee”). All applications for new Communication Facilities, or amendments or changes to existing Communication Facility arrangements, shall comply with the terms outlined in this

Program, including the application procedures and guidelines for completing work or modifications in Section 5 of this Program (Application/Project Processing Guidelines).

References to words in this Program importing the singular shall include the plural and *vice versa*.

References to the words “applicant” or “Applicant” in this Program may mean either a new applicant or an existing Licensee applying for new work or modifications to a Communication Facility at an existing District site, as the case may be.

References to the capitalized terms “License Agreement” or “Amendment” mean the general and terms in any proposed license agreement template or form of amendment (identified in Section 2) that will be provided to applicant during the application process, unless a finalized version of the proposed form of agreement or amendment has been fully executed by all parties, and approved by the District’s Board of Directors in accordance with requirements in subsection 3 of Section 2 below.

This Program may be amended from time to time with the approval of the District’s Board of Directors at a properly noticed public meeting. District will provide written notice to Licensee in advance of any proposed revision to this Program. However, it is the responsibility of all applicants and Licensees to comply with the most current Board-approved version of the Program.

2. License Agreements and Amendments

1. All new applications for Communication Facilities shall be submitted in accordance with the guidelines in Section 5 and authorized in substantially the form of the communication facility license agreement or amendment template that will be provided during the application process and attached as Appendix A or Appendix B, as applicable. All applications for amendments or changes to existing Communication Facility arrangements shall be authorized in substantially the form of either of these proposed templates, subject to reasonable negotiations and final approval by the District’s Board of Directors.
2. Key terms in the Communication Facility License Agreement Template include:
 - a. The License Term shall be for ten (10) years, with a single option that may be exercised by applicant for an additional five (5) year period (fifteen (15) years in the aggregate), provided Licensee is not currently in default under the License Agreement.

- b. The license fee amount for the ten (10) year license period shall be negotiated between the District and the Licensee and is payable in annual payments. The payment schedule for license fees will be listed in the communication facility license agreement template provided during the application process.
 - c. Annual license fees are due and payable within 45 days of the full execution of a communication facility license agreement or amendment (subject to a prorated portion of the annual license fee, if any).
 - d. License fee amounts will be subject to an automatic yearly increase ("Annual Escalation") equal to four percent (4%) per year during the ten (10) year license period and during any exercised option period, as applicable. Any Annual Escalation shall be effective on January 1 of each year of the license term and any exercised option period, as applicable. In addition, if applicable, a one-time catch-up inflation adjustment shall be made for the first year of an exercised option period based on the consumer price index as described in Section 4 of the License Agreement.
 - e. Should the agreement lapse, the District shall charge a holdover fee of 150% of the then current annual license fee and pro-rated on a monthly basis as described in Section 5 of the License Agreement.
 - f. Licensee shall submit to the District, for approval, two (2) competitive bids for a performance bond for the complete removal of Licensee's equipment and restoration of the licensed area to the pre-existing condition prior to the installation of Licensee's equipment at a site.
3. The Board of Directors may delegate authority individually to the District's general manager, assistant general manager, and the director of engineering, or their designees, to:
- (i) review all License applications and negotiate all Licenses and Amendments, including the determination of annual license fees, in accordance with the terms and conditions of this Program, and
 - (ii) enter into License Agreements or Amendments under this Program.
- Final approval of all new License Agreements or Amendments shall be at the sole discretion of the District's Board of Directors.*

3. Communication Facility Development Guidelines and Requirements

All Communication Facilities on District properties shall be installed, operated, maintained, modified, and altered, according to this Program, and shall comply with the policies, procedures, guidelines, and requirements outlined in this Section 3 and elsewhere in this Program. These Program guidelines and requirements apply to all Communication Facility installations, work and operations, and modifications and repairs, whether under new License Agreements, or pursuant to an existing License Agreement or Amendment.

3.1 Universal Installation Requirements

The following requirements apply to all Communication Facilities on District property.

If any new or changed facts are revealed in one or more of the pre-construction documents, building permits, architectural plans, zoning approvals, drawings, renderings, or insurance policies listed in this Section 3 or in Section 5, which require a change to any term in a fully executed License Agreement or Amendment, that or those changes will need to be approved by the District's Board of Directors.

3.1.1 New Site Build, Site Modifications and Site Repairs

1. **Under this Program, Communication Facilities may be located on a tank structure. Each structure shall preserve the operational safety, as well as the functional and aesthetic qualities necessary to blend into the local environment at and around the District site, to be decided and approved by the District's Board of Directors.**
2. A formal request for a new Communication Facility, or modifications to an existing facility, requires the applicant to submit a wireless telecommunication application ("Site Application") (see Appendix C) and the appropriate fees (see Appendix D) to the District for review and processing. The applicant is encouraged to engage the District early in the processes and perform a site assessment visit ("site-walk") to determine if the proposed project or improvements are feasible. All applications for new Communication Facilities, or modifications to existing facilities, shall be valid for a period of twelve-months starting on the date the District provides a receipt of Licensee's application. Licensee may request an extension to the twelve-month time period, which may be granted at the District's sole discretion.
3. All new Communication Facilities are required to have magnetic attachments for all tank-mounted equipment. All existing Communication Facilities with welded and/or epoxy tank-mounted antennas and other tank-mounted equipment shall be removed and replaced using magnetic attachments (i) any time a Licensee submits an application to modify its facilities or (ii) upon written notice by the District to Licensee identifying the

Communication Facility where failing mounts are causing damage to the District's water tank, property, or facilities.

4. Prior to commencement of any work by a Licensee at a District site, the District must have ***all*** of the following materials, all of which shall meet the requirements in the subsections describing these materials:
 - a. A fully executed License Agreement or Amendment, as applicable, which is not in default.
 - b. A current certificate of insurance with the proper entity name for the Licensee and for any contractors to be engaged in the installation of the Communication facility, along with additional insured endorsements and other insurance required under the License Agreement. Additionally, Licensee shall ensure that any contractors to be engaged in the installation or modification of a Communication Facility shall conform with the insurance requirements described in the License Agreement or Amendment, as applicable.
 - c. A set of construction drawings/plans for the proposed Communication Facility signed and stamped by a licensed professional engineer and approved by the District.
 - d. Documentation indicating Licensee has complied with all applicable planning and zoning approval requirements from the jurisdiction of record, including conditions of approval ("COAs"), if any.
 - e. A set of construction drawings/plans signed and stamped by the jurisdiction of record and a copy of all building permits and other permits required by the jurisdiction of record.
 - f. A copy of the signed and stamped structural analysis, from a licensed professional engineer ("P.E."), and, if required by the District, a separate letter from the P.E. indicating that all existing and/or proposed equipment will be adequately supported by the attachment systems. No work shall commence prior to the issuance of a letter of consent ("Letter of Consent" or "LOC") by the District. The District shall issue a Letter of Consent once all requirements of this Program have been met by the applicant and the District has determined that the proposed work may commence. The Letter of Consent will accompany District-approved construction drawings/plans that have been signed and stamped by the jurisdiction of record.

- i. Licensee shall include the District in any bid walk at a project site in preparation of selecting a general contractor ("GC") to oversee project construction. The District reserves the right to approve or reject a GC based on past performance of similar projects on District property. Licensee shall be notified within (10) business days of the bid walk of any GC that does not meet the District's requirements. Licensee shall be responsible for all actions of the GC and GC's agents and personnel arriving to the project site, at the project site, and leaving the project site. If the GC does not strictly follow and enforce the District's requirements for an issued Letter of Consent, the GC may be barred from the site and the project may be placed on hold until a suitable GC is identified by the Licensee and approved by the District. The District reserves the right to charge a fee of up to \$350 for any repeated pre-construction bid walk to reiterate the procedures and conduct for the project. The fee shall be determined by the District if necessary.
 - g. Materials (i)-(iii) below, to be provided at a pre-construction meeting conducted with the District's inspector. The pre-construction meeting shall be held at the applicable District site at least one week prior to the start of construction, and it shall be attended by Licensee's contractors, the District's inspector and, as necessary, the District's preferred coatings inspector and Painting Contractor. Licensee or its contractors shall provide the District's inspector with the following:
 - i. a construction schedule (subject to the District's review and approval);
 - ii. 24/7 contact information for the contractor(s) and its project foreman;
 - iii. Contractors' proof of insurance, including worker's compensation.
5. After the Licensee receives a Consent Letter and construction drawings/plans approved by the District, the Licensee or its contractors shall notify the District's inspector at least two (2) business days prior to beginning any work at a project site. Work must commence no later than sixty (60) calendar days from the date the District issues a Letter of Consent, and work must be completed within one hundred eighty (180) days from the date the District's Letter of Consent is issued, unless a change to these requirement is approved by the District.
6. The District reserves the right to withhold or withdraw its approval to commence work at a project site if the Licensee or its contractors have failed to satisfy any of the Program terms.

7. If a District site requires maintenance work that may interfere with the Licensee's work or activities at the site, the District reserves the right to require Licensee to postpone Licensee's work activities at the site until that time the District's maintenance work has been completed. The District will strive to, when possible, give advance notice of any scheduled maintenance work and/or capital improvement projects that may interfere with the Licensee's work or activities at a site and coordinate its activities with Licensee.
8. Under no circumstances will Licensee and/or its employees, agents, or contractors be allowed access to the roof of any District reservoir tank without direct supervision by a District staff member. The District reserves the right to determine any work limitations at any District facility or site.
9. Licensee's contractors shall ensure that the District site is accessible at all times to District personnel, in accordance with the requirements under Section 3.3 of this Program.
10. Licensee shall be responsible for any damage to any existing Communication Facilities or District facilities at a District site, if any, caused by any construction work or other activities performed by Licensee or its agents; and, upon request by the District, shall promptly return any Communication Facility or District facilities damaged by Licensee or its agents back to their pre-existing condition, or better, at Licensee's sole expense and at no cost to the District. If Licensee does not comply with such a request, District may perform the necessary repairs and bill Licensee the actual cost of those repairs, which Licensee shall pay no later than (30) calendar days of receiving this bill.
11. All new and existing Communication Facilities and equipment owned by the Licensee shall be properly tagged, identifying the Licensee's name, site name and/or number, and a 24-hour emergency phone number.
12. Licensee's contractors shall have a copy of the jurisdictional issued permits and the stamped construction drawings/plans, approved by the District's director of engineering (or designee), on-site at all times during work activities.
13. Licensee and its contractors are responsible for ensuring the District site cannot be accessed by the public at any time while Licensee's work is occurring at the site.
14. Upon completion of work at a site, Licensee's contractors shall schedule a final walk-through with the District's inspector. Upon acceptance of this work by the District's inspector, Licensee and/or its contractors shall provide the District with a set of as-built

construction drawings/plans with field mark-ups, if any. These construction drawings/plans shall be labeled “**RECORD DRAWINGS**” and are mandatory for the District to close-out the project upon the completion of the Licensee’s related work activity. Any project that Licensee has not successfully closed out may result in the District’s delay in reviewing any subsequent Licensee project submittals.

15. Trenching, as part of any work or installation, shall conform to the requirements in Section 3.7 of this Program (addressing Trench Details).
16. The Licensee and/or its contractors shall comply with all local, state, and federal health and safety requirements pertaining to the construction, installation, operation, and maintenance of its Communication Facility. Requirements of the Occupational Safety and Health Administration (OSHA) & Federal Communication Commission (“FCC”) shall be followed at all times; including any safety and injury prevention placards or program required under applicable laws and/or regulations. A copy of any such program, if required by law or regulation, shall be maintained on-site at all times and Licensee’s employees, agents, and/or contractors shall be trained on any applicable protocols or procedures accordingly.
17. Licensee and/or its contractors are required to use the District’s preferred painting contractor (“Painting Contractor”) for any coatings, painting, or restoration work on any District water tank, property, or facility, as the case may, and as authorized by the District. Painting repairs shall be a minimum of seam-to-seam, top-to-bottom of that or those tanks or as required by the District.

3.1.2 Maintenance & Emergency Access

Maintenance of Licensee’s Communication Facility is divided into two categories: (a) routine maintenance and (b) non-routine maintenance. If Licensee is uncertain as to which category any of its proposed work falls under, Licensee should contact the District’s inspector. All maintenance activity shall be performed during regular business hours (8:00 a.m. – 4:00 p.m., Monday through Friday) or according to the hours prescribe by the jurisdiction of record, whichever is more stringent.

(a) Routine Maintenance is defined as *any* of the following:

1. Any work performed by Licensee to repair or service its facility which does not require entitlements (e.g. planning/zoning approval, building permit, electrical permit) from a jurisdictional body.

2. Any work within Licensee's equipment area that does not extend beyond the licensed area, in any direction, and does not require any excavation.
3. In the case of antennas, any like-for-like replacement that is acceptable under the COAs imposed by the jurisdiction of record for the original antenna installation.
4. Licensee shall notify the District of its intent to perform any routine maintenance to its Communication Facility pursuant to Section 4 (Site Access and Security).

(b) Non-Routine Maintenance is defined as *any* of the following:

1. If the sizes, weight, shape, appearance, or other similar characteristics of a replacement component to Licensee's Communication Facility is changed, Licensee shall be required to submit a Site Application, appropriate fees, and construction drawings/plans for the District's review and approval (see Section 3.2 below (Requirements for Proposed Project Construction Drawings/Plan) and Section 5 (Application/Project Processing Guidelines)).
2. In the event work to be performed by Licensee is expected to impact the use of District property, including property access, obstructions of driving lanes, or similar impacts, Licensee shall notify the District and submit a Site Application and Construction Drawings/Plans for District's review and approval in an issued Letter of Consent.

(c) Emergency Access is defined as the following:

Any event in which a Licensee's Communication Facility becomes suddenly impaired or non-operational due to reasons including, but not limited to power interruption, equipment failure, theft, vandalism, or acts of nature, and requires emergency access to the site. In such an event, Licensee shall have non-exclusive access to its Communication Facilities on a District site seven (7) days a week, twenty-four (24) hours a day, via foot or motor vehicle (but not including vehicles with more than two (2) axles or more than twenty (20) feet in length) to install, operate, and maintain the Communication Facility during this emergency access period, provided Licensee adheres to all requirements of this Program.

If there is an equipment failure at a site, other than equipment accessed at the ground level, Licensee will use its best efforts to undertake repairs during standard business hours. Within twenty-four (24) hours of any type of equipment failure or emergency which requires access to any District site outside of standard business hours, Licensee shall inform the District of the event via phone at (818) 248-3925.

3.2 Requirements for Proposed Project Construction Drawings/Plan

The requirements for submitting project construction drawings/plans are for the purpose of evaluating the location and other aspects of a proposed project as it relates to the continued on-going operations of the District's equipment or facilities at a potential site. All project construction drawings/plans submitted to the District for review shall contain all of the following:

3.2.1 Signature Block

A signature block for the District's director of engineering (or its designee) featured on the title sheet ("Title Sheet") in accordance with the sample depicted in Appendix E.

3.2.2 District Construction Notes

The District construction notes listed in Appendix F.

3.2.2. District Contact

The title page of each project construction drawings/plans shall display the District's inspector's contact information.

3.2.3 District Facility Name

The District's site name, prominently displayed, with Licensee's designation (e.g. site name and site number) for its Communication Facility on the Title Sheet.

3.2.4 District Project Number

The District's assigned project number clearly displayed on the Title Sheet, which will be provided with the project application receipt.

3.2.5 Equipment Table

The equipment schedule, identifying approved equipment; the equipment currently installed at the site; any proposed changes to the equipment (for modifications); the number of antennas, type (panel, whip, GPS and/or microwave) and size of the antennas; the number of remote radio units (radio heads) according to the sample table ("Equipment Table") depicted in Exhibit E. The Equipment Table shall be featured on the Title Sheet.

3.2.6 Addresses / Assessor Parcel Number(s)

The District's office address (2700 Foothill Blvd, La Crescenta-Montrose, CA 91214), the street address for the specific District site, the Licensee's meter address (if different), and the Assessor's Parcel Numbers (APN) depicted on the Title Sheet.

3.3 District Personnel Access

Licensee and/or its contractors shall ensure all work activities at a District site do not block the District's personnel from accessing the site at any time, except with District's prior authorization. Open trenches, potholes, and other hazards shall be properly covered and/or marked at all times to allow District personnel to safely access the site at any time, 24-hours a day. Contractor equipment ("Equipment") used for work activities must be removed from the site upon completion of work. Under no circumstances will the District allow storage of any Equipment on a site beyond one day without written approval from the District. Any Equipment remaining on a site for more than one day is subject to removal at Licensee's and/or its contractors' expense.

3.4 DIG ALERT

The Licensee and/or its contractors shall notify underground service alert (DigAlert), in accordance with the law, at least two (2) business days prior to beginning construction by phone at 1-800-422-4133 (Cell: 811) or via the Internet at <https://www.digalert.org>. Any underground District facilities to be crossed shall be potholed, by hand digging, to verify the location of any of District's underground facilities prior to working in the vicinity of those underground facilities.

3.5 Coating/Painting Requirements

For any restoration work to any of District's reservoir tanks or facilities, as the case may be, and to be approved by the District, Licensee and/or its contractors shall coordinate with the District's inspector and the District's coatings inspector for coating/painting requirements and the District's preferred Painting Contractor prior to initiating any work on a District reservoir tank or facility. Licensee and/or its contractors are responsible for any inspection fees associated with the District's coatings inspector and the District's preferred Painting Contractor. All fees must be paid prior to project close-out.

3.6 Tank or Facilities Rehab (Process and Procedures)

In the event of any tank or facility rehabilitation work, the District will provide sixty (60) calendar days' advance notice to all Licensees and each Licensee shall be required to relocate their respective equipment from the District's tanks or facilities to other temporary facilities for the duration of any District renovation project. Use of a man-lift will require the District's prior written consent. Licensee may use scaffolding to temporarily relocate tank-mounted equipment, subject to the District's written approval. Licensee shall use best efforts to accommodate any of the District's requests pertaining to these processes and procedures.

3.7 Trench Detail

Trench details shall show:

- a. Depth and width of the trench
- b. Backfill material list
 - (i.) For paved areas: one-sack cement slurry shall be used to within 1-inch of existing pavement
 - (ii.) For unpaved areas: suitable native material shall be used with 90% minimum compaction; and a compaction report shall be provided to the District.
- c. All hardscape to be saw cut.
- d. Minimum 30-inch depth to top of conduit or as directed by District.
- e. AC replacement: 1st lift, $\frac{3}{4}$ -inch mix, relative compaction 95%, no more than 3-inch placed at any one time. 2nd lift, $\frac{1}{2}$ -inch fine, no more than 1- $\frac{1}{2}$ inch lift.
- f. Slurry seal to the entire work area for the full width of the access road/paved areas, or as directed by District's inspector after work is completed.

3.8 Softscape Replacement

All construction drawings/plans shall depict the replacement or repair of all landscaped areas. If work will be performed in unpaved areas, these notes shall be present on the site-plan sheet, as necessary:

- 1. Protect all landscaping in place.
- 2. Only remove trees and shrubs as marked on drawings and/or plans.
- 3. Any disturbed or damaged landscaping shall be replaced in-kind with 5-gallon minimum shrubs and 15-gallon minimum trees, or as directed by the District.
- 4. Areas exposed or disturbed by the work or installation shall be covered with District-approved mulch to a depth of 2-inches.
- 5. Contact the District, prior to installation, for landscaping requirements.

3.9 Work Hours and Lighting

The Licensee shall adhere to all work hours set forth in Section 3.1.2 above and lighting restrictions imposed by the jurisdiction of record. The District reserves the right to alter or restrict work hours at any District site. The use of night-time flood lighting is generally prohibited. However, if Licensee determines that it is absolutely necessary, Licensee may submit a lighting plan and schedule for the District's review and possible approval.

3.10 Site Restoration

District sites shall be repaved per Section 3.7 of this Program (Trench Details) or restored per Section 3.8 (Softscape Replacement). Any other features at a site that are disturbed, removed, or

damaged by a Licensee, its contractors, or its agents shall be replaced with new features, or repaired, as determined by the District's inspector. Each site shall be restored to a condition equal to or better than its condition at the beginning of the license term.

3.11 Emergency Back-up Generators

The District acknowledges the importance of disaster preparedness, recovery, and restoration during natural disasters, and the need for operational continuity of Communication networks. In time of natural disasters, communication networks are a critical component for public safety (e.g. first responders such as firefighters, law enforcement, paramedics, utility workers, and relief workers). The District will consider allowing Licensee to install permanent standby emergency generators at a District site on a case-by-case basis, as determined and approved by the District.

Notwithstanding the foregoing, the District will allow Licensee access for portable standby generators, where and when applicable, and only where not in conflict with ongoing and future District operations.

4. Site Access and Security

4.1 Obtaining Keys

Access to and work on a Licensee Communication Facility at any District site, including installation, maintenance, modifications, and operation, requires use of a District issued cyber key. Licensee shall pay the District a five hundred dollar (\$500.00) deposit for each cyber key it is issued. If a cyber key is lost or damaged, the deposit will be forfeited, and a new deposit will be required for each additional cyber key. Cyber key access may be terminated, at the District's sole discretion, if Licensee, its employees, representatives, agents, or contractors, do not strictly adhere to all rules and requirements of this Program pertaining to site access and/or safety and security at a District site. Additional cyber keys may be obtained as needed with applicable deposits.

4.2 Security Measures and Access Regulations

The District is subject to local, state, and federal law, including the Department of Homeland Security ("DHS") regulations. The District requires Licensees to follow all security measures and access regulations, and to comply with applicable laws and District requirements. Rules and guidelines for each District site are at the sole discretion of the District and shall be followed by all Licensees. **District reserves the right to amend these rules and guidelines at any time, subject to the approval of its Board of Directors.** Site-specific rules and regulations, and updates to them, will be effective upon written notice to Licensees. Failure to follow the District's rules and guidelines are

cause for revocation of any cyber keys. District's rules and guidelines which shall be followed include, but are not limited to:

1. Any rules and guidelines established for each District site based on the unique characteristics of the Site.
2. Licensee shall be responsible for the activities of its employees, agents, and contractors while at a District site. Licensee is responsible for providing access for its employees, agents, and contractors to a District Site.
3. Licensee is required to obtain a cyber key from the District to access a District site. The cyber key tracks access to each District site for monitoring by the District.
4. Licensee will be responsible for maintenance of any cyber keys issued to it. Each cyber key must be updated by Licensee at the District facility, located at 2700 Foothill Blvd, La Crescenta-Montrose, CA 91214, on a periodic basis. Note: if the cyber key is not periodically updated, it will stop working and will not allow Licensee access to a District site.
5. Licensee shall provide the District, upon request, a contact list of cyber key holders and the names of those persons who will have access to a District site.
6. Licensee and/or its contractors may only access a District site using a District issued cyber key. **No** daisy-chain padlocks are allowed for a Licensee's access to its Communication Facilities at a District site.
7. Licensee and/or its contractors shall not leave access to a District site open (e.g. an open gate) and/or unattended while performing work activity or after leaving a site.
8. If Licensee and/or its contractors discovers theft or vandalism, whether to Licensee's Communication Facilities or to the District site, Licensee shall report that incident to the District immediately.
9. Licensee and/or its contractors is responsible for ensuring their licensed District site is properly secured and locked upon leaving the site.
10. If District personnel are present at a District site, it is the responsibility of Licensee and/or its contractors to announce their presence and to let District personnel know when they leave the site.

11. Licensee agrees to monitor the use of any cyber keys it is issued and to always keep them in a safe and secure place. Repeated loss of cyber keys may result in forfeiture of the use of the cyber keys, resulting in a Licensee being required to have a District staff member escort and provide them access to the applicable District site for a fee; that fee will cover the time spent by District staff to provide escorted access, charged at the fully burdened rate.
12. Licensee and/or its contractors shall provide written notice to the District no later than 48-hours before any activities by Licensee and/or its contractors will be occurring at a District site. The notification shall be sent by e-mail to grp_operators@cvwd.com and jlee@cvwd.com.
13. Licensee, its representatives, agents, and/or its contractors accessing a District site shall carry company name badges and picture identification and shall present such to a District employee when requested. Persons without proper identification may be required to leave the site.
14. Licensee, its employees, agents, and/or its contractors' vehicles shall be marked as such and be distinguishable from general public vehicles when on a District site. Notwithstanding the above, any Licensee vehicle accessing District facilities without distinguishing markings shall display a business card in the windshield identifying the entity accessing the site (showing the person's name and company name).
15. The District reserves the right to charge an access fee for any requests by Licensee's employees, agents, and/or contractors for escorted access to a District Site that is required for other reasons other than a malfunctioning cyber key. That fee shall cover the time spent by District staff to provide escorted access, charged at the fully burdened rate, or \$350.00 in total, whichever amount is greater.

4.3 Ongoing Operations

1. Ongoing operations and maintenance of the Licensee's Communication Facility shall comply with all applicable local, state, and federal laws and regulations, as well as the requirements of this Program, and the applicable terms of the License Agreement.
2. If Licensee installs any equipment outside the licensed area or exceeding the parameters of the permitted use or uses authorized under the License Agreement without the District's prior written authorization, the District reserves the right to (i) terminate the License, or (ii) charge an additional fee for any unauthorized equipment, equivalent to 200% (two

hundred percent) of the incremental License Fee that would have been payable to the District for a similar increase in the permitted use on a District site had the District's prior consent been properly obtained. For the purposes of calculating the incremental license fee increase for any such unauthorized use of equipment at the site or outside of the licensed area at the site, the District will assume the equipment was in place for the period which is the shorter of: two years prior to the date of discovery, or the period from the effective date of the applicable License Agreement to the date of discovery.

5. Application/Project Processing Guidelines

All applications for proposed work at a District site (whether that project is a new build, modification, or decommission) shall follow the general application process guidelines (from project inception to project completion "close-out"), which include the following procedures and requirements (some of which were previously discussed in Section 3 above):

1. The applicant ("Applicant") contacts the District to request the District's current Site Application (see Appendix D) for a proposed project.
2. Applicant is referred to District's project processing agent ("Consultant").
3. Upon contact, District's Consultant provides the applicant with a copy of the District's current Program, communication facilities project application form, and fee schedule.
4. Applicant completes the communication facilities project application form provided by Consultant, signs and dates the form, and sends the completed form back to the Consultant, accompanied with payment for the appropriate fee (based on the fee schedule), ***in the form of a check issued by Applicant or a cashier's check issued by the Applicant's bank*** (no third-party checks will be accepted). The application and check shall be sent to the Consultant at the following address:

ATS Communication
Attn: District site app
4195 Chino Hills Pkwy, #605
Chino Hills, CA 91709
ATS (949) 922-2859
5. Consultant will review the application for accuracy, clarity, and completeness. If approved by the Consultant, the application will be delivered to the District for processing.
6. The District will log the application and provide the Applicant with an application receipt for the fees received, along with a District project tracking number. Applicant shall use the project tracking number in all correspondences pertaining to the subject project.

7. If necessary, Applicant will coordinate with the Consultant to arrange for site access to complete any required architectural & engineering surveys ("A&E site-visit").
8. Applicant shall provide Consultant with zoning or construction drawings/plans for District's review.
9. District may require Applicant to correct or modify the zoning or construction drawings/plans. District/Consultant will provide redlined drawings/plans to Applicant with comments for corrections/modifications.
10. If there are any changes, applicant shall provide Consultant a set of revised zoning or construction drawings/plans for District's final review and approval. Upon approval, the District shall provide a letter of authorization ("LOA") to Applicant authorizing Applicant to submit the proposed set of drawings/plans to the jurisdiction of record for all necessary entitlements. If the jurisdiction requires further modifications to the District-approved zoning or construction drawings/plans, Applicant shall obtain District approval for any modifications to previously District-approved drawings/plans.
11. If Licensee conducts a pre-bid walk with one or prospective general contractors, this activity must be coordinated with the District's Consultant and the District's inspector.
12. Once the Applicant has obtained all required entitlements and has fulfilled the requirements in this Section 5 and any applicable requirements listed in Section 3 of the Program (above), the District will issue a Letter of Consent to Licensee allowing Licensee to proceed with the construction process. Prior to the start of construction Licensee shall provide the District with **all** of the following:
 - a. A fully executed License Agreement or Amendment, as applicable.
 - b. Documentation that Licensee's project has obtained planning and zoning approval by the jurisdiction of record, including COAs, as necessary.
 - c. A copy of the architectural & engineering structural analysis showing the existing and/or proposed facilities are structurally capable of supporting the proposed equipment.
 - d. A copy of GC's certificate of insurance naming the District as the certificate holder specific to the subject project.
 - e. 24/7 full contact information for the project's foreman.
 - f. A pre-construction site meeting with the GC's foreman, Consultant, and the District's inspector. Note: if any restoration work is required to any of the District's tanks, the pre-construction site meeting will require the attendance of the District's coatings inspector and Painting Contractor (as necessary).

- i. GC shall arrive at the applicable District site with a full-sized set of drawings/plans approved by *both* the District and the applicable local jurisdiction. These drawings/plans must have the same iteration date as the date they were approved by the District and issued with the LOA. If the GC does not have these approved drawings/plans at the pre-construction site walk, the meeting will be cancelled.
 - ii. If a pre-construction meeting is cancelled, a \$350.00 rescheduling fee shall be charged to GC and may result in the project being delayed or put on hold.
- 13. During the pre-construction meeting, District and/or Consultant will provide GC with written District guidelines for completing the subject project. Failure to follow District guidelines may result in the project being delayed or cancelled and penalties may be assessed by the District.
- 14. Once a pre-construction meeting has been completed in conformity with all requirements under this Program, the project must commence within 14 calendar days of that meeting's date. If work does not begin within 14 days of that completed meeting, District may require another pre-construction meeting at the site, subject to a reasonable rescheduling fee which may be assessed by the District.
- 15. If a Licensee assigns a new GC to the project after the District issues a LOC, it is Licensee's responsibility to ensure the new GC is made aware of the District guidelines and that the District guidelines are strictly adhered to by the GC.
- 16. Prior to full completion of work, Licensee's contractors shall schedule a walk-through with the District's inspector and Consultant to identify and list issues (punch-list), if any, with the project work.
- 17. Once the punch-list items are completed Licensee's contractors shall schedule a final walkthrough with the District's inspector.
 - a. GC must provide advance notice of its intention to schedule a final walkthrough for close out one week in advance to give the District inspector and the Consultant time to ensure all aspects of the project punch list have been completed to the satisfaction of the District.
 - b. Upon District's final acceptance of the project work, Licensee and/or its contractors shall provide the District:
 - i. A copy of the jurisdiction of record final approval.
 - ii. A set of "as-built" Construction Drawings/Plans labeled "**RECORD DRAWINGS**" on the Title Sheet, and showing all field changes to the appropriate sheets, if any. If no field changes were made, a note indicating "**BUILT TO PLAN**" shall also be depicted on the Title Sheet.

18. Prior to final project close-out, Licensee or GC shall provide evidence that all third-party invoices (e.g., District's landscaper, painter and/or inspector), have been paid in-full.
19. In addition to submitting the "RECORD DRAWINGS," Licensee, Applicant or its GC shall sign and date the LOC and return the signed and dated document to the Consultant for final project close-out.
20. Upon District's acceptance of the "RECORD DRAWINGS" and receipt of the signed and dated LOC from Licensee's representative, the District shall sign, date and return the LOC to the Applicant, indicating the project has been successfully closed-out.
21. Basic instructions for all work activities are as follows:
 - a. In general, District will only allow one Licensee to perform project work activity on a District Site at a time. Licensee's proposed project may be delayed, at the District's sole discretion, until any current Licensee project work activity has been completed and closed-out prior to the commencement of any second project. Consideration of a simultaneous project work activity is at the sole discretion of the District.
 - b. Only the District or the Consultant may initiate a site meeting including sending out a meeting invitation.
 - c. GC shall take pre-construction photos and/or video of the project work area and surrounding area that they observe at the site. In the event damage is declared at the site, said photos and/or video may be used by the GC to determine pre-existing conditions and/or previous damage not attributable to GC's work activity.
 - d. GC shall notify the District prior to the delivery of any equipment, such as a man-lift, scissor lift, bucket truck or other large equipment, that may limit or prevent District personnel from complete access to a District Site.
 - e. Immediately upon completion of GC's project work activity, GC shall remove or cause to be removed from the District Site said equipment. That equipment shall not be permitted to remain overnight without the prior written approval by the District.
 - f. In the event the timeline to complete the project work activity at a District site deviates from the construction schedule approved by the District, GC shall update the construction schedule and transmit the revised construction schedule to the District inspector and Consultant.
 - g. It is the Licensee's responsibility to ensure its contractors have access to a cyber key issued by the District to open and close the gate when visiting a District site. If the District is called to provide access to a District site, the District may charge Licensee or

its contractors a fee equal to \$350.00 to cover the District's costs for staff time and expenses.

- h. If Licensee or its GC and subcontractors improperly lock any gate to a District site (such as bypassing the District's cyber lock or installing a locking mechanism not approved by District), the Licensee will be charged a fee equal to \$350.00 to fix the lock, and this may result in the project being delayed or cancelled.
- i. Licensee, its employees, agents, general contractors, sub-contractors, shall maintain proper business decorum at a District site at all times. This includes, but not limited to:
 - (i) no consumption of alcohol or illicit drugs while on site or being under the influence of either while on site; (ii) providing adequate bathroom facilities on site, as necessary;
 - (iii) no yelling or using profanely while on site; (iv) no driving to or from the site at excessive speeds; (v) no blocking ingress or egress from the site; (vi) no leaving trash at the site or any construction debris (e.g. nails, screws, bolts, washers, wiring, etc.).

6. Decommission or Termination Process

If Licensee decides to decommission its Communication Facility on a District site, Licensee shall follow the process described in this Section 6.

1. Licensee shall submit a letter to the District, by certified mail or equivalent, indicating Licensee's intention to decommission its Communication Facility at a District site. The letter shall include Licensee's Communication Facility name and number, the District site name, the site address, a contact person, mailing address, e-mail address, and an intended time-frame for the decommission work activity.
2. Following receipt, the District will provide Licensee a letter acknowledging Licensee's intention to decommission its Communication Facility and directing Licensee to contact District's Consultant to initiate the decommission process, including the payment of appropriate fees, and the submission of necessary decommissioning drawings/plans.
3. Once the appropriate fees are paid, and the decommissioning drawings/plans are approved by the District, Licensee shall remove all installed equipment (including, but not limited to, all tank-mounted equipment, cable trays, bollards, underground conduits, cables, wires, equipment cabinets (or shelter), retaining walls, concrete pads, caissons, electrical power lines and meter pedestal, Telco boxes, and wiring), and return the site to pre-existing conditions, at the satisfaction of the District's inspector.

The decommission process shall follow the same applicable District guidelines provided in Section 5 above.

4. Licensee shall enter into a termination and release agreement with the District. This agreement will outline the District's requirement for site acceptance upon Licensee's removal of Licensee equipment at the site. Licensee shall be responsible for payment of the annual license fee for that year until the termination and release agreement and subsequent District site acceptance agreement has been fully executed by both parties.

Appendix A

Communication Facility License Agreement Template

Appendix B

Amendment to

Communication Facility License Agreement Template

CRESCENTA VALLEY WATER DISTRICT
WIRELESS TELECOMMUNICATION APPLICATION

Required for all New & Existing Communication Facilities

(Check all that apply)

- ☐ Application for a new License at a Site - \$4,500.00 nonrefundable deposit and full reimbursement of District's out-of-pocket expenses and attorneys' fees above that amount for the review and approval of the license agreement or amendment, as applicable ("Attorney Review Fees").
- ☐ Application for License Amendment - \$2,500.00 nonrefundable deposit and full reimbursement of District's out-of-pocket expenses and Attorney Review Fees above that amount.
- ☐ Application for a Letter of Consent for minor improvements (no excavation) - \$2,000.00 flat fee.
- ☐ Application for a Letter of Consent for major improvements (Site excavation) - \$2,500.00 flat fee.
- ☐ Application for a Letter of Authorization to commence zoning and permitting - \$500.00 flat fee.
- ☐ Specialty field inspections fees/access fees - \$350.00 per occurrence, billed to Licensee's general contractor upon completion of installation and prior to project close-out.
- ☐ Application for Site decommission - \$3,000.00 nonrefundable deposit and full reimbursement of District's out-of-pocket expense and attorneys' fees above that amount.
- ☐ Application for insurance compliance, name change, assignment, change of ownership or entity - \$600.00 nonrefundable deposit and full reimbursement of District's out-of-pocket expenses and attorneys' fees above that amount.

***Check(s) should be made payable to District and shall accompany this application.
Payments must be issued by Licensee (in the form of a Licensee company check or cashier's check)***

Total Fee: _____	Check #: _____
District Site Name: _____	
Site Address: _____	
APN#: _____	
Licensee entity name (Carrier): _____	
Carrier's Local Address: _____	
Carrier Site Number/Name: _____	

Correspondence regarding this application should be sent to:

Agent
Company: _____
Agent Name: _____
Address: _____
Phone: _____
E-mail: _____

_____ Applicant Signature	_____ Date
------------------------------	---------------

_____ New License _____ Modified Build _____ Decommission

Detailed description of Project: _____

(mark all that apply)

Antenna(s) (Y/N): _____	Number / Size: _____
Microwave dish (Y/N): _____	Number / Size: _____
RRUs (Remote Radio Units)	
(Y/N): _____	Number / Size: _____
Surge Suppressors (Y/N): _____	Number / Size: _____
TMA/LNA (Y/N): _____	Number / Size: _____
Trenching (Y/N): _____	Location/Length: _____

Location of the BTS equipment: _____

Interior/Exterior : _____ License Area Size: _____ Square Feet: _____
Enclosure
material: _____
Proposed screening material: _____
Site access to equipment: _____
Aesthetic mitigation measures: _____

District only

Payment Received: \$ _____ **Date:** _____

Project Submittal Date: _____

Project Log-in

Date: _____

District Project Tracking No.: _____

Fee Schedule

Crescenta Valley Water District
Communication License Program
Application Fee Schedule¹

Checks for Site Application fees should be made payable to the Crescenta Valley Water District. The District requests that Licensee issue separate checks for each type of fee. Prior to cashing the checks, the District will review each application and determine whether the required application fees have been submitted correctly. If a fee has been submitted that is not necessary, the District will return the check. If fees are missing, the District will advise the Applicant. Once a fee is accepted, it is non-refundable and not assignable to another project application. Failure to diligently pursue an application once submitted (if, for example, the Applicant fails to respond to the District's request for information and/or documentation for several months) may result in denial of the application and require resubmittal.

Types of fees:

1. Application Fee for a new License Agreement - \$4,500.00 nonrefundable deposit and full reimbursement of District's out-of-pocket expenses and attorneys' fees above that amount.
2. Application Fee for License Amendment - \$2,500.00 nonrefundable deposit and full reimbursement of District's out-of-pocket expenses and attorneys' fees above that amount.
3. Application Fee for a Letter of Consent for minor improvements (no excavation) - \$2,000.00 flat fee.
4. Application Fee for a Letter of Consent for major improvements (site excavation) - \$2,500.00 flat fee.
5. Application for a letter of authorization to commence zoning and permitting - \$500.00 flat fee.
6. Specialty field inspections fees/access fees - \$350.00 per occurrence, billed to Licensee's general contractor upon completion of installation and prior to project close-out.
7. Application Fee for a Site Decommission - \$3,000.00 nonrefundable deposit and full reimbursement of District's out-of-pocket expenses and attorneys' fees above that amount.
8. Application Fee for insurance compliance, name change, assignment, change of ownership or entity - \$600.00 nonrefundable deposit and full reimbursement of District's out-of-pocket expenses and attorneys' fees above that amount.

¹ These processing application fees are *in addition to* the annual license fee required under the License Agreement/Amendment.

Appendix E

Signature Block and Equipment Table Samples

Signature Block and Equipment Schedule Templates

Required on the title sheet for all drawings submitted to District for approval for communication facilities licenses and/or site improvements.

CRESCENTA VALLEY WATER DISTRICT	
SIGNED _____	DATE _____
NAME/TITLE _____	
District SITE NAME _____	

EQUIPMENT SCHEDULE			
LICENSED EQUIPMENT	LICENSED APPROVED	EXISTING ON SITE	PROPOSED MOD (FINAL TOTALS)
# PANEL ANTENNAS			
SIZE OF PANEL ANTENNAS			
# MICROWAVE ANTENNAS / SIZE			
# GPS ANTENNAS			
#RRU's (RRH's)			
# TMA's			
# RAYCAPS			
OTHER (e.g. Generator)			
EQUIPMENT AREA			

The following construction notes shall appear on the **notes sheet** of every set of construction drawings/plans submitted for the District's review and approval:

DISTRICT CONSTRUCTION NOTES:

1. DISTRICT INSPECTOR SHALL BE NOTIFIED AT LEAST TWO (2) WORKING DAYS PRIOR TO THE BEGINNING OF CONSTRUCTION. CALL (818) 248-3925 TO ARRANGE FOR INSPECTION.
2. A PRE-CONSTRUCTION CONFERENCE WITH THE DISTRICT INSPECTOR, DISTRICT'S CONSULTANT AND THE GENERAL CONTRACTOR'S FOREMAN, AND THE PERSON RESPONSIBLE FOR SUPERVISING THE AUTHORIZED WORK, SHALL BE HELD ON SITE WITHIN TWO (2) WEEK PRIOR TO BEGINNING CONSTRUCTION. IMMEDIATELY FOLLOWING THE PRE-CONSTRUCTION SITE MEETING, THE CONTRACTOR SHALL PROVIDE THE DISTRICT AND DISTRICT CONSULTANT WITH ANY ADDITIONAL ITEMS OR MATERIALS REQUESTED AT THAT MEETING PRIOR TO THE START OF CONSTRUCTION WORK ACTIVITY.
3. CONTRACTOR IS RESPONSIBLE FOR ENSURING THE DISTRICT'S SITE IS SECURE AT ALL TIMES FOR THE DURATION OF THE AUTHORIZED PROJECT, AND DURING BOTH WORKING AND NON-WORKING HOURS.
4. CONTRACTOR SHALL MAINTAIN SAFE AND UNOBSTRUCTED ACCESS TO THE SITE AT ALL TIMES FOR DISTRICT PERSONNEL. OPEN TRENCHES SHALL BE PROPERLY PLATED AT THE END OF EACH WORKING DAY TO ALLOW FOR 24-HOUR DISTRICT ACCESS TO THE SITE. CONTRACTOR EQUIPMENT USED FOR WORK ACTIVITIES MUST BE REMOVED FROM THE SITE UPON COMPLETION OF WORK. UNDER NO CIRCUMSTANCES WILL DISTRICT ALLOW STORAGE OF ANY EQUIPMENT ON A SITE BEYOND ONE (1) DAY WITHOUT WRITTEN APPROVAL FROM DISTRICT. ANY EQUIPMENT REMAINING ON SITE IS SUBJECT TO DISTRICT REMOVAL AT CONTRACTOR'S EXPENSE.
5. CONTRACTOR SHALL BE RESPONSIBLE FOR ANY DAMAGE DUE TO ITS WORK ACTIVITIES PERFORMED AT A SITE AND/OR TO DISTRICT FACILITIES AND SHALL RETURN THE SITE/FACILITIES TO THEIR EXISTING CONDITION OR BETTER AT THE BEGINNING OF THE LICENSE TERM, AT NO COST TO THE DISTRICT.
6. CONTRACTOR SHALL NOTIFY UNDERGROUND SERVICE ALERT (DIG ALERT) AT LEAST TWO (2) BUSINESS DAYS PRIOR TO BEGINNING CONSTRUCTION AT 1-800-422-4133 OR CALL 811. ANY UNDERGROUND DISTRICT FACILITIES TO BE CROSSED OR PARALLELED WITHIN FIVE FEET SHALL BE POTHOLED TO VERIFY LOCATION OF DISTRICT FACILITIES PRIOR TO WORKING IN THE VICINITY OF DISTRICT FACILITIES. CONTRACTOR IS RESPONSIBLE FOR PROVIDING GATE ACCESS TO DIG ALERT INSPECTORS.

7. DISTRICT SHALL REQUIRE CONTRACTOR TO UTILIZE THE DISTRICT PREFERRED PAINTING CONTRACTOR & COATINGS INSPECTOR FOR ANY RESTORATION WORK ON DISTRICT WATER TANKS, PROPERTY, OR FACILITIES.
8. CONTRACTOR SHALL CONTACT THE DISTRICT'S PREFERRED COATINGS INSPECTOR OR DISTRICT'S PREFERRED PAINTER WHOSE NAME AND CONTACT INFORMATION WILL BE PROVIDED TO CONTRACTOR BY THE DISTRICT EARLY IN THE APPLICATION PROCESS, FOR COATING REQUIREMENTS BEFORE PERFORMING ANY WORK ON DISTRICT TANK(S). DISTRICT'S PAINTER SHALL BE PRESENT DURING THE PRE-CONSTRUCTION CONFERENCE, IF THE PROPOSED PROJECT INVOLVES ANY RESTORATION WORK TO DISTRICT TANK(S).
9. CONTRACTOR SHALL ENSURE ALL NEW AND EXISTING COMMUNICATION FACILITIES SHALL BE PROPERLY TAGGED (E.G. STENCIL OR DECAL) IDENTIFYING THE CARRIER'S NAME, CARRIER SITE NAME AND/OR NUMBER AND 24-HOUR PHONE EMERGENCY CONTACT NUMBER. CONTRACTOR SHALL ENSURE THAT RADIO FREQUENCY WARNING AND EMERGENCY SIGNAGE (PLACARDS) ARE CORRECT AND MEET THE REQUIREMENTS OF ALL APPLICABLE LOCAL JURISDICTION, STATE AND FEDERAL GUIDELINES.
10. CONTRACTOR SHALL PROVIDE THE DISTRICT WITH A SET OF ALL CITY (OR COUNTY, AS APPLICABLE) STAMPED AND APPROVED CONSTRUCTION DRAWINGS/PLANS AND A COPY OF ANY NECESSARY PERMIT(S) (BUILDING PERMIT, ELECTRICAL PERMIT, GRADING PERMIT AND/OR ENCROACHMENT PERMIT) PRIOR TO COMMENCING ANY WORK. CONTRACTOR SHALL HAVE A COPY OF ANY REQUIRED PERMIT(S), A COPY OF THE DISTRICT APPROVED CONSTRUCTION DRAWINGS/PLANS, AND A COPY OF THE DISTRICT SIGNED LETTER OF CONSENT ON-SITE AT ALL TIMES DURING THE WORK ACTIVITY.
11. CONTRACTOR SHALL SAW CUT ALL PAVEMENT. BACKFILL SHALL BE ONE SACK SLURRY OR AGGREGATE BASE TO WITHIN 1-INCH OF EXISTING AC.
12. CONTRACTOR SHALL PROVIDE A MINIMUM COVER OF 30-INCHES ON TOP OF ALL UNDERGROUND CONDUITS, UNLESS DISTRICT PROVIDE WRITTEN APPROVAL TO DEVIATE FROM THIS REQUIREMENT.
13. CONTRACTOR SHALL REPLACE ASPHALT PAVEMENT WITH: 1ST LIFT – $\frac{3}{4}$ INCH MIX, RELATIVE COMPACTION 95%, NO MORE THAN 3 INCHES PLACED AT ANY ONE TIME. 2ND LIFT – $\frac{1}{2}$ INCH FINE, NO MORE THAN 1 $\frac{1}{2}$ INCH LIFT.
14. CONTRACTOR SHALL SLURRY SEAL THE ENTIRE WORK AREA AND ANY DAMAGED ASPHALT PAVED AREAS CURB-TO-CURB EXTENDING A MINIMUM OF 5 FEET ON EACH SIDE. CONTRACTOR MAY BE REQUIRED TO REPAIR, AND SLURRY SEAL ADDITIONAL AREAS AS IDENTIFIED BY DISTRICT'S INSPECTOR (E.G. OPENING TRENCH SEAMS IN ASPHALT PATCH) ATTRIBUTABLE TO LICENSEE'S COMMUNICATION FACILITIES.
15. CONTRACTOR SHALL INSTALL LANDSCAPING AS REQUIRED, IF APPLICABLE. SEE SECTION 3.8 SOFTSCAPE REPLACEMENT DETAILED IN DISTRICT'S PROGRAM OF POLICIES AND PROCEDURES.

16. CONTRACTOR, UPON COMPLETION OF WORK, SHALL CONTACT DISTRICT'S CONSULTANT AND INSPECTOR TO CONDUCT A WALKTHROUGH INSPECTION AND SHALL COMPLETE ALL PUNCH-LIST ITEMS, IF ANY, TO THE INSPECTOR'S SATISFACTION.
17. CONTRACTOR SHALL PROVIDE DISTRICT WITH AS-BUILT PROJECT CONSTRUCTION DRAWINGS/PLANS REDLINED WITH FIELD CHANGES ON APPROPRIATE SHEETS, IF ANY, AND LABELED "RECORD DRAWINGS" ON THE TITLE SHEET. IF NO FIELD CHANGES WERE MADE, THE RECORD DRAWINGS SHALL DENOTE "BUILT TO PLAN" ON THE TITLE SHEET AND SHALL BE SIGNED AND DATED. CONTRACTOR SHALL PROVIDE A COPY OF THE JURISDICTION'S FINAL INSPECTION DOCUMENT(S).
18. PRIOR TO FINAL PROJECT CLOSE-OUT CONTRACTOR OR LICENSEE REPRESENTATIVE SHALL PROVIDE EVIDENCE THAT ALL THIRD-PARTY VENDOR INVOICES (E.G. DISTRICT'S LANDSCAPER, DISTRICT'S PAINTING CONTRACTOR AND COATINGS INSPECTOR), HAVE BEEN PAID IN-FULL.

CV Weekly

March 16, 2023

Water Service Interrupted Due to Broken Pipe



CVWD crews

work on a broken pipe on Saturday night that left some local residents with no water.

Photo by Mary O'KEEFE

By Mary O'KEEFE

An emergency pipeline repair on Saturday night had numerous customers without water service for several hours. This was the second water interruption of the week; the first was on Wednesday affecting many of the same customers, according to Christy Colby, spokeswoman for Crescenta Valley Water District.

The pipeline was located at Ocean View Boulevard near the on-ramps and off-ramps of the Foothill (210) Freeway. Ocean View was closed in both directions from Montrose Avenue north to Waltonia Drive as were the on-ramps and off-ramps while repairs were made by CVWD crews.

The exact cause of the break in the pipeline is being analyzed by CVWD and more information will be available next week, Colby said.

At the time of the incident CVWD issued a statement apologizing for any inconvenience. Those with questions or comments concerning this outage can contact CVWD Customer Service at (818) 248-3925 or via email at customerservice@cvwd.com.



Water Service Interrupted Due to Broken Pipe added by [CV Weekly](#) on March 16, 2023
[View all posts by CV Weekly →](#)

CRESCENTA VALLEY WATER DISTRICT

General Manager Report

GM Report

March 28, 2023

To: Honorable President and Members of the Board of Directors
From: Nem Ochoa, General Manager
Subject: **General Manager Report**

General Managers Report Topics:

- GM Activities

The following are some highlights in this month's report:

- Operations & Maintenance Report
- Administration and Finance Report

STAFFING

As of March 24th the District has gone 436 days without a lost time accident.

GENERAL MANAGER ACTIVITIES

Meetings:

FMWD Manager's Meeting	- March 15 th
CV Town Council Meeting	- March 16 th
Policy Committee Meeting	- March 22 nd
LiNK Meeting	- March 23 rd

Submitted by:



Nem Ochoa
General Manager

Field Maintenance and Operations Report

February 2023

0

Water Main Repairs

4

Water Service

Repairs: 2 Replacements: 2

0

After Hours Leaks/Repairs

27,273'

Sewer Maintenance

Clean: 26,616' Inspect: 657 Reports: 80

- **Field Maintenance Projects**

- * Developer Jobs

- D-22-130: 2416 Montrose – 4" fire service

- D-22-88: 2515 Hermosa – 4" manifold w/four 1" services

- **Operations Report**

- * Rosemont Reservoir – Warranty Work

- * Hach Analyzer – Semi-annual calibration

- * Aronite/Well #2 – Maintenance & evaluation

- **Electrical/Telemetry**

- * E-939 – Continued integration build

- * E-962 – Continued integration build with Apex

- * Seismic valve & actuator – annual service

- **Wastewater**

- * Lift Station visits: 4 (De-rag pumps, check valves & add degreaser)

Field Maintenance and Operations Report

February 2023

Days without a lost-time incident: **412**

167

Water Quality Samples

98

Valves

Replace: 0 Exercise: 98 Install: 0

42

Fire Hydrant Maintenance

Rebuild: 2 Replace: 3 Inspect: 37

25

Water Meter Replacement

$\frac{3}{4}$ " : 23, 1" : 2, 1.5" : 0, 2" : 0, 3" : 0, 4" : 0

- **Training/Cross Training**

- * Director Johnson
 - District Tour

- **New Certification**

- * T2 – Joseph R

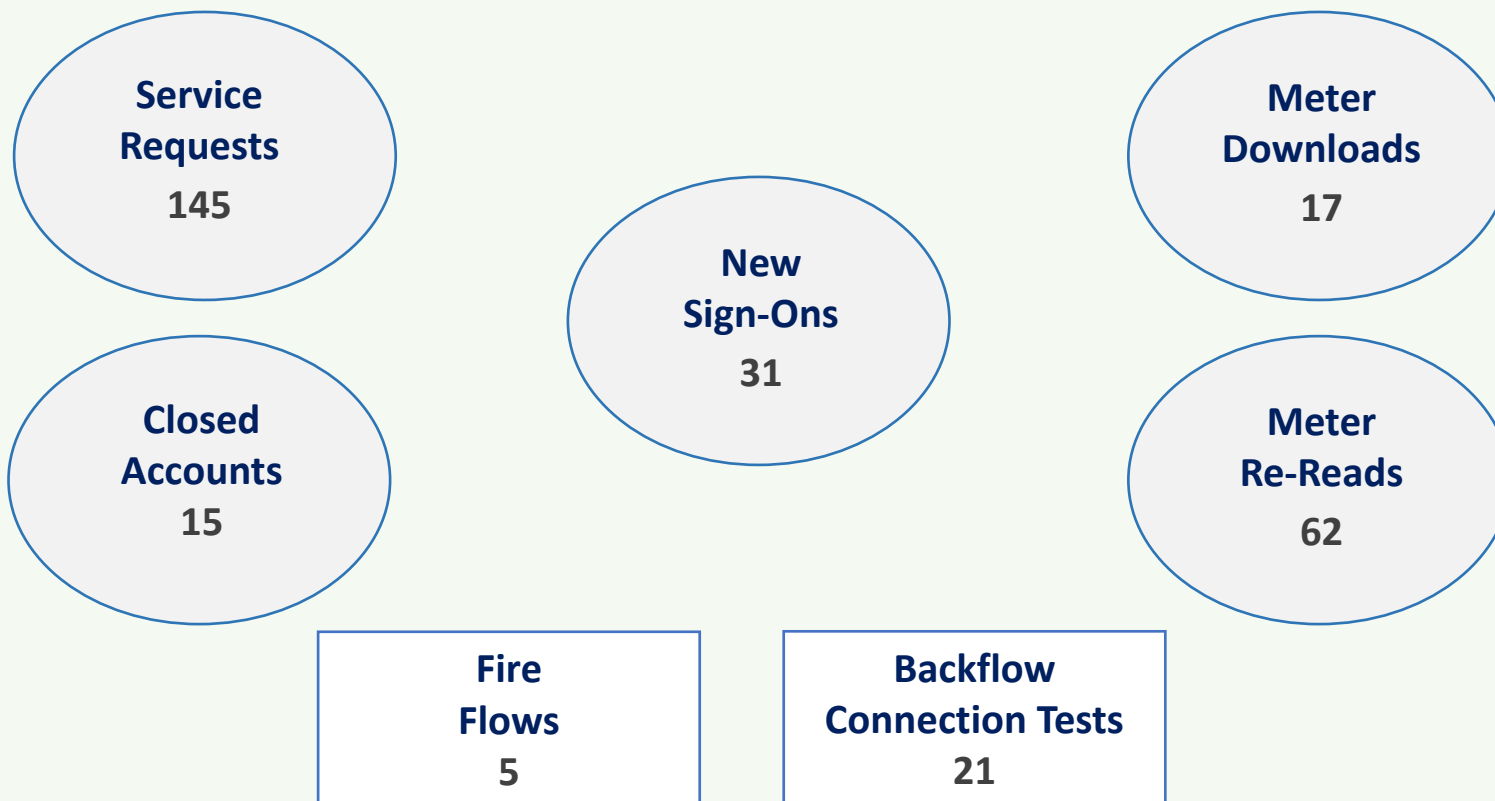
- **Safety**

- * Glenwood Plant
 - CPR Training – District Wide



Crescenta Valley Water District –Administration & Finance Report for < February 2023>

Customer Service & Administration Activity



- Rules & Regulations – kickoff for update
- Sewer billing issue and resolution
- Investment strategy adjustment



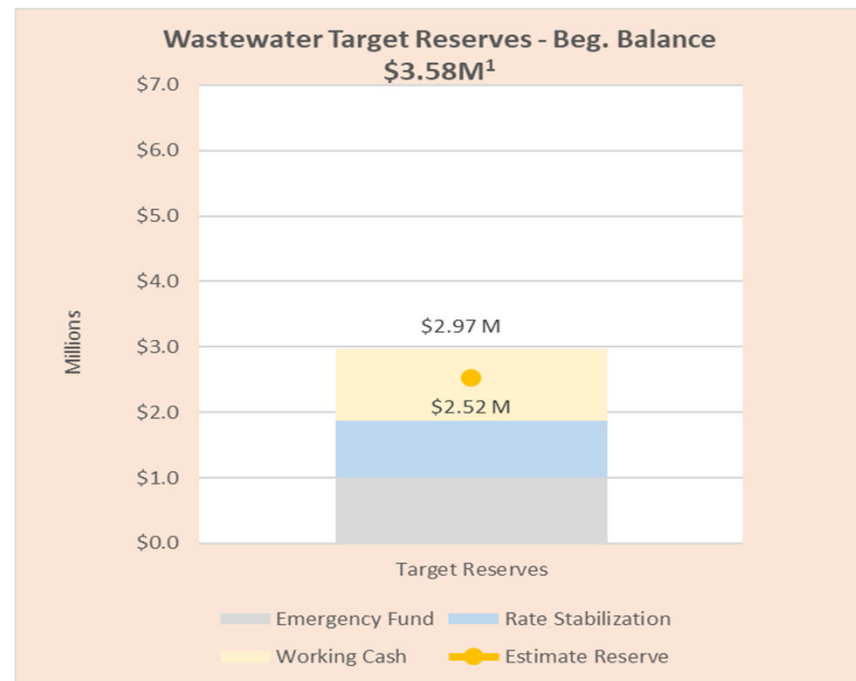
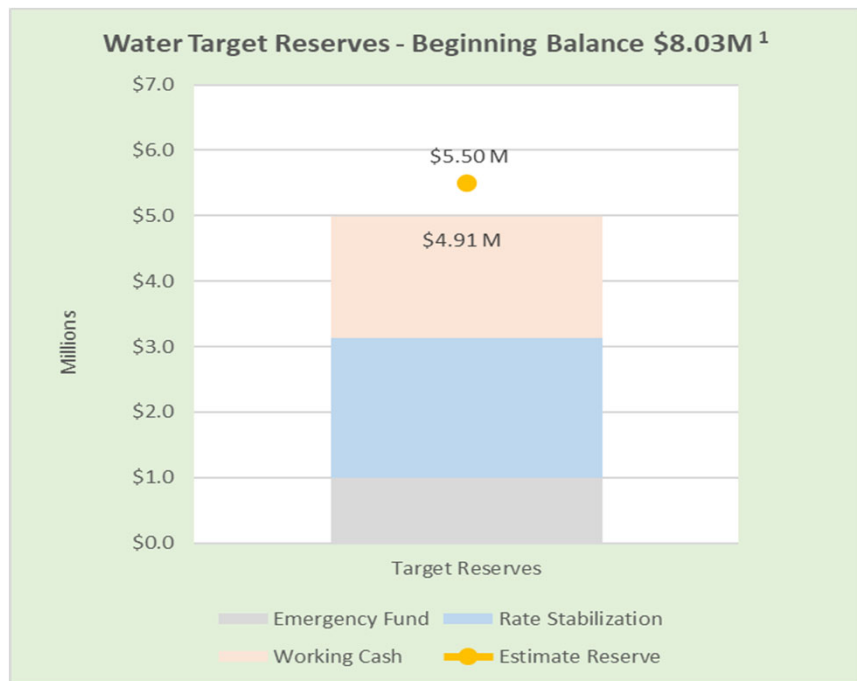
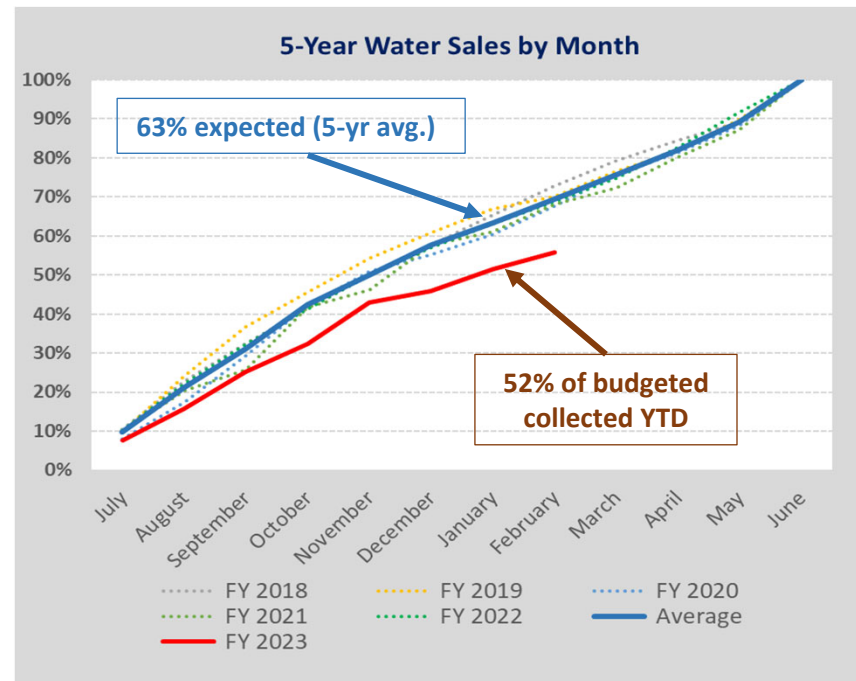
Crescenta Valley Water District –Administration & Finance Report for < February 2023 >

Water Fund - revenues & operating expenses

Proj. Revenue	\$12,628,100		Proj. Expense	\$10,507,038	
Budget	\$14,289,712	88%	Budget	\$10,325,991	102%

Wastewater Fund - revenues & operating expenses

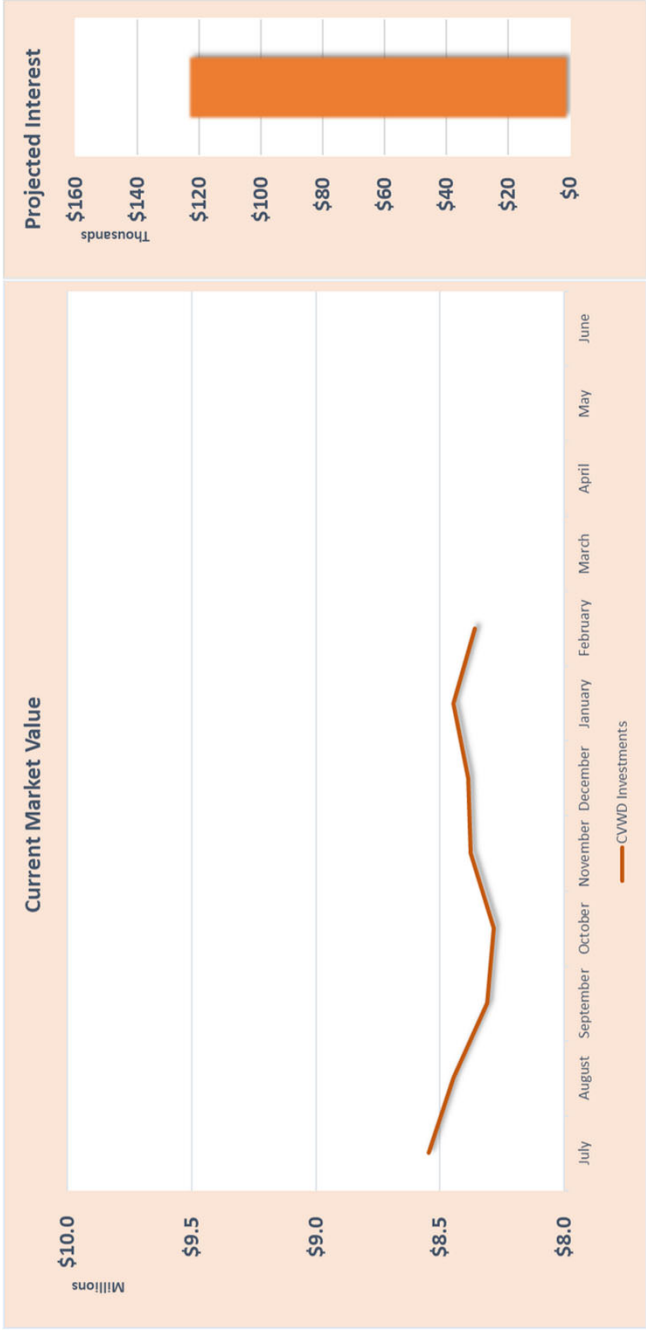
Proj. Revenue	\$3,589,350		Proj. Expense	\$4,382,691	
Budget	\$3,680,436	98%	Budget	\$4,546,359	96%



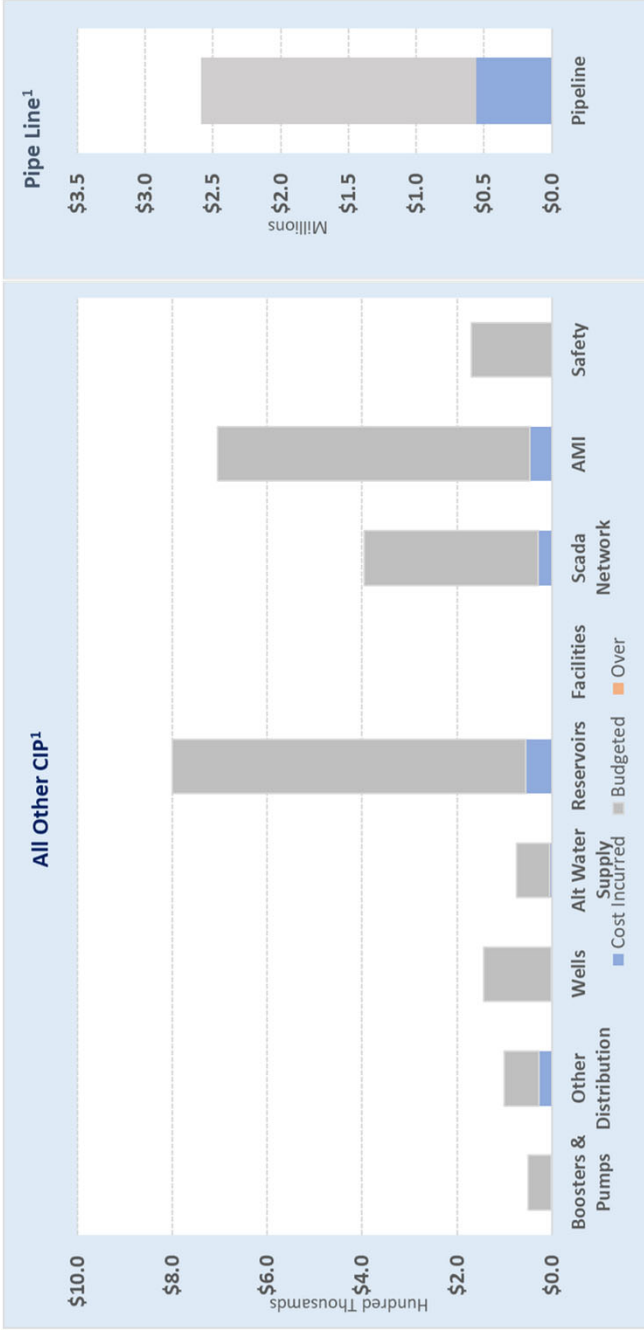
1. CVWD Reserve Policy adopted on 7/28/20



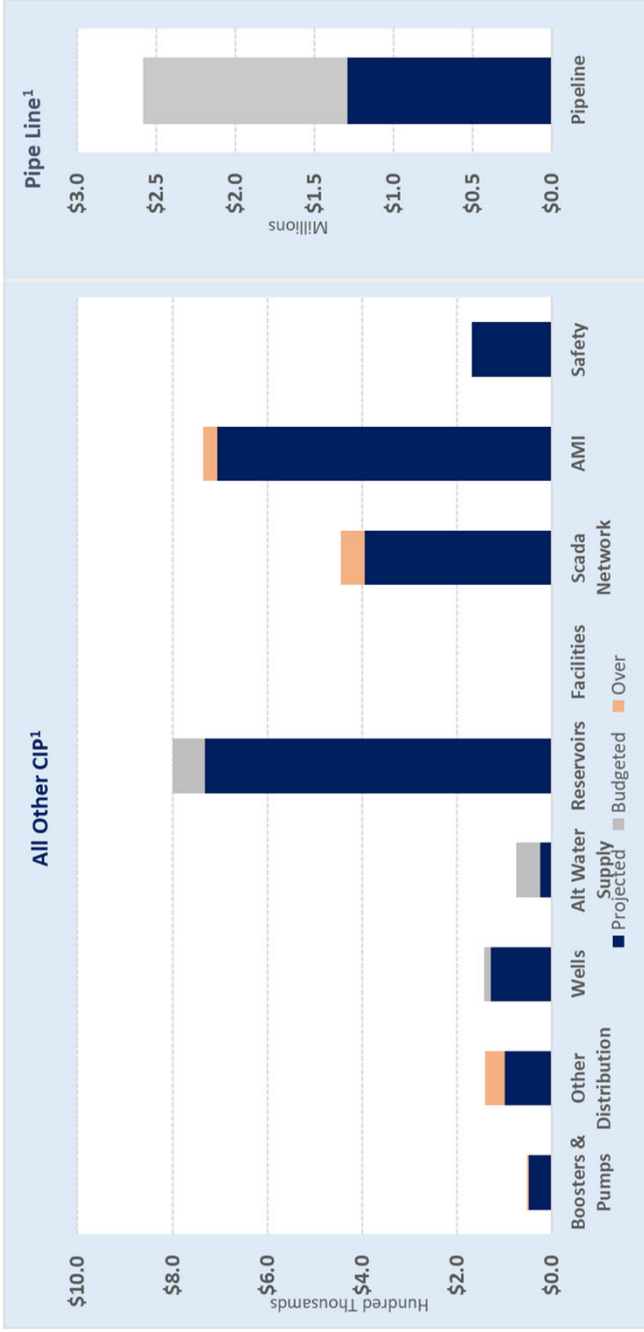
CVWD Investments



CIP Costs Incurred to Date



CIP Projected vs. Budgeted



1. Pipelines CIP reported separately to preserve scale of the graph



PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.17
Average Coupon	1.33%
Average Purchase YTM	1.32%
Average Market YTM	4.91%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.44 yrs
Average Life	2.27 yrs

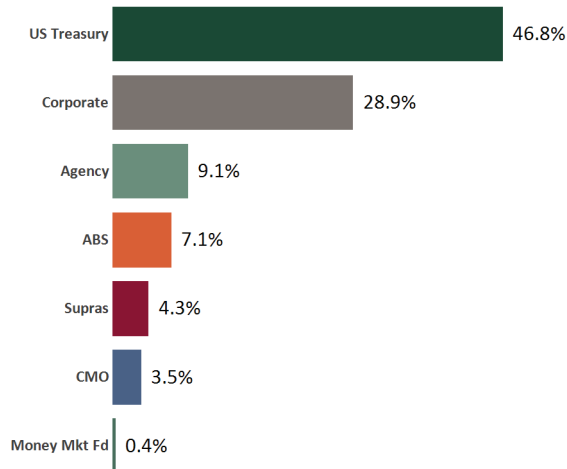
ACCOUNT SUMMARY

	Beg. Values as of 1/31/23	End Values as of 2/28/23
Market Value	8,445,254	8,359,327
Accrued Interest	22,969	25,358
Total Market Value	8,468,223	8,384,685
Income Earned	9,961	9,440
Cont/WD		-1,570
Par	8,999,354	9,005,112
Book Value	8,977,785	8,983,264
Cost Value	8,995,198	9,000,949

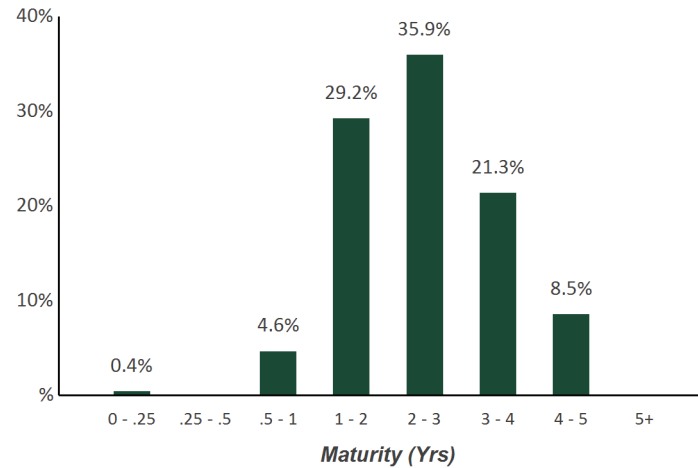
TOP ISSUERS

Government of United States	46.8%
Federal Home Loan Bank	4.3%
Federal Farm Credit Bank	3.5%
Federal Home Loan Mortgage Corp	3.5%
Inter-American Dev Bank	2.2%
Intl Bank Recon and Development	2.1%
Paccar Financial	2.0%
Northern Trust Corp	1.6%
Total	66.0%

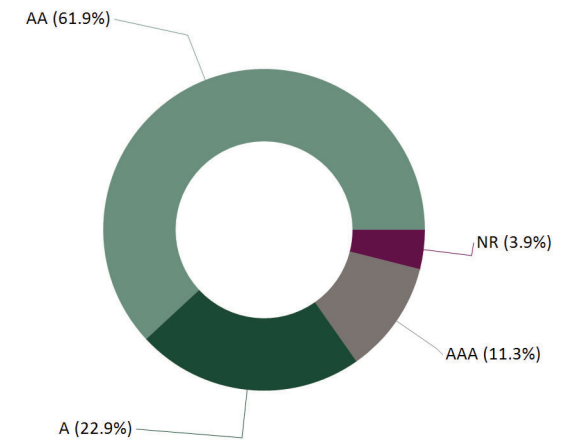
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	Annualized				
					2YRS	3YRS	5YRS	10YRS	6/30/2021
Crescenta Valley Water District	-0.97%	0.14%	0.02%	-3.76%	N/A	N/A	N/A	N/A	-3.65%
ICE BofA 1-5 Yr US Treasury & Agency Index	-1.19%	-0.09%	-0.16%	-4.13%	N/A	N/A	N/A	N/A	-3.67%

CRESCENTA VALLEY WATER DISTRICT

2700 FOOTHILL BOULEVARD
LA CRESCENTA, CALIFORNIA

To be held on
March 15, 2023 at 4:00 PM

Agenda for the Meeting of the Finance Committee
of the Crescenta Valley Water District

Posted March 14, 2023 at 4:00 PM

TELECONFERENCING NOTICE

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

(669) 900-6833

(346) 248-7799

(929) 205-6099

(253) 215-8782

(301) 715-8592

(312) 626-6799

Then, enter Access Code: 856 3692 1337

[Pursuant to the above Executive Order, the public may not attend the meeting in person]

Those members of the public who are able to and would like to additionally participate with a computer through videoconference may access the Zoom videoconferencing tool available at the following link:

<https://us02web.zoom.us/j/85636921337>

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

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

Call to Order

Adoption of Agenda

Public Comment:

At this time, members of the public shall have an opportunity to address the Committee on items of interest that are within the subject matter jurisdiction of this Committee. This opportunity is non-transferable, and speakers are limited to three (3) minutes each. Under the provisions of the Brown Act,

the Board is prohibited from taking action on items not listed on the agenda, except under certain circumstances.

Action Item(s)

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

1. Discussion on revenue requirements for potential pipeline replacement alternatives to be funded as a capital charge through the property tax roll
2. Update on a sewer billing issue
3. Discussion on investments
4. Discussion on audited financial statements for FY 2021-22

Committee Members' Request for Future Agenda Items

Adjournment

CRESCENTA VALLEY WATER DISTRICT

**2700 FOOTHILL BOULEVARD
LA CRESCENTA, CALIFORNIA**

**To be held on
March 22, 2023 at 3:00 PM**

**Agenda for the Meeting of the Policy Committee
of the Crescenta Valley Water District**

Posted March 21, 2023 at 3:00 PM

TELECONFERENCING NOTICE

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

(669) 900-6833

(346) 248-7799

(929) 205-6099

(253) 215-8782

(301) 715-8592

(312) 626-6799

Then, enter Access Code: 870 3329 3711

[Pursuant to the above Executive Order, the public may not attend the meeting in person]

Those members of the public who are able to and would like to additionally participate with a computer through videoconference may access the Zoom videoconferencing tool available at the following link:

<https://us02web.zoom.us/j/87033293711>

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

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

Call to Order

Adoption of Agenda

Public Comment:

At this time, members of the public shall have an opportunity to address the Committee on items of interest that are within the subject matter jurisdiction of this Committee. This opportunity is non-transferable, and speakers are limited to three (3) minutes each. Under the provisions of the Brown Act,

the Board is prohibited from taking action on items not listed on the agenda, except under certain circumstances.

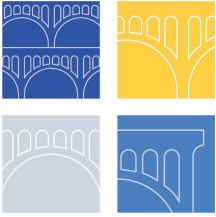
Action Item(s)

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

1. Discuss plan for updating the District's Rules & Regulations
2. Discuss the District's sewer and other easement rights

Committee Members' Request for Future Agenda Items

Adjournment



MEMORANDUM

To: Tom Bunn

From: Reid Miller

Re: Legal Opinion Regarding Enforcement of CVWD's Easement Rights

Date: January 27, 2023

Background Facts and Question

Our client, Crescenta Valley Water District ("District"), holds easement rights to the surface or subsurface easement areas and a right-of-way¹ to two manholes on and over the property at 2523 Cross Street in La Crescenta-Montrose (the "Property") to access its underlying sewer pipes and systems (collectively, "Easement"). The Property's owner has allowed various types of large, physical impediments—such as old and *likely inoperable* automobiles and motorcycles, tires, wooden furniture, plants, garbage cans, storage boxes, and tarping (collectively, "Impediments")—to accumulate on and around the Easement, including placing concrete over one manhole the District needs to use to access the sewer line that runs under the Property.

The District recently discovered that roots have penetrated a portion of the sewer line pipe that runs directly underneath the Property ("Root Damage"). Although the District attempted to access this line for repairs through other nearby manholes—which it has been forced to do because of these obstructing Impediments—its equipment got stuck in the process. Consequently, the District has determined that it can only access the damaged line through the manholes on its Easement.

The District needs these Impediments cleared from its Easement area immediately so its workers and equipment can access and repair the sewer before the roots further expand to fill more of the line—which could result in water leaks, backups, overflows, and other severe and expensive damage to the District's sewer systems and the surrounding properties they serve.

¹ Cal. Civ. Code, § 801.

Although the District has made at least two requests for the owner to remove these Impediments from the Easement areas, he has failed to remove all or most of these items by the imposed deadline, which was extended twice. The District believes the owner lacks the ability to remove these Impediments on his own, and it wants to know what legal remedies it has to enforce its rights and have these Impediments immediately removed from its Easement area.

Questions: Do the District's Easement rights authorize it to use "self-help" and thus take physical action to relocate or remove the obstructing Impediments so it can access the underlying sewer system and repair the Root Damage before it causes additional damage to the sewer system?

What other enforcement mechanisms and legal remedies does the District have?

Short Answer and Organization of Memo

Based on the District's *express* and *implied* Easements rights, and because the Impediments on the Property ***substantially interfere*** with the District's ***use*** of its Easement ***for its intended purpose of accessing the sewer for maintenance***, the District has the ***implied power*** under California state law to resort to self-help and take physical actions to remove the obstructing Impediments from the surface of its Easement.

However, because of the potential risks associated with the use of self-help, it would likely be a better alternative for the District to either (1) work with the appropriate Los Angeles County ("County") department contacts to commence an administrative proceeding to abate this public nuisance, which would include the designated enforcement officer issuing a notice of violation and imposing fines against the Property's owner for interfering with the District's use of its sewer Easement; or (2) filing a lawsuit against the owner seeking a mandatory injunction and order for the removal of these obstructing Impediments, as authorized under both the Los Angeles Municipal Code (the "Code") and California state law.

The advantage of filing a lawsuit over the District's alternative remedies of self-help or commencing an administrative enforcement proceeding based on the owner's current Code violations, is that a court order carries significant weight and can likely be obtained through an expedited process²—so the District can take ***immediate action*** to have the Impediments removed from the Easement areas so it can repair the Root Damage ***before*** the intruding roots cause additional ***and more severe damage*** to the line and sewer system below.

² To obtain a preliminary injunction before judgment, the District would need to show by affidavit or verified complaint that it will suffer ***irreparable harm*** unless the injunction is issued. (Emphasis added.) (See Cal. Code Civ. Proc., § 527; see also *Chase v. Wizmann*, 71 Cal. App. 5th 244, 253, 286 Cal. Rptr. 3d 183, 190 (2021).) Here, this could likely be established based on the potentially imminent and irreparable harm these Impediments could cause if the District cannot access the sewer soon and repair the Root Damage before it causes water leaks, backups, and overflows which require emergency attention and result in severe damage to the surrounding sewer system.

Section (A) of this memo contains (1) a short summary of the laws and terminology pertaining to easements, (2) an explanation of the District's *express* and *implied* Easement rights under California law, and (3) a summary of the type and extent of interference with one's easement that amounts to a nuisance under the law, and can thus be abated by the District exercising one or more of its resulting legal remedies outlined in **Section (B)**. A conclusion and recommended course of action is included on the last page of this memo.

Legal Analysis and Opinion

(A) District's Legal Rights

(1) The Law of Easements³

An "easement" is a "nonpossessory" property interest in the land of another that entitles the owner of the easement to a *limited use or enjoyment* of the *other's* land.⁴ In the case of a utility easement and right-of-way,⁵ the land to which the easement is attached is called the "dominant tenement," and the land which bears the burden (i.e., the land of another that is used or enjoyed by the easement holder), is called the "servient tenement."⁶ The owner of the servient tenement has the right to make any use of the land that does not *unreasonably interfere* with the *easement* and its *authorized purpose*.⁷

The Law Applicable to *Express* Easements

The extent that an expressly created easement can be used by its owner is determined by the terms of the establishing instrument.⁸ When an easement is established by grant, the easement owner has those express rights of enjoyment *specifically established* by the grant.

///

³ Cal. Civ. Code, § 801 contains the statutes regarding easements.

⁴ See *Eastman v. Piper* (1924) 68 C.A. 554, 560, 229 P. 1002; *Zlozower v. Lindenbaum* (1929) 100 C.A. 766, 770, 281 P. 102.

⁵ A right-of-way that is incident to the land passes with it unless expressly excepted by the terms of the conveyance (*Conaway v. Toogood*, 172 Cal. 706, 158 P. 200 (1916).

⁶ Cal. Civ. Code, § 803; see *Roth v. Cottrell* (1952) 112 C.A.2d 621, 623, 246 P.2d 958.

⁷ *Pasadena v. California-Michigan etc. Co.*, 17 Cal.2d 576, 579 [110 P.2d 983, 133 A.L.R. 1186].

⁸ Cal Civ. Code, § 806 ("[t]he extent of a servitude is determined by the terms of the grant..."); *Colegrove Water Co. v. City of Hollywood*, 151 Cal. 425, 429, 90 P. 1053 (1907); *Pacific Gas & Elec. Co. v. Hacienda Mobile Home Park*, 45 Cal. App. 3d 519, 526, 119 Cal. Rptr. 559 (1st Dist. 1975).

Implied Secondary Easements

Although a grantee cannot make use of an easement in excess of a grant,⁹ every easement confers on its owner certain ***implied*** “secondary easements” essential to its full enjoyment,¹⁰ and the owner receives, by ***implication***, a secondary set of rights to do all things ***reasonably necessary*** to use the easement for its ***intended purpose***¹¹—so long as the easement owner’s actions are also ***reasonable*** and do not greatly increase the burden on the owner’s servient estate and land.¹² This includes an ***implied right of entry*** on the servient tenement to the extent that it is ***necessary*** to fulfill the owner’s ***statutory duty to maintain and repair*** the easement.¹³

(2) Interference with a Dominant Tenement’s Easement Rights

The owner of a servient tenement cannot ***obstruct or hinder***, or ***install obstructions that hinder***, the owner of a dominant tenement’s ***right of access*** for the ***purpose of maintaining the easement***.¹⁴ The recipient of an easement has the burden of proving what rights of use are attendant to the easement.¹⁵ In the case of a sewer easement, the owner of a servient tenement is not permitted to do anything to the ***surface of the land*** that ***unreasonably interferes*** with the ***easement or access to the sewer***.¹⁶

(3) The District’s Resulting Enforcement Rights to Have these Impediments Cleared from its Easement Areas

Here, the District holds ***express*** easement rights to the surface or subsurface easement areas and a right-of-way¹⁷ on and over the Property to access its manholes and underlying sewer pipes and systems (collectively, “Easement”). The District obtained its Easement by deed (the “Deed”) in 1981 from a predecessor in interest, Kurt Paul Young (“Grantor”), for the stated “right to construct, ***maintain, operate, and use***, a ***sewer line*** and ***appurtenant structures in and across***

⁹ *City of Pasadena v. California-Michigan Land & Water Co.*, 17 Cal. 2d 576, 579, 110 P.2d 983 (1941); *Parks v. Gates*, 186 Cal. 151, 154, 199 P. 40 (1921); *City of Los Angeles v. Howard*, 244 Cal. App. 2d 538, 542, 53 Cal. Rptr. 274 (2d Dist. 1966); *O’Dea v. San Mateo County*, 139 Cal. App. 2d 659, 661, 294 P.2d 171 (1st Dist. 1956).

¹⁰ *Dolnikov v. Ekizian*, 222 Cal. App. 4th 419, 428, 165 Cal. Rptr. 3d 658 (2d Dist. 2013). See § 15:1 (profits distinguished).

¹¹ *Pear v. City and County of San Francisco*, 67 Cal. App. 5th 61, 77, 281 Cal. Rptr. 3d 841, 855 (6th Dist. 2021); *Camp Meeker Water System, Inc. v. Public Utilities Com.*, 51 Cal. 3d 845, 866, 274 Cal. Rptr. 678, 799 P.2d 758

¹² See *Durfee v. Garvey*, 78 Cal. 546, 551, 21 P. 302 (1889); *Ware v. Walker*, 70 Cal. 591, 595, 12 P. 475 (1886); *City of Gilroy v. Kell*, 67 Cal. App. 734, 743, 228 P. 400 (1st Dist. 1924).

¹³ Cal. Civ. Code, § 845(a) (“[t]he owner of any easement in the nature of a private right-of-way, or of any land to which any such easement is attached, shall maintain it in repair.”); *Durfee v. Garvey*, 78 Cal. 546, 551, 21 P. 302 (1889); *Ware v. Walker*, 70 Cal. 591, 595, 12 P. 475 (1886); *City of Gilroy v. Kell*, 67 Cal. App. 734, 743, 228 P. 400 (1st Dist. 1924).

¹⁴ *City of Los Angeles v. Jameson*, 165 Cal. App. 2d 351, 357, 331 P.2d 1014 (2d Dist. 1958).

¹⁵ *O’Dea v. San Mateo County*, 139 Cal. App. 2d 659, 661, 294 P.2d 171 (1st Dist. 1956).

¹⁶ *McCann v. City of Los Angeles*, 79 Cal. App. 3d 112, 116, 144 Cal. Rptr. 696 (Ct. App. 1978).

¹⁷ Cal. Civ. Code, § 801.

the real [Property].”¹⁸ (Emphasis added.) The bottom of the Deed states the District’s rights include “the right to **enter upon and to pass and repass over** and along said easement and right-of-way... **whenever and wherever necessary for the purposes above set forth.**” (Emphasis added.)

Further, here, in addition to the District’s express rights under the Deed and its statutory duty to maintain the Easement,¹⁹ based its secondary and **implied** easement rights, the District has the right to take **actions to remove the Impediments**, because these items (1) are located on the **surface of the land**,²⁰ and (2) are **obstructing its right-of-way** to the manholes it needs to **access the underlying sewer system** for the **Easement’s specific purpose**—that is, being able to **maintain, operate, and use** the **sewer line** and **appurtenant structures in and across** the Property.

The District’s **implied right** and power to act to **remove the Impediments** currently **obstructing its access** to the manholes on its Easement and the underlying sewer is supported by the holding in *Kapner v. Meadowlark Ranch Assn.*²¹ In that case, the California Court of Appeal interpreted express language in recorded CC&Rs, which obligated an administering association “to operate and maintain, or provide for the operation and maintenance of all private roads”), to include, **by implication, the power to act to remove obstructions placed on the roadway parcel.** In support of this finding, the court reasoned that, “one cannot maintain a roadway **by allowing obstructions** on it.”²² (Emphasis added.) Although *Kapner v. Meadowlark Ranch Assn* is **not** a case about self-help, it is significant here because it provides that an aggrieved easement owner can file a lawsuit for declaratory relief to confirm its implied rights and resulting power to remove obstructions placed on its easement.

Here, based on this same reasoning, it seems highly likely that a court or trier of fact would find that the District’s Easement **rights include**, also **by implication**, the **power to remove the Impediments** from its Easement area, because they are **obstructions** which **unreasonably interfere** with the District’s **use of its Easement** for its stated **purpose of being able to freely access, maintain, and operate the underlying sewer.**

Therefore, because the District’s **implied easement rights** provide it the **power to remove obstructions that interfere with its ability to maintain the underlying sewer**, it can cause these

¹⁸ Recorded in the recorder’s office for Los Angeles County on May 1, 1981 as document number 81-440067. An easement agreement, which was recorded separately from the Deed, states the District’s rights run with the land and are binding on all subsequent owners of the Property. This includes the current owner of the Property because public records indicate he purchased it in 1983.

¹⁹ Cal. Civ. Code, § 845(a).

²⁰ A person “is not permitted to do to the **surface of the land** anything that **unreasonably interferes** with... [a] **sewer easement.**” (Emphasis added.) *McCann v. City of Los Angeles*, 79 Cal. App. 3d 112, 116, 144 Cal. Rptr. 696 (Ct. App. 1978)

²¹ *Kapner v. Meadowlark Ranch Assn.*, 116 Cal. App. 4th 1182, 11 Cal. Rptr. 3d 138, 143 (2004)

²² *Kapner* at 1185.

Impediments to be removed from the Easement areas using any of the legal remedies discussed in section (B) below, including the use of self-help.

(B) The District's Remedies to Abate the Owner's Interference with its Easement Rights

The District has three primary options for enforcing its Easement rights. These include: **(1)** the use of “self-help”; **(2)** working through local channels and the appropriate County departments to commence an administrative enforcement procedure to abate the public nuisance caused by these Impediments pursuant to the Code; and/or **(3)** causing a lawsuit to be filed against the owner for injunctive relief, damages, and abatement costs and attorneys’ fees.

(1) Option One: Self-Help

Under certain conditions, when another’s property encroaches on the land of another, as an alternative remedy to filing a lawsuit, the aggrieved owner may employ the use of “self-help,”²³ and thereby take affirmative actions to remove the interfering Impediments on its own. This alternative remedy was developed by courts in a line of cases dealing with annoyances and damages caused by tree trunks, leaves, and branches encroaching on an adjoining neighbor’s land. As established under that line of cases, however, this remedy can only be used if the interfering encroachment amounts to a **private nuisance**,²⁴ and it requires the aggrieved easement owner to act *reasonably*.²⁵

Here, as further discussed in sections (2) and (3) below, although the District can clearly establish that the obstructing Impediments constitute both a public and private nuisance—thus authorizing it to abate the nuisance through the use of self-help—there are a few potential risks and drawbacks associated with this enforcement option.

Potential Risks Associated with Use of Self-Help

First, this remedy has primarily been used in connection with landowners taking acts to remove portions of trees which encroach on their neighboring land. That is different from the situation here—where stored, manmade objects are “encroaching” on and interfering with the District’s right-of-way and utility Easement (which “floats” on the surface and subsurface areas of the owner’s Property). Although the same legal principles discussed in that line of cases could be applied to the facts here, this would involve the District making an argument by analogy, as opposed to an argument which is more fully supported by case law with similar facts to those being analyzed here.

²³ [§ 388] In General., 12 Witkin, Summary 11th Real Prop § 388 (2022); *See also Stevens v. Moon* (1921) 54 C.A. 737, 740, 202 P. 961; *Crance v. Hems* (1936) 17 C.A.2d 450, 451, 62 P.2d.

²⁴ *Bonde v. Bishop* (1952) 112 C.A.2d 1, 6, 245 P.2d 617

²⁵ *Booska v. Patel* (1994) 24 C.A.4th 1786, 30 C.R.2d 241

Second, many of the cases and legal treatises which discuss this remedy caution its use and indicate that it is likely a better alternative to seek relief from this type of interference through the courts—and apply for a mandatory injunction and order for the removal of the obstructing Impediments.²⁶ (A court order could even authorize the District the right to use self-help—and specifically spell out all legal rights and actions it can take under the self-help remedy in that court order.)

Third, the extent of physical acts and actions one can take in connection with abating a nuisance through self-help is somewhat unclear.²⁷ For example, here, while the District may have the right to clear the Impediments from its Easement areas, it might not have the power to **permanently remove** the Impediments from the Property. It is also unclear whether the District could simply **relocate** these Impediments to the street or another location of the Property (and, if so, where), or if any Impediments removed from the Property would need to be stored at an offsite location. (And, if so, (1) how long would they need to be stored before they could be discarded, and (2) which party would be responsible for paying these possible storage and disposal costs?)

Fourth, there is a possibility the owner will claim that because the Deed does not contain any **express language** providing the District with the explicit right to, for example, “remove any and all **personal property** which **may be encroaching on the easement or right-of-way**,” the District is not legally entitled to remove these Impediments from the Property. Similarly, and for these same reasons, the owner may attempt to physically interfere with the District’s attempts to relocate or remove the Impediments from the Easement areas.

Finally, **fifth**, the owner may file a lawsuit against the District for: (1) relocating or removing his personal property and automobiles from their “storage location” on his Property; (2) exceeding the scope of its actual or implied Easement rights and resulting self-help remedy; (3) acting

²⁶ See, for example: (1) *Bonde v. Bishop* (1952) 112 C.A.2d 1, 6, 245 P.2d 617 (“[t]he landowner, merely because he does not desire a neighbor's tree to overhang his premises, can, in a sense, take the law in his own hands and cut off the encroachment, **but to act in what is probably a more orderly manner and apply to the court for an injunction** restraining the tree owner from allowing the tree to so encroach, he apparently has to prove that the encroachment constitutes a nuisance.” (emphasis added)); (2) *Booska v. Patel*, 24 Cal. App. 4th 1786, 1792, 30 Cal. Rptr. 2d 241, 245 (1994) (“Witkin notes: ‘A private nuisance **may be abated by the party injured at his own risk**; or he may bring a civil action for an injunction or damages or both’.”); (3) (a) [§ 388] In General., 12 Witkin, Summary 11th Real Prop § 388 (2022) (“[a]lternatively, the aggrieved owner may employ *self-help* and cut off the offending branches or roots at the boundary. This appears to be the normal remedy, **recognized mainly by dicta in cases dealing with actions for an injunction or damages**.”); (4) § 19:20. Alternative remedies, 6 Cal. Real Est. § 19:20 (4th ed.), examining *Clinton v. 4911 Van Nuys Ltd.*, 212 Cal. App. 2d 703, 706, 28 Cal. Rptr. 170 (2d Dist. 1963) (“the plaintiff and defendant entered into an agreement that gave the plaintiff the right to remove certain buildings from the property before a particular date. When the plaintiff failed to remove them by the date specified, the court held that the property owner had the right to destroy them. **It is suggested that in such cases prudence dictates that judicial action is the wiser course**.”) (Emphasis Added.)

²⁷ For example, while it is the right of a landowner to remove those portions of trees which encroach on his land whether they cause damage or not, the owner cannot take overhanging fruit, nor can the owner enter on the other's land and cut down the tree, without being liable for trespass. (see *Fick v. Nilson*, (1950) 98 C.A.2d 683, 685, 220 P.2d 752.)

unreasonably in connection with exercising its self-help rights; and/or (4) causing physical damage to the owner's real or personal property during the abatement process.

Conclusion Regarding the District's Potential Use of Self-Help

Based on the above risks associated this self-help enforcement option, remedies (2) and (3) are likely better options and technics for enforcing the District's rights and causing these Impediments to be removed from the Easement areas.

(2) Option Two: Working with the Appropriate Los Angeles County Departments and Personnel to have Fines and Possible Noncompliance Fees Imposed Against the Property Owner for Being in Current Violation of Numerous Applicable Code Sections

Because the Property is in La Crescenta-Montrose, an unincorporated part of Los Angeles that is located within Los Angeles County, it is governed by the Los Angeles County Municipal Code (the "Code").²⁸ Under the Code, it is a "public nuisance" to place obstructions on or around a sewer easement which prevent utility workers from accessing the underlying sewer.²⁹ The Code further provides that ***maintaining a public nuisance*** is unlawful,³⁰ and that ***every day a public nuisance continues*** is a ***new*** and ***separate violation*** for the purposes of the Code.³¹ (Emphasis added.)

Here, the Impediments the owner has placed on the District's Easement prevent it from accessing the sewer, and, therefore, the Impediments meet the definition of constituting a public nuisance under the Code.³² Consequently, the District can commence an administrative proceeding to abate this public nuisance pursuant to the enforcement procedures set forth in Chapter 1.25 of the Code,³³ entitled "Administrative Fines and Noncompliance Fees for Code Violations." The

²⁸ Los Angeles Municipal Code section 1.23.010.

²⁹ Title 20 of the Code provides that: (1) no person shall ***interfere*** with any property in which the district has an ***easement*** (Los Angeles Municipal Code section 19.07(A)(1)); (2) no person shall ***place or cause to be placed within or upon any easement*** held by the district ***any object or structure*** in such a location or manner as ***to interfere with or obstruct the district's ready and easy access to or use of the easement*** area (Los Angeles Municipal Code section 19.07(A)(4)); and (3) that ***either*** type of ***violation*** would constitute threat to public health and safety and be deemed a ***public nuisance*** (Los Angeles Municipal Code section 19.11.). Further, (4), that maintaining a ***public nuisance*** is unlawful (Los Angeles Municipal Code section 1.23.050); and (5) that every day a ***public nuisance continues*** shall be regarded as a ***new*** and ***separate violation*** for the purposes of the Code (Los Angeles Municipal Code section 1.23.050). (Emphasis added throughout.)

³⁰ Los Angeles Municipal Code section 1.23.050.

³¹ Los Angeles Municipal Code section 1.23.050.

³² Additionally, the owner's failure to comply with the District's two previous removal requests likely qualifies as "maintaining a public nuisance" under the Code.

³³ Los Angeles Municipal Code section 1.25.010 ("[t]he purpose of this chapter is to establish *alternate remedies for code enforcement officials to utilize in enforcing the provisions of this code*. The remedies authorized in this chapter are *cumulative to any other remedy provided for in this code or the laws of the state of California, or the United States of America, and the administrative fines and noncompliance fees authorized in this chapter may be imposed in addition to any other fine, penalty, fee, charge, notice of violation, or any other remedy*

administrative abatement enforcement procedure set forth in this Chapter 1.25 of the Code may include one or more designated enforcement officers issuing a notice of violation and imposing fines against the Property's owner for the current Code sections he is violating by interfering with the District's use of its sewer Easement. Because the Code is somewhat unclear as to which specific department(s) may be responsible for enforcing the owner's Code violations here,³⁴ the District may need to contact the County department(s) which enforce(s) Code violations involving County utilities, County easements and property, or County sewers, to determine the specific department and enforcement officer(s) that will be responsible for commencing one or more administrative procedures authorized under this Chapter 1.25. Some of the fines, penalties, and enforcement remedies that can be utilized by the designated enforcement officer under this Chapter 1.25 may include:

(a) Administrative Fines. Whenever an enforcement officer determines that a Code violation has occurred, he or she is authorized to issue a notice of violation ("NOV") to the responsible person with a specified correction period of not less than 30 days, if a correction period is warranted.³⁵ **Each and every violation** of any Code section, and **each** separate offense thereunder, is subject to an administrative fine of up to \$1,000.³⁶ If any violation in a NOV has not been corrected or otherwise remedied before the abatement deadline, the enforcement officer may issue a notice of **administrative fine** to the responsible person ("Fine").³⁷ If required by the enforcement officer, the payment of an administrative fine does **not** excuse the responsible person from correcting the Code violation(s).³⁸ In addition to any other remedy provided by law, if a Fine is not paid within the required time period, and the underlying violation pertains to the condition of **real property**, as is the case here, the amount of the unpaid administrative fine shall **become a lien on that real property** and the issuing department may enforce and collect the unpaid administrative fine by recording a notice of lien against that real property in the office of the registrar-recorder/county clerk.³⁹

(b) Noncompliance Fees. Whenever an enforcement officer issues an NOV, that officer is authorized to issue a **notice of noncompliance fee** ("N/C Fee") to the responsible person(s) concurrently with the NOV, or in his or her discretion, upon the expiration of

provided for in this code or the laws of the state of California, or the United States of America, so long as the cumulative application of such available remedies would not violate any applicable law.")

³⁴ See, for example: (1) Los Angeles Municipal Code section 1.25.010, stating that "code enforcement officials" are responsible for enforcing the remedies under this chapter of the Code; see (2) Los Angeles Municipal Code section 1.25.020(B), which defines an "Enforcement officer" as "[a]ny county employee or agent of the county delegated with the power to enforce any provision of this code"; see (3) Los Angeles Municipal Code section 1.25.020(E), which defines an "Issuing department" as "[t]he county department that issues a notice of violation and that has authority and responsibility for enforcing the code section that is the subject of the notice of violation."

³⁵ Los Angeles Municipal Code section 1.25.030.

³⁶ Los Angeles Municipal Code section 1.25.040.

³⁷ Los Angeles Municipal Code section 1.25.050(B).

³⁸ Los Angeles Municipal Code section 1.25.050(F).

³⁹ Los Angeles Municipal Code section 1.25.110.

any correction period.⁴⁰ The amount of the N/C Fee shall be separately determined by the *board of supervisors for each issuing department* and it cannot exceed the amount reasonably necessary to *recover the costs* incurred by *each respective department* in the enforcement of Code sections that have been violated; including, but not limited to, *responding to complaints, performing inspections, and issuing notices of violations*.⁴¹

- (c) **Causing the County to File a Criminal or Civil Lawsuit to Remedy any More Serious Violation(s).** If the violation is serious enough—which could be the case here, due to risk of the current roots in the line causing more severe damage to the sewer system if they are not dealt with soon—in addition to issuing Fines, and regardless of all Fines being paid, the enforcement officer can also refer the violation(s) to the (1) district attorney for the filing of a ***criminal complaint*** or (2) County counsel for the filing of a ***civil enforcement action***.⁴²

Conclusion Regarding use of County Administrative Proceeding to Enforce District’s Rights

Although commencing an administrative proceeding under the Code and imposing fines against the Property owner will likely motivate him to remove the Impediments, this process could take longer to complete, and there is no guarantee that any number of notices of violations, fines, or fees will motivate the owner to take action to have the Impediments removed. Moreover, due to his age and based on observations reported by the District, he may not be capable of causing these Impediments to be cleared from the Easement areas on his own. Nonetheless, this seems like a good option to explore, and the District should contact the County and ask to be put in touch with the specific department(s) which may be responsible for enforcing the owner’s current Code violations here.

(3) Option Three: Filing a Lawsuit for Injunctive Relief, Damages, and Abatement Costs

Cause of Action for Failure to Abate a Private Nuisance Under California State Law

As discussed in the summary of law pertaining to easements and the section discussing the self-help remedy above, when an easement is “nonexclusive,” as is the case with District’s Easement here, the owner of the servient tenement (the Property owner in this instance) may *not* use their property in a way that *obstructs the normal or authorized use of the easement*.⁴³ Any use of the servient estate that results in an ***unreasonable interference with the easement’s purpose is prohibited***.⁴⁴ As an example and illustration of this concept, an express billboard easement

⁴⁰ Los Angeles Municipal Code section 1.25.070(A).

⁴¹ Los Angeles Municipal Code section 1.25.060(B).

⁴² Los Angeles Municipal Code section 1.25.050(F).

⁴³ *Blackmore v. Powell*, 150 Cal. App. 4th 1593, 59 Cal. Rptr. 3d 527 (2d Dist. 2007); *Herzog v. Grosso* (1953) 41 Cal 2d 219, 259 P2d 429; *McCann v. Los Angeles* (1978, 2nd Dist) 79 Cal App 3d 112, 144 Cal Rptr 696; *Keeler v. Haky* (1958, 2nd Dist) 160 Cal App 2d 471, 325 P2d 648.

⁴⁴ *Dolnikov v. Ekizian*, 222 Cal. App. 4th 419, 165 Cal. Rptr. 3d 658 (2d Dist. 2013); *Hill v. San Jose Family Housing Partners, LLC*, 198 Cal. App. 4th 764, 130 Cal. Rptr. 3d 454 (6th Dist. 2011).

necessarily intends that the billboard *be visible* to passing motorists and *prohibits* the landowner from constructing a building which *interferes* with that view.⁴⁵ Any such wrongful behavior is a **private nuisance** under California law.⁴⁶ Whether the activities of a servient owner unreasonably hinder the use of an easement and amount to a nuisance is a question of fact.⁴⁷

If a person's unlawful conduct or use of another owner's easement amounts to a **private nuisance** under California law, the easement owner can bring a cause of action for declaratory and injunctive relief to resolve the dispute regarding the nature and scope of that easement.⁴⁸ A court of equity will, in a proper case, award a mandatory injunction for the protection and preservation of an easement for its intended purpose, including, where that remedy is appropriate, *an order for the removal of physical obstructions on the easement*.⁴⁹ In addition to these equitable remedies, under section 731 of the Code of Civil Procedure, and at common law without the aid of that section, the party injured by a nuisance may obtain a judgment abating it⁵⁰ and recover damages caused by a party's interference with its easement rights.⁵¹

Here, in addition to the Impediments qualifying as a **public nuisance** under the local Code, the District can also establish that they constitute a **private nuisance** under California state law, because they **substantially** and **unreasonably obstruct** and **interfere** with the District's authorized access to and use of its Easement for its intended purpose of maintaining the sewer.

Caselaw Supporting the District's Position that the Impediments Constitute an *Unreasonable Interference* with its Easement Rights and Therefore Amount to a *Private Nuisance*

The plaintiffs in *City of Los Angeles v. Jameson*⁵² held similar easement rights to the District's Easement rights here. In that case, the plaintiffs' rights were also established by deed for "the purpose of constructing, maintaining and operating an electric power line or lines"⁵³ and included

⁴⁵ *Hill v. San Jose Family Housing Partners, LLC*, 198 Cal. App. 4th 764, 130 Cal. Rptr. 3d 454 (6th Dist. 2011).

⁴⁶ Civ. Code, § 809; *Danielson v. Sykes*, 157 Cal. 686, 691, 109 P. 87 (1910); *Hardin v. Sin Claire*, 115 Cal. 460, 463, 47 P. 363 (1896); *Stallard v. Cushing*, 76 Cal. 472, 474, 18 P. 427 (1888); *Posey v. Leavitt*, 229 Cal. App. 3d 1236, 280 Cal. Rptr. 568 (4th Dist. 1991); *Smith v. Scrap Disposal Corp.*, 96 Cal. App. 3d 525, 529, 158 Cal. Rptr. 134 (4th Dist. 1979); *Pacific Gas & Elec. Co. v. Hacienda Mobile Home Park*, 45 Cal. App. 3d 519, 524, 119 Cal. Rptr. 559 (1st Dist. 1975); *Keeler v. Haky*, 160 Cal. App. 2d 471, 479, 325 P.2d 648 (2d Dist. 1958); *Hartsif v. Wann*, 139 Cal. App. 2d 119, 120, 293 P.2d 65 (4th Dist. 1956).

⁴⁷ *Youngstown Steel Products Co. v. Los Angeles* (1952) 38 Cal 2d 407, 240 P2d 977.

⁴⁸ *McBride v. Smith*, 18 Cal. App. 5th 1160, 227 Cal. Rptr. 3d 390 (1st Dist. 2018).

⁴⁹ *Hartsif v. Wann*, 139 Cal. App. 2d 119, 293 P.2d 65 (4th Dist. 1956); *Pacific Gas & Elec. Co. v. Minnette*, 115 Cal. App. 2d 698, 252 P.2d 642 (3d Dist. 1953).

⁵⁰ The party may elect to prosecute separate actions concurrently or to combine an action for an injunction with an action for damages in the same suit. (*Katenkamp v. Union Realty Co.*, 6 Cal. 2d 765, 776, 59 P.2d 473 (1936); but see *Yolo County v. City of Sacramento*, 36 Cal. 193, 196, 1868 WL 835 (1868), where the court held that an action instituted to enjoin a nuisance and to recover damages caused by it did not involve two separate causes of action, but merely different kinds of relief that the owner might receive.).

⁵¹ Code Civ. Proc., § 731; *Yolo Co. v. Sacramento*, 36 Cal. 196; 14 Ency. of Pl & Pr. 1116.

⁵² *City of Los Angeles v. Jameson*, 165 Cal. App. 2d 351, 331 P.2d 1014 (1958).

⁵³ *City of Los Angeles* at 353.

“all necessary and convenient means of ingress and egress to and from said right of way for the purpose of maintaining, repairing, or renewing such [utility] line or lines... [for] the full and perfect use and enjoyment by... [the easement owner]... of the rights and easements herein above described.”⁵⁴ After owners of adjoining land began **storing automobiles, trucks, machinery, and oil drums, etc., upon plaintiffs’ right of way**, (similar to the type of Impediments obstructing the District’s Easement here), they filed suit to quiet title to the easement, for declaratory relief, and for injunctions compelling defendants to remove these obstructions.⁵⁵

The plaintiffs obtained multiple judgments against defendants for their interfering behavior, which decreed, in part, that: (1) plaintiffs were the owner of a permanent and **unobstructed** easement and right of way in, over, and across the strip of land described in the deed⁵⁶; (2) the **objects stored on the right of way** were **substantial** and **unreasonable obstructions** to the **operation and maintenance** of plaintiffs’ **electric power facilities**; and (3) defendants were enjoined from maintaining these obstructions **as well as any other obstructions within the boundaries of the plaintiffs’ right-of-way**.⁵⁷ (Emphasis added.) In subsequent litigation pertaining to a different obstruction, the court observed that “**objects** which **obstruct** the **free passage of equipment and personnel of the department in and along the right of way** [of plaintiffs’ utility easement] make such passage **more difficult and burdensome**.”⁵⁸ (Emphasis added.) Further, if the plaintiffs were required to perform emergency repairs to the utility’s transmission lines, the obstructing impediments on plaintiffs’ right-of-way would delay their repair work, increase repair costs, and increase the loss of electric energy.⁵⁹

Here, like the easement in the case above, the purpose of the District’s Easement is also **for right-of-way access to maintain and operate** the **sewer line** below its Easement. Similarly, the Impediments here are **also obstructing the District’s access to the sewer**, and, therefore, they interfere with the District’s use and enjoyment of its Easement for its intended purpose of being able to freely access, maintain, and operate the sewer line under the Property. Further, in addition to **routine maintenance work** being essential to keeping the underlying sewer system **working properly**, if the District is ever required to perform emergency repair work to the sewer line in the future because of the current Root Damage and/or for any other reason, like the obstructions in the case above, the owner’s obstructing Impediments will delay that work, increase the District’s costs, and increase the severity or amount of damage to the underlying sewer.

Therefore, and for these reasons, a court or trier of fact would find that the Impediments constitute an **unreasonable interference** with the District’s **Easement rights** and therefore amount to a **private nuisance** under California law.

⁵⁴ *City of Los Angeles* at 353.

⁵⁵ *City of Los Angeles* at 353.

⁵⁶ *City of Los Angeles* at 355-356.

⁵⁷ *City of Los Angeles* at 357.

⁵⁸ *City of Los Angeles* at 356.

⁵⁹ *City of Los Angeles* at 354.

Cause of Action for Public Nuisance Under the Code

As an alternative or in addition to⁶⁰ the administrative enforcement procedures under Chapter 1.25 of the Code discussed above, the District may also elect to enforce its rights pursuant to remedies available under the County’s “Nuisance Abatement Ordinance,” set forth in Chapter 1.23 of the Code (the “Nuisance Ordinance”).

Similar to Chapter 1.25, the Nuisance Ordinance authorizes the County’s legal counsel to commence a (1) legal action *or* (2) *administrative proceeding* against the Property’s owner for the abatement, removal, or enjoinder of the current Impediments creating this public nuisance under the Code.⁶¹ If the District elects to file a lawsuit as part of its enforcement strategy, including a cause of action under the Nuisance Ordinance provides for additional civil penalties against the owner of up to \$1,000 for ***each*** of his ***violations*** of the Code.⁶²

Additionally, if a lawsuit is filed by County counsel on behalf of the District under this Nuisance Ordinance, the County can recover all costs and attorneys’ fees it incurs abating this nuisance. The County’s ability to recover its enforcement costs incentivizes it to act on behalf of the District and enforce its rights through the courts if it is required to. Additionally, the threat and possibility of the owner being potentially responsible for paying these additional enforcement-related costs will likely further and financially motivate him to take all actions necessary to swiftly remove the Impediments from the Easement area.

Conclusion and Recommendation

Based on the risks associated the District’s potential use of self-help, remedies two and three are likely better options and techniques for enforcing the District’s Easement rights in this situation.

However, one thing for the District to consider with respect to option two—commencing an administrative enforcement proceeding through the County—is that there is *no guarantee* that any number of fines, fees, or notices of violation will motivate the owner to cause all Impediments to be removed from the Property *immediately*, or at all. Moreover, he may not be capable of causing these Impediments to be cleared from the Easement areas on his own.

Therefore, the best course of action would likely be to (1) work with the appropriate County department(s) to commence an administrative enforcement procedure pursuant to one or more applicable chapters and sections of the local Code, and (2), if it appears that process is taking too long—and it will not result in the Impediments being removed from the Property fast enough—

⁶⁰ The remedies available under the Nuisance Ordinance are “***nonexclusive*** and are ***cumulative*** with any other remedy available to the county as provided for by law for the protection of the health, safety, and welfare of the people of the County of Los Angeles.” (Emphasis added.) See Los Angeles Municipal Code section 1.23.110

⁶¹ Los Angeles Municipal Code section 1.23.060.

⁶² Los Angeles Municipal Code section 1.23.090.

then the District should rely on the legal authority discussed in this memo and proceed with filing a lawsuit to obtain an order allowing it to take all actions necessary to remove the Impediments from the Easement areas as soon as possible to repair the sewer.