CRESCENTA VALLEY WATER DISTRICT

2700 Foothill Boulevard
La Crescenta, California

Agenda for the
Regular Meeting of the Board of Directors
of the Crescenta Valley Water District
to be held on Tuesday, April 7, 2015 at 7:00 p.m.

Posted: April 3, 2015 at 3:00 p.m.

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

Call to Order and Determination of Quorum

Pledge of Allegiance

Adoption of Agenda

Public Comments

At this time the public shall have an opportunity to comment on any non-agenda item relevant to the subject matter jurisdiction of the Board. This opportunity is non-transferable and speakers are limited to one three (3) minute comment.

Foothill Municipal Water District Report

1. Report on activities at Foothill Municipal Water District.

Consent Calendar

1. Consideration and approval of the Minutes of the Adjourned Regular Meeting on March 17, 2015.

Action Calendar

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

1. **Water Meter Replacement Program** – Presentation and discussion about the District's Water Meter Replacement program with Automated Meter Reading (AMR) and Advanced Metering Infrastructure (AMI).

2. **Replacement of Motor Control Center at Oak Creek Reservoir, Project E-931** – Consideration and motion to authorize the General Manager to enter into an agreement with Cannon Corporation at a cost of $54,300 for construction management services related to the replacement of the motor control center at Oak Creek Reservoir.

3. **Request to Fill Staff Vacancies** – Consideration and motion to authorize the General Manager to begin the process of filling staff vacancies.

4. **Amendment to Resolution No. 682 and Appendix G of the Rules & Regulations** – Consideration and motion to amend Resolution No. 682 and Appendix G of the District's Rules & Regulations – Water Conservation Program Phase 1 due to new state mandated regulations.

5. **Water Conservation Regulations** – Discussion regarding state mandated conservation regulations and steps the District needs to take to be in compliance.

6. **FY 2015/16 Water and Wastewater Budgets and Proposition 218 Notification for Proposed Water Rates and Charges:**

a. Discussion regarding setting tier rate structure set points for proposed water rates.
b. Consideration and motion to authorize staff to mail Proposition 218 notification letters for proposed increases to water rates and charges.

Information Items

Written Communications to District

Staff Reports

Secretary-Treasurer

1. Cash and Investments

General Manager

1. Administrative Report.

District Engineer

1. Water Production Report –March 31, 2015.
2. Report on Administrative and Field Operations.

Program Specialist

1. Report of Water Conservation issues.

Information Technology

1. Report of Information Technology issues.

Attorney

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

Reports of Committees

Engineering Committee

1. Report of Engineering Committee meeting held on March 26, 2015.

Finance Committee

1. Report of Finance Committee meeting held on March 27, 2015.

Employee Relations Committee

1. Consideration of employee relations issues affecting the District.

Policy Committee

1. Consideration of policy issues affecting the District.

Community Relations/Water Conservation Committee

1. Report of Community Relations/Water Conservation Committee meeting held on March 30, 2015.

Emergency Planning Committee

1. Consideration of emergency planning issues affecting the District.

Director's Oral Reports

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

Closed Session

- **Public Employee Discipline/Dismissal/Release (§54957)**
  - One case.
- **Conference with Legal Counsel**
  - Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: One case.

Board Members' Request for Future Agenda Items

Adjournment

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CRESCENTA VALLEY WATER DISTRICT
ADJOURNED REGULAR MEETING, BOARD OF DIRECTORS
March 17, 2015

Pursuant to the order of the Board of Directors of the Crescenta Valley Water District, made at the Regular Meeting of March 3, 2015, an Adjourned Regular Meeting was held on March 17, 2015, at 7:00 p.m. at the District office at 2700 Foothill Blvd., La Crescenta, California, with President Kenneth R. Putnam presiding.

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

Directors:	**James D. Bodnar** **Michael L. Claessens** **Kerry D. Erickson** **Kenneth R. Putnam** **Judy L. Tejeda**
Attorney:	**Thomas S. Bunn**
General Manager:	**Dennis Erdman**
Secretary-Treasurer:	**Ron L. Mitchell**
District Engineer:	**David S. Gould**
Others Present:	**Mark Hass, IT Manager** **Christy Scott, Program Specialist** **Wendy Holloway, Customer Accounts Supervisor** **Larry Byers, Superintendent** **Thomas A. Love** **Kathleen Ross, FMWD Board of Director**

PLEDGE OF ALLEGIANCE
President Putnam opened the meeting by leading the Board and staff in reciting the Pledge of Allegiance.

ADOPTION OF AGENDA

It was moved by Director Tejeda, seconded by Director Bodnar and carried by a 5-0 vote that the Agenda for the Adjourned Regular Meeting of March 17, 2015 be adopted as presented.

PUBLIC COMMENT – None

FOOTHILL MUNICIPAL WATER DISTRICT REPORT – Kathy Ross reported on the Board Meeting held on March 16, 2015 where they discussed the removal to two diseased trees. One is a Pine tree at the P1 Pump Station and the other is an Oak tree at the P2 pump station. They approved to move forward with the GIS conversion of the FMWD distribution system. At the last meeting they discussed the Altadena force main inspection and decided not do the work

this year but have Krieger & Stewart do the inspection for more information and put together a bid for next winter. However, it came back that they do not have qualified safety people in place to do this work. FMWD has a proposal from Doty Brothers to do the inspection and they have their own safety crew. In regards to the Berkshire surge tank, the report states that it needs to be rehabilitated or replaced.

CONSENT CALENDAR

It was moved by Director Erickson, seconded by Director Tejeda and carried by a 5-0 vote to approve the Minutes of the Regular Board Meeting held on March 3, 2015.

It was moved by Director Tejeda, seconded by Director Claessens and carried by a 5-0 vote to approve the Ratification of the Disbursements for February 2015.

Payment of demands against the Crescenta Valley Water District on or before February 28, 2015 the same having been approved by the General Manager, Dennis A. Erdman, and heretofore paid, be ratified and approved subject to audit, in the aggregate sum of Eight Hundred Eight Thousand Three Hundred Twenty Four Dollars and Two cents (808,324.02), which is composed of the individual items set forth herein.

ACTION CALENDAR

Award of Contracts for the Procurement of Equipment for CVWD's Well 16 and Related Facilities, Project E-940 – Mr. Gould reported that at the February 17, 2015 Board meeting it was discussed to accelerate the Well 16 project to be complete by August 2015. Staff discussed major items such as the motor control center, the pre-fabricated building, and the pump assembly would need to be pre-purchased by the District to reduce the long lead time for delivery. Staff with the assistance of Cannon prepared RFQ's which were sent to vendors and contractors who provide these services and that preliminary cost estimates will be approximately $220,000. Staff reviewed each of the quotes with Cannon for conformance to the RFQ and the costs and the total amount from the quotes was $227,630 which was overall 3.5% higher than the engineer's estimate. Staff believes that the higher costs are due to the accelerated schedule and more detailed design information which were not available during the grant planning process. It is staff's recommendation to award the contract to the lowest bidders Best Drilling and Pump, Inc. for the new submersible pump and motor assembly at a cost of $39,500, to RollApart Buildings, Inc. for the new pump building at a cost of $86,132, and to Royal Wholesale Electric for manufacturing and delivery of a new electrical motor control center at a cost of $101,998.

Following discussion:

It was moved by Director Bodnar, seconded by Director Tejeda and carried by a 5-0 vote to authorize the General Manager to award contracts for the procurement of equipment for CVWD's Well 16 and related facilities with the following contractors: Best Drilling and Pump, Inc., Roll Apart Buildings, Inc., Royal Wholesale Electric.

8-Inch Water Transmission Main in La Crescenta Avenue and Hermosa Avenue to Sycamore Avenue as part of CVWD's Well 16 and Related Facilities, Project E-940– Mr. Gould reported that the main element of the Well 16 project is the installation of an 8-inch water

transmission main to connect the well site to the Glenwood plant for nitrate removal. The pipeline will also include a pressure sustaining valve to maintain a minimum water pressure in the line since Well 16 is located at a higher elevation than the Glenwood plant. In addition, the plans will include installation of a 12" HDPE storm drain pipe which will connect to the existing catch basin at the intersection of La Crescenta Avenue and Hermosa Avenue. The design for the new water transmission main is complete and ready for advertising for bids. The scope of work includes installation of the 8-inch water main and a pressure sustaining valve in a vault to maintain pressure in the pipeline when Well 16 is out of service, and in addition, a 12-inch HDPE pipe will be installed and connected to the existing catch basin. Staff will be working on a public outreach program which will include sending letters within the next two weeks to residents in the area, holding a public meeting, and sending letters two weeks before construction begins. The construction cost estimate for the project is $301,300. If is staff's recommendation to authorize the General Manager to advertise for bids for the project. A California Environmental Quality Act (CEQA) Negative Declaration was approved for this project by the Board of Directors on June 17, 2014.

Following discussion:

It was moved by Director Bodnar, seconded by Director Tejeda and carried by a 5-0 vote to authorize the General Manager to advertise for bids for the construction of 1,260 lineal feet if 8-inch water transmission main in La Crescenta Avenue from Hermosa Avenue to Sycamore Avenue, and installation of approximately 400' of storm drain pipeline.

FY 2015/16 Water and Wastewater Budgets – Mr. Mitchell presented a draft of the FY 2015/16 Water and Wastewater Budgets. The Board reviewed and discussed the draft and recommended some changes. This will be presented to the Finance Committee meeting for discussion and changes on March 27, 2015, and then be brought back before the full Board on April 7, 2015 for more discussion.

INFORMATION ITEMS – GWP: Letter to customers regarding new rate structure which includes an additional drought charge fee, also a flyer on mandatory water conservation. MWD News Release: Board acts to continue delivering water-saving message in fourth drought year.

WRITTEN COMMUNICATIONS TO DISTRICT – None

REPORTS OF PERSONNEL

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

Investment Portfolio Summary – as of March 13, 2015:

Cash Accounts	($385,549)
Great Pacific Securities	$1,384,640
Bond Debt Service Fund Acct	$314,437
Local Agency Investment Fund	$1,745,325
Federal Farm Credit (78)	$490,065
Federal Farm Credit (81)	$979,840
Federal Farm Credit (83)	$504,010

Federal Farm Credit (86)	$982,320
Federal Farm Credit (87)	$498,785
Federal Farm Credit (96)	$968,726
Federal Farm Credit (97)	$1,232,924

MTBE Contingency Funds

Local Agency Investment Fund	$2,694,779
Great Pacific Securities	$3,340,521
Federal Farm Credit (M-35)	$829,984
US Treasury (M-36)	$999,840
Federal Farm Credit (M-37) NEW	$825,330
US Treasury (M-38) NEW	$991,073

Fund Balances at October 31, 2014

Water	$5,150,872.10
Wastewater	$14,047,327.09

GENERAL MANAGER – Mr. Erdman reported that this will be his last meeting as the General Manager. He thanked the Board for the opportunity over the last 10 years and welcomes Mr. Tom Love as the new General Manager.

DISTRICT ENGINEER

Water Production – For the period of March 1 through March 11, 2015, water production averaged 32.8 million gallons per day, which is **3.2% less** than the daily average production of the same period in 2014. This is **5.8% less** from the daily average production of the previous five years.

Rainfall: March 2015	**0.76”**
Season-to-date:	**9.38”**

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

Rainfall Update – 0.76” for March 2015. Rainfall total for 2014-15 is at 9.38”.

Report on Engineering:

CIP Projects – Ocean View Chlorination Project – Building – Bid due April 1, 2015. Equipment – under design. Oak Creek MCC – Construction to start March 16, 2015. MCC to be delivered by middle of July 2015.

Crescenta Valley County Park -Local Groundwater Assistance Grant – Monitoring Wells – MW-1 – 60 feet to Bedrock - Complete. MW-2 – 130 feet to Bedrock – Complete.

Well 16 – Prop. 84 – Drought Relief Grant – Design – Finalizing quotes for MCC, Pre-Fab Building & Pump & Motor Assembly. Finalizing plans and specifications for on-site

work. Advertising for bids for 8-inch water transmission main. Waiting on agreement with LAFCD.

Ocean View Overflow/Drain Line – No Report.

FMWD Issues – No Report.

ULARA – No Report.

La Canada Flintridge – Water Committee – Meeting on March 12, 2015.

As Needed Consulting Services – DMc Engineering – Water Service Laterals – Design – 50% complete. SA Associates – Recycled Water Feasibility Study – 35% complete. GEI Consulting – Surge Tank – Working on Agreement.

Water Meter Replacement Program: FY 14/15 Water Meter Replacement Program – replaced 545 meters to date. Staff reviewing water meter replacement program.

Report on Administrative and Field Operations:

Well Status – Well production capacity remained steady at 2.5 MGD.

Booster Pumps – No Report.

Water Quality – No Report.

Reservoirs/Booster Stations – Installation of storage bin at Edmund #1 for CV Ready – Complete.

Field Maintenance and Operations update for March 1 – March 13, 2015

Water lateral leaks & repairs

- No Report

Water Main Leaks – No Report

Fire Hydrant Replacement – 2300 Block of Carol Park Place.

Sewer Maintenance – 5100 Block of Pennsylvania. 3000 Blocks of Stevens, Alabama, Paraiso Way & Santa Carlotta. 3100 Blocks of Stevens, Alabama, Los Olivos. 2800 Blocks of Alta Terrace & Harmony.

PROGRAM SPECIALIST – Ms. Scott reported on the compost class held March 14, 2015 and said that there were 35 in attendance, including Director Claessens, and received very good feedback. Ms. Scott reported on the turf rebate program and to date there has been $218,000 of MWD and $75,000 of CVWD money refunded. She also reported that the State Water Resources Control Board passed their expanded emergency regulation. They are requesting more compliance and wanting information on how water agencies are regulating conservation. Water agencies that violate cease and desist order are subject to civil liability of up to $10,000 a day, and that there will be no watering for 48 hours after measurable rainfall.

INFORMATION TECHNOLOGY – Mr. Hass reported that the ACH payments and bank transfers were offline due to Merchant Transact changing to Merchant Partners. As a result, no ACH payments were being processed starting March 5, 2015 and was not back online until March 16, 2015. This was not a security issue, this was a banking issue.

ATTORNEY – Mr. Bunn reported that his firm has completed and updated a revision of the Public Works contract documents. This was done for the public water agencies group, and the cost was split between the agencies. We are taking the revised form and personalizing it for the District.

REPORTS OF COMMITTEES

Engineering Committee – Mr. Gould reported that the Committee will meet on March 26, 2015 at 8:00 a.m.

Finance Committee – Director Bodnar reported that the Committee will meet on March 27, 2015 at 8:30 a.m.

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

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

Community Relations/Water Conservation Committee – Director Claessens reported that the Committee will meet on March 19, 2015 at 8:00 a.m.

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

DIRECTORS ORAL REPORTS

Director Claessens reported that he attended the Smart Wise Gardening class on March 14th which talked about solid kitchen waste and he purchased a compost bin. He also participated in the La Crescenta Ave. off ramp clean up.

Director Erickson reported that on March 12th, he attended the Glendale Mayor Prayer breakfast. He also attended the La Canada Water Committee where there they discussed the loss of pine trees in La Canada due to the drought and that Descanso Gardens has lost over 30 Redwood trees. He attended the American Legions St. Patrick's dinner last Saturday and talked about an article in the Santa Margarita Paper that for the customers the fixed rates charges will be increased over the next five years from $15.00 per month to $50.00 per month. CVTC is having a fund raiser to sell trees for $15.00 for Earth Day. He feels this shouldn't be done due to the drought. April has 5 Thursdays, and an article should be started for the CV Weekly paper.

Director Putnam reported on an article in the LA Times regarding pensions. He also said that there is a Statewide Permit workshop tomorrow at MWD, to be effective July 1st.

Director Tejeda asked if any staff was going to be at the ACWA Conference in May, and that she will not be here for the Board Meeting on May 5th. She also reported on a supplement in the Desert Sun regarding who is regulating bottled water.

Director Bodnar reported that on March 4th he attended the ACWA Legislation Symposium in Sacramento, where there was discussion on revisions to Proposition 218 as it relates to low income subsidy. On March 9th he attended the Water Planning & Stewardship meeting at MWD where there was a presentation of the Water Surplus Management report setting the frame work

for the water allocation. On March 16th and 17th he attended the Water Use Conference where he spoke on how MWD is funding activities, and on the LRP program. He also commented on his part in water conservation where he only used 8 billing units of water which is 33 gallons per day.

CLOSED SESSION – No reportable action.

ADJOURNMENT

There being no other business to come before the Board at 10:35 p.m., it was moved by Director Bodnar, seconded by Director Tejeda and carried by a 5-0 vote that the meeting be adjourned to April 7, 2015 at 7:00 p.m.

APPROVED

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Kenneth R. Putnam
President

Ron L. Mitchell
Secretary-Treasurer

CRESCENTA VALLEY WATER DISTRICT
BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 1

To: Honorable President and Members of the Board of Directors April 7, 2015

From: David S. Gould. P.E. – District Engineer

Subject: **Discussion about the District's Water Meter Replacement program with Automated Meter Reading (AMR) and Advanced Metering Infrastructure (AMI)**

Discussion Item:

Water Meter Replacement Program – Presentation and discussion about the District's Water Meter Replacement program with Automated Meter Reading (AMR) and Advanced Metering Infrastructure (AMI)

BACKGROUND:

The District began working on the Water Meter Replacement Program since 2012. Staff has been replacing older 3/4" & 1" water meters that were beyond their useful life with new automated meter readers (AMR) or "Smart Meters" and the plan was to replace 4,000 meters within a 4-year period (FY 12/13 top FY 15/16). AWWA recommends a 20 yr replacement for 3/4" meters & 15 year replacement for 1" meters.

The "Smart Meter" that the District chose to replace the older meters is the Sensus iPERL meter. The iPERL meter offers low flow accuracy with high flow durability. The innovative magnetic technology allows for the capture of previously unmeasured low flow and drives additional revenue for the utility. The meter is 100% lead-free with no moving parts and maintains its accuracy over a 20-year lifetime. The iPERL has AMI connectivity and 14 conditions, diagnostic and lifetime alarms allows for quick resolution to issues experienced in the field.

The original scope was after the 4-year period, staff and the Board will review the program and determine if the District should move forward with replacing the remaining 3/4" & 1" water meters, replacing the larger meters (1½" and greater), and installing a AMI system for automated reading.

As Table 1 below shows approximately 37% of the total water meters have been replaced and almost 40% of the ¾-inch meters have been replaced.

Table 1 – Summary of Water Meters Replaced

Meter Size	¾-inch	1-inch	1½-inch	2-inch	3-inch	4-inch	Total
Total No. of Meters	6,939	824	143	66	29	2	8,003
Meter Replaced	2,729	163	3	19	8	0	2,922
Meters to be Replaced	**4,210**	**661**	**140**	**47**	**21**	**2**	**5,081**

DISCUSSION:

The Board has requested staff to review the preliminary costs to accelerate the water meter replacement program to replace all existing water meters with new Smart Meters and installation of an AMI metering system.

A benefit that the Board wanted to explore was the possibility of reducing the amount of unaccounted water (i.e. water that is not being recorded by the older meters) thereby increasing the amount of revenue generated.

Table 2 below shows the reduction in the amount of unaccounted water that has been realized since the installation of the Smart Meters in 2012.

Table 2 - Summary of Unaccounted Water

	2010	2011	2012	2013	2014	Avg.
Water Use (Kgal)	1,236,050	1,255,511	1,332,550	1,339,123	1,319,590	1,296,565
Water Use (Ac-ft)	3,793	3,853	4,089	4,109	4,049	3,979
Water Production (ac-ft)	4,299	4,425	4,654	4,693	4,415	4,497
Recorded Lost Water (ac-ft)	19	21	24	32	30	25
Unaccounted Water (ac-ft)	487	551	541	552	336	493
Percent Lost Water	**11.3%**	**12.5%**	**11.6%**	**11.8%**	**7.6%**	**11.0%**

There are a number of other benefits to utilizing a smart meter such as the ability to collect water usage data on a daily, weekly or monthly basis, ability to revise the billing periods from bi-monthly to monthly, to detect leaks and alert customers, and to increase water use efficiency by daily monitoring by the customer.

Staff took the approach of breaking this discussion into two phases. Phase 1 will discuss the implementation and costs to replace of existing water meters to the new Smart Meters. Phase 2 will discuss the installation and costs of the Advanced Metering Infrastructure (AMI) system that will collect the water usage data for monthly billing, customer notification, and water use analysis.

Finally, staff will use this information to discuss possible funding mechanisms for the program, determine a payback period which is the length of time required to recover the cost of the investment in the AMR/AMI program. The payback period of a given project is an important determinant of whether or not to undertake the project. Also perform a cost-benefit analysis, to make a comparative assessment of the benefits anticipated for the project, and the cost to introduce the project, perform it, and support the changes resulting from it.

Phase 1 – Water Meter Replacement

Phase 1 looked into the preliminary costs for purchasing the Smart Meters and installation of the meters within the existing meter boxes throughout the District which is shown in Table 3 below. Staff contacted the meter manufactures and received preliminary quotes to purchase the Smart Meters. A key element that was stressed by the manufactures was that purchasing a large quantity (i.e. over 2,000 units) reduces the unit cost for the Smart Meter.

The other component is the labor for a field crew to remove and replace the meter in a timely fashion. Staff contacted a number of vendors that provide these services, and the labor rates shown below are an average cost for installation.

Table 3 – Cost for purchasing and installing of Smart Meters							
Meter Size	**No. of Meters**	**Meter Type**	**Cost/ Meter**	**Total Cost**	**Labor**	**Total Labor**	**Total**
3/4"	4,210	Sensus - iPerl	$120	$505,200	$75	$315,750	$820,950
1"	661	Sensus - iPerl	$210	$138,810	$75	$49,575	$188,385
1-1/2"	140	Sensus - Omni	$1,325	$185,500	$100	$14,000	$199,500
2"	47	Master Meter - Octave	$1,585	$74,495	$100	$4,700	$79,195
3"	21	Sensus - Omni	$1,970	$41,370	$150	$3,150	$44,520
4"	2	Sensus - Omni	$2,515	$5,030	$150	$300	$5,330
Total Cost - Meter Replacement				**$950,405**		**$387,475**	**$1,337,880**

However, a factor that needs to be considered in this analysis is the existing water meter yoke assemblies. During the 1950's and 1960's water service laterals were installed with yoke assemblies and galvanized steel lateral pipe as shown here. Over the last 50 to 60 years, the yoke assemblies have corroded, and the length between the ends are not the same as the new Smart Meters. Staff established with the field crews an estimate of yoke assemblies that are still in service and estimated it to be about 10% of the laterals. As shown in Table 4 below, there are about 700 laterals that would need to be replaced so that the new Smart Meters could be installed.

Table 4 – Cost Estimate to Replace Yoke Assemblies							
Water Service Replacement	**No. of Laterals**	**Material Cost/Lateral**	**Pavement Cost/ Lateral**	**Total Cost**	**Labor**	**Total Labor**	**Total**
Current	50	$1,500	$1,000	$125,000	$1,000	$50,000	$175,000
Future	210	$1,500	$1,000	$525,000	$1,000	$210,000	$735,000
Estimate	440	$1,500	$1,000	$1,100,000	$1,000	$440,000	$1,540,000
Total - Water Service Replacement - Yoke Assembly	**700**			**$1,750,000**		**$700,000**	**$2,450,000**

Staff also found during the inspection and cleaning of meter boxes that an entire block of street will have yoke assemblies and it would make economic sense to replace the water main at the same time as the water service laterals. These pipelines were installed in the 50's and 60's, and the pipes are undersized. However the pipes are not on the high priority with respect to the leak list. Table 5 below shows a cost estimate to replace the water mains. The cost to replace the laterals is included in Table 4 above.

Table 5 – Cost Estimate to Replace Water Mains with Yoke Assemblies

Street	Block	Year Installed	Length (ft)	No. of Leaks	Cost/ Liner Foot	Cost for Pipeline
Janet Lee	2300	1955	970	1	$200	$194,000
Janet Lee	2400	1954	690	0	$200	$138,000
Janet Lee	2500	1954	600	2	$200	$120,000
Upper Terrace	2400	1954	510	0	$200	$102,000
Upper Terrace	2500	1954	600	1	$200	$120,000
Upper Terrace	2600	1950	210	0	$200	$42,000
Frances	2400	1954	680	0	$200	$136,000
Frances	2500	1954	610	0	$200	$122,000
Teasley	2300	1948	660	3	$200	$132,000
Teasley	2400	1954	720	0	$200	$144,000
Teasley	2500	1954	630	0	$200	$126,000
Alabama	3000	1950	790	1	$200	$158,000
Total Cost - Water Main Replacement			**7,670**			**$1,534,000**

Table 6 below shows a summary of the estimated costs to replace the existing water meters with new Smart Meters, replacement of the yoke assembles, and replacement of the water mains. In addition, a cost was added for project management services. Staff reviewed the current workload of the Engineering Department and determined that a consultant would be needed as a project manager to complete this project in a timely and effective manner.

Table 6 - Phase 1 - Water Meter Replacement Summary of Estimated Costs

Water Meter Replacement	**$1,337,880**
Water Service Replacement - Yoke Assembly	**$2,450,000**
Water Main Replacement	**$1,534,000**
Total Replacement	**$5,321,880**
20% Contingency	**$1,064,376**
Subtotal	**$6,386,256**
Project Management Services - 4%	**$255,450**
Misc.	**$58,294**
Total	**$6,700,000**

Phase 2 – Installation of AMI System

The next step will be Phase 2, the installation of the AMI system. The AMI system will include the installation of a fixed area network that automates meter data collection using wireless communications to collect the meter data. A radio survey will have to be performed due to the topography of the La Crescenta area, to determine the location of data collection "hot spots" or repeaters to maximize coverage and to get the information to a single source (i.e. the main office).

The smart meters being installed today have the capability to transmit the data, however the upgrades necessary to connect to to the AMI system were not installed since the timing was unknown and there was a concern about damaging the device over time. Therefore, the cost to install the connections is included in this cost study.

Another factor is the replacement of the meter box lids with an AMI connector device as shown on the photo.

Table 7 below shows a summary of cost for the purchase and installation of the AMI system.

Table 7 - Phase 2 - Summary of Estimate Cost for purchasing and installation of an AMI System	
Radio Survey	**$5,000**
Replace Meter Lids/Meter Boxes	**$230,000**
Install Remote Connect Device	**$120,060**
Repeaters	**$80,000**
Water Meter Software	**$50,000**
Integration	**$75,000**
Training	**$15,000**
Total - Install AMI	**$575,060**
20% Contingency	**$115,012**
Subtotal	**$690,072**
Project Management Services - 4%	**$27,974**
Misc.	**$56,954**
Total	**$775,000**

A summary of the estimated cost to complete CVWD's AMR/AMI system is shown in Table 8 below.

Table 8 - Summary of the estimated cost for CVWD's AMR/AMI system	
Phase 1 - Water Meter Replacement	$6,700,000
Phase 2 Purchasing and installation of an AMI System	$775,000
Grant Total	**$7,475,000**

The next step is to estimate the potential decrease in water loss caused by inefficient meters, and the increase revenue that maybe achieved with the installation of an AMR/AMI system. As shown in Table 2 above, the District realized a decrease in unaccounted water from 11.8% in 2013 to 7.6 % in 2014. The water industry standard percentage of unaccounted water is about 4%, therefore staff used that figure as a goal to reduce the amount of unaccounted water.

As shown in Table 9 below, staff compared revenue increase over a 10-year period and the percentage of unaccounted water was reduced from 8% to 4% over a 3-year period. The average projected savings over the 10-year period is $342,000 per year.

Fiscal Year	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Water Projections	**4,100**	**4,200**	**4,300**	**4,400**	**4,500**	**4,700**	**4,800**	**4,900**	**5,000**	**5,200**
Commodity Charge - $/Kgal	**$6.10**	**$6.60**	**$7.09**	**$7.43**	**$7.43**	**$7.43**	**$7.43**	**$7.43**	**$7.43**	**$7.43**
Estimate % Shrinkage (current)	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Estimate Water Loss (current) (ac-ft)	328	336	344	352	360	376	384	392	400	416
Estimate Water Loss Revenue (current)($)	$652,005	$722,654	$794,789	$852,273	$871,642	$910,382	$929,752	$949,122	$968,492	$1,007,231
Estimate % Shrinkage with WMR	6%	5%	4%	4%	4%	4%	4%	4%	4%	4%
Estimate Water Loss with WMR (ac-ft)	246	210	172	176	180	188	192	196	200	208
Estimate Water Loss Cost Revenue WMR ($)	$489,004	$417,442	$341,905	$349,856	$357,807	$373,710	$381,661	$389,613	$397,564	$413,466
Gain in Water Use Recorded (ac-ft)	**82**	**126**	**172**	**176**	**180**	**188**	**192**	**196**	**200**	**208**
Gain in Revenue ($)	**$163,001**	**$250,465**	**$341,905**	**$349,856**	**$357,807**	**$373,710**	**$381,661**	**$389,613**	**$397,564**	**$413,466**

Payback Period

The cumlative savings over the 10-year period is over $3.4M. If the District went with replacing the meters and installing the AMI System, which will be about $2.3M, the payback period would be approximately 6 years. The remaining 700 yoke assemblies could be replaced as part of the overall CIP program for the next 10 years.

Funding:

Staff is currently looking into various methods of funding such as grants, bonds, borrowing from the MTBE fund, funding through the CIP program for this program and staff will discuss it further at the next Board meeting

Prepared by:

David S. Gould, P.E.
District Engineer

Submitted by:

Thomas Love, P.E.
General Manager

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 2
April 7, 2015

To: Honorable President and Members of the Board of Directors

From: David S. Gould. P.E. – District Engineer

Subject: **Award of Contract for Quality Control Inspection Services for Replacement of Motor Control Center at Oak Creek Reservoir, Project E-931**

ACTION ITEM:

Replacement of Motor Control Center at Oak Creek Reservoir, Project E-931 – Consideration and motion to authorize the General Manager to enter into an agreement with Cannon Corporation at a cost of $54,300 for quality control inspection services related to the replacement of the motor control center at Oak Creek Reservoir.

BACKGROUND:

California Building Evaluation & Construction, Inc. (CBEC) began construction of the replacement of the electrical motor control center (MCC) at CVWD's Oak Creek Reservoir on March 16, 2015. The site is located at the north end of the intersection of Cloud Avenue and Brookhill Street as part of the FY 14/15 CIP Program. The MCC was originally constructed in 1980, and the District will be replacing the MCC unit with updated electrical equipment for the booster pump station at Oak Creek Reservoir.

DISCUSSION:

Staff originally was planning to use CVWD's construction inspector for this project, however, the construction inspector and the back-up inspector were off work due to workers compensation injuries. Staff requested that Cannon provide quality control inspection services until CVWD's inspector was back at work. Cannon was the design engineering firm for the project and had knowledge of the new MCC and appurtenances.

The construction schedule shows that the contractor will be working at the site until the end of April 2015 installing electrical conduits and the concrete pad for the MCC. At the end of April, the contractor will pull-off the site until the middle of July 2015, when the new MCC arrives for installation.

CVWD's construction inspector has returned to work. However, with the accelerated schedule for Well 16, he has been assisting the Engineering Department with the field work and will be working at the Well 16 site during the month of July 2015. In addition, construction will be starting for the Ocean View Chlorination building in late July 2015.

Staff believed it was in the best interest of the project to maintain continuity with the inspection services and requested a proposal (See Attachment "A") from Cannon to provide quality control inspection service at Oak Creek for the completion of the conduit work in April, the installation of the MCC and project start-up.

Cannon provided a proposal from quality control inspection services as shown on Attachment "B" for $53,400. This includes full-time inspection, daily and weekly reports, responses to request for information, verification of equipment delivery, coordination with CVWD personnel, coordination with SCE and project close-out. Derek Romer will be the project manager, Beth McDonough will be the construction manager, and Miguel Campos will be the construction observer.

RECOMMENDATION:

It is staff's recommendation to authorize the General Manger to enter into an agreement with a Cannon for quality control inspection services at a cost of $53,400 to complete the project. This will relieve staff to allow more time to focus on bring Well 16 into service by August 2015.

ENVIRONMENTAL REVIEW:

N/A

FUNDING AVAILABILITY:

There are sufficient funds available in the following account for the project:

Account Description	Amount
Water CIP– Water Distribution – MCC Replacement – FY 14/15	$300,000
Water CIP– Water Distribution – MCC Replacement – FY 15/16	$185,000
Total Budget for – MCC Replacement	**$485,000**
Contractor Bid Proposal	<$309,300>
Unforeseen or additional work	<$31,000>
Quality Control Inspection Services	<$53,400>
Additional costs such as SCADA Programming, soils engineer, & engineering services	<$69,800>
Total Project Cost	<463,500>
Amount Remaining - Revised Water CIP– Water Distribution – MCC Replacement	$21,500

Prepared by:

David S. Gould, P.E.
District Engineer

Submitted by:

Thomas Love, P.E.
General Manager

Attachments:

1. Attachment "A" – Request for Proposal
2. Attachment "B" – Proposal from Cannon dated March 31, 2015

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REQUEST FOR PROPOSAL

QUALITY CONTROL INSPECTION SERVICES
FOR ELECTRICAL MOTOR CONTROL CENTER (MCC) REPLACEMENT AND RELATED FACILITIES
AT OAK CREEK RESERVOIR, PROJECT E-931

PROPOSAL DUE DATE: March 31, 2015

INTRODUCTION

Crescenta Valley Water District (CVWD) wants to replace the existing motor control center (MCC) located at CVWD's Oak Creek Reservoir site at the north end of the intersection of Cloud Avenue and Brookhill Street. The MCC was originally constructed in 1980 and the District wants to replace the MCC unit with updated electrical equipment for the booster pump system at Oak Creek Reservoir.

BACKGROUND

Oak Creek Reservoir: The site contains two (2) 1.5 million gallon steel tanks which are partially buried, four (4) vertical turbine booster pumps, a chlorination station, above ground and underground piping, and other appurtenances. This site provides water to CVWD's pressure zone 4 and provides water to pressure zone 5 (See Attachment B - Hydraulic Schematic). It is located in a residential neighborhood.

Power: Power is supplied by Southern California Edison (SCE).

Motor Control Center: The existing MCC, located near the entrance to the Oak Creek Reservoir, is outdated (See Attachment C – AS-Built Drawings) and is showing several operational problems including:

1. Electrical bus bar is not in safety compliance.
2. Existing motor starters are direct contact relays that create a water surge in the system on start-up and shut-down.
3. The Arc Flash rating of the panel is 4 and needs to be reduced for safety.
4. The SCADA cabinet needs to be integrated inside the MCC.

Booster Station Pumps: There are four (4) vertical turbine booster pumps that work in parallel or as separate pumps based on water demands in the upper pressure zones. CVWD performed a hydraulic analysis of the pumps and piping (See Attachment D – Hydraulic Report).

Chlorine Station: There is an existing chlorination station with a 100 gallon sodium hypochlorite tank, chemical metering pump, and safety equipment. In addition, there is a chlorine analyzer equipment cabinet that provides chlorine level data.

Telephone/Communication System: In 2010, CVWD changed its communication system from a leased land line to a RF frequency radio system. The existing land lines are still in place and the radio equipment is located next the Oak Creek Reservoirs.

PROJECT OBJECTIVE

The District requests the services of an electrical inspection firm in connection with construction of the

new Motor Control Center that will include the removal of existing MCC, installation of new MCC, relocating the existing RTU to the MCC, installation of new conduits, connection to the SCADA system, relocating the existing SCE service panel and project start up at Oak Creek Reservoir. The following is a list of tasks for the project:

1. **Construction Services**
   A. Provide field reports to the District's Project Manager on a weekly basis.
   B. Provide on-site field inspection and quality control for all electrical construction activities including project start up in accordance with the Contract Documents.
   C. Observe all deliveries of MCC, switchboard and other project materials for conformance to contract documents and shop drawings.
   D. Provide input and recommendations regarding the contractor's construction schedule.
   E. Assist District in processing monthly progress pay estimates including review of contractor's work progress with the District's project manager.
   F. Provide guidance and recommendations to the District with respect to the contractor's general conformance to Contract Documents.
   G. Coordinate with Southern California Edison (SCE) connection to the new SCE meter and other upgrade necessary for the project.
   H. Coordinate construction administration and project schedule with District Personnel.
2. **Project Close-out**
   A. Observe and coordinate that all testing of the new MCC and related facilities has been successfully completed and is satisfactory.
   B. Prepare final punch list of deficiencies relative to the MCC replacement and related facilities.
   C. Observe contractor's successful completion of all work required by the final punch list.
   D. Obtain from the contractor any written documents required by the Contract Documents for project close-out relative to the MCC replacement and related facilities.
   E. Deliver all project records to the District including daily logs and photographs.

PROPOSAL REQUIREMENTS:

1. **Scope of Work**

   The proposal shall include a detailed list itemizing the tasks required to complete a scope of work addressing all project criteria outlined above. Each task shall include a detailed estimate of man-hours required to complete each task.

2. **Proposal Fee Schedule**

   The proposal shall include a "Fee Schedule" outlining all applicable hourly rates and costs for the inspection services. The proposal shall provide a breakdown of fees associated with the project task as specified above. The proposal shall also include a "not-to exceed" total fee, which shall include all work necessary to complete the project objective.

3. **Consultant's Representative**

   The proposal shall name a responsible representative, an alternate, and all sub-consultants to perform the assigned tasks. The chosen Consultant's representative will remain in responsible charge of all duties from contract negotiations through project completion. If the primary representative is unable to continue with the project, then the alternate representative will become the primary representative.

   The District must approve any other changes in responsible representative, in advance. The District will have the right to reject other proposed changes in personnel, and may consider any

other changes in responsible personnel a breach of contract.

ADDITIONAL INFORMATION

1. Professional Service Agreement

The Consultant shall be responsible for completing the specified services in accordance with the District's standard "Professional Services Agreement," which will be prepared by the District. Services specified in this agreement shall be taken directly from the Consultant's accepted proposal and from this "Request for Proposal", if applicable.

2. Insurance Requirements

The District will require employer's liability, comprehensive commercial liability insurance, and errors and omissions insurance coverage for at least $1,000,000 and comprehensive automobile liability for at least $1,000,000. Also, we required that the District be named as additional insured on the policy and such insurance policy shall not be terminated or canceled without thirty (30) days prior written notice to the District.

3. District Reimbursements

The District normally reimburses consultants for the actual cost (plus 15%) for all outside expenses, including those for material costs authorized in advance by the District. Other reasonable expenses will be reimbursed where such costs have been advanced by Consultant and approved by the District.

The Consultant shall not be compensated for use of computers, office equipment, hardware, or software materials. Said costs are non-compensable. Time expended by Consultant's personnel on such equipment shall be paid on an hourly rate based on the Consultant's fee schedule.

PROPOSAL DUE DATE

One (1) copy of the quote should be submitted as a PDF file and emailed to David Gould at dgould@cvwd.com before 12:00 p.m. Friday, March 31, 2015, and originals sent via U.S. Mail to the Crescenta Valley Water District at 2700 Foothill Boulevard, La Crescenta, California 91214, Attention: David Gould.

Cannon

March 31, 2015

Mr. David S. Gould, PE
Crescenta Valley Water District
2700 Foothill Boulevard
La Crescenta, CA 91214

SUBJECT: QUALITY CONTROL INSPECTION SERVICES FOR REPLACEMENT OF THE ELECTRICAL MCC AND RELATED FACILITIES AT OAK CREEK RESERVOIR, PROJECT E-931

Dear Mr. Gould:

I am excited about the opportunity to continue to work with you on this project to provide inspection services for the replacement of the electrical motor control center (MCC) at Oak Creek Reservoir, located in the City of La Crescenta (Project E-931). Thank you for considering Cannon for this project. We understand the intent of the project is to replace the MCC and related facilities including concrete pad, weather protection structure, conduits and wires, and new asphalt. Cannon will assist Crescenta Valley Water District with our experience providing similar services as described below.

As project manager I will oversee the observation and inspection services for this project along with our construction manager, Ms. Beth McDonough, and our construction observer, Mr. Miguel Campos. Cannon's extensive history managing project construction efforts will provide the reassurance that your project is completed as designed, change orders are handled promptly and appropriately, and that the inspection services contract is well-managed. Ms. McDonough's 9 years of experience working at Golden State Water Company has made her intimately familiar with the construction of water facilities. Mr. Campos's experience as a project engineer for the design and construction of numerous water resource projects makes him a valuable asset to your project with his ability to thoroughly understand both phases of the project, increasing project efficiency and constructability.

Cannon is currently working on your project and can continue to work with you through its completion, which is expected in August 2015. It is understood that the scope of work for this project is already defined and that the existing time and materials based contract will be extended. In addition, Cannon's assigned inspector is committed to completing this water facility project and will not be changed mid-project.

11900 Olympic Blvd., Suite 530
Los Angeles, CA 90064
T 310.664.1166
F 310.664.8877

CannonCorp.us

Cannon

Cannon will provide the following services for the Oak Creek Reservoir MCC replacement project:

- Cannon will provide on-site field inspection and quality control.
- Cannon will prepare Inspectors Daily Inspection Reports and weekly status reports as well as take progress photos of the construction activities. The weekly reports will be provided to the District's Project Manager and the Daily Inspection Reports and progress photos will be posted to the FTP site that was established for this project.
- Cannon will verify that the deliveries and materials used for this project are in conformance with the contract documents and shop drawings.
- Cannon will review the project schedule provided by the contractor and monitor the project progress. If needed, he will provide suggestions to the District's Project Manager on how to keep the project on schedule.
- The Cannon electrical engineering team will provide support during the construction activities with the electrical submittals, questions, and request for information. Cannon will also provide observation of the critical electrical installations, review and monitor the testing plan to ensure that the system is installed and functions as intended.
- Cannon will receive and review the contractor's monthly progress pay estimates as compared to the actual progress in the field and provide a recommendation to the District's Project Manager.
- Cannon will work with the contractor to coordinate with Southern California Edison (SCE).
- Cannon will prepare the final punch list and work with the contractor to ensure that the final items are completed prior to final completion.
- Cannon will also obtain all documents from the contractor required by the Contract Documents.
- Cannon will provide to the District a complete set of record drawings at the completion of the project.
- Cannon will provide the project records including but not limited to the daily reports, progress photographs, material delivery tickets, geotechnical reports, and weekly reports.

Cannon understands that construction will take approximately two full months to complete and will be completed in two stages; one stage this month and one stage to be completed after the fabrication of the MCC. According to the contractor's most current schedule, the work is expected to be completed about the middle of August 2015. The estimated total cost to provide full-time field observation and project oversight, as described above, at prevailing wage rates is $54,276 as shown in the attached staffing plan and cost estimate table.

Please note that the estimated total cost mentioned above is based on the current construction schedule provided by the contractor. If the contractor is able to complete the work in less time, Cannon will bill less, and if the contractor requires additional time to complete the project, Cannon will submit an additional service agreement (ASA) to the District's Project Manager for approval prior to charging more time to the project.

Cannon

Please feel free to contact me at 310-382-5122 if you have any questions regarding this letter, and thank you again for the opportunity to work together on this project.

Sincerely,

Derek Romer, PE
Senior Principal Electrical Engineer

Cannon

Fee Proposal
Crescenta Valley Water District
Construction Services for
Replacement of the Motor Control Center
at Oak Creek Reservoir
Project E-931

Cannon
11900 West Olympic Blvd, Suite 530
Los Angeles, CA 90064
310.664.1166

	Principal in Charge		Construction Manager		Sr. Elec Princ. Engineer		Sr. Assoc. Engineer		Construction Inspector		CADD Technician		Administrative Assistant		Totals	
Hourly Rate	$185		$175		$185		$150		$120		$87		$85			
	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost
Task 1. Construction Services																
Task 1.1 Project Administration		$0	6	$1,050	12	$2,220		$0		$0		$0	8	$680	14	$3,950
Task 1.2 Project Documnetation (Dailies, RFI, Submittals, schedule etc.)	2	$370	12	$2,100	8	$1,480		$0	40	$4,800		$0		$0	54	$8,750
Task 1.3 Site Observation / Inspection	4	$740	26	$4,550	24	$4,440		$0	216	$25,920		$0		$0	246	$35,650
Task 1.4 Punch List and Final Completion		$0		$0	4	$740		$0	16	$1,920		$0		$0	16	$2,660
Task 1.5 Provide Final As-built	2	$370		$0	4	$740		$0	8	$960	8	$696		$0	18	$2,766
Task 4 Subtotal	**8**	**$1,480**	**44**	**$7,700**	**52**	**$9,620**	**0**	**$0**	**280**	**$33,600**	**8**	**$696**	**8**	**$680**	**348**	**$53,776**
Reimbursables																$500
Project Total[1]	**8**	**$1,480**	**44**	**$7,700**	**52**	**$9,620**	**0**	**$0**	**280**	**$33,600**	**8**	**$696**	**8**	**$680**	**348**	**$54,276**

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Agenda Item No. 3

To: Honorable President and Members of the Board of Directors April 7, 2015

From: Dennis A. Erdman P.E. – General Manager

Subject: **Request to Fill Staff Vacancies**

AGENDA ITEM

1. **Request to Fill Staff Vacancies** – Consideration and motion to authorize the General Manager to fill staff vacancies.

BACKGROUND:

I T Technician

The budget presented to the Board of Directors for FY 2015-16 has authorized staffing level of 33 full time employees and one part time IT support position. This part time position was brought to the Board in preparing the FY 2013/14 with a request to be filled with a full-time person who has qualifications well beyond what would be expected from an IT Technician. At that time the Board approved the hiring of this person for a period up to two years at which time staff would re-evaluate the IT situation and bring back any request to retain this person for an extended period. Staff is requesting that the Board will give authorization to retain the IT Technician on a full-time basis for another year to enable the new General Manager time to evaluate our overall staffing needs. Staff feels this position is still necessary, especially if the Board approves the CIP budget as it currently stands to include the major overhaul of the SCADA system as Mr. Hass' time will be taxed as the project manager on this job.

Utility Worker

Our field workforce is now not at full strength due to the loss of a Utility Worker II being declared permanently disabled from a worker's compensation injury. The Board previously authorized the hiring of a temporary employee to fill the absence of the Utility Worker II position and we are now requesting that the Board allow us to elevate this person to a permanent status or authorize a limited recruitment where staff would use a list of people who have submitted applications that are still actively on file to speed up the process. In either case staff anticipates a reduction in labor costs as the previous Utility Worker II was at the longevity step and the new hire would come in as a Utility Worker I at either the first or second step on the salary scale.

Plant Maintenance Specialist

The District recently lost our Plant Maintenance Specialist to a non-work related injury and he is not expected back until at least November. This employee works with the Systems Operators in maintaining the pumps and motors for our boosters and wells along with helping our Electrical/Telemetry Technician Raymond Dodge keep the SCADA and communications equipment running properly. He also performs routine construction duties such as building/repairing fences and gates, forming and pouring cement pads for equipment at various sites, painting District facilities and other "handyman" type of duties. Staff is requesting the Board authorize the hiring of a temporary worker to help fill this void or utilize an existing employee to fill this role and bring in a temporary to work on the field crew or sewer maintenance crew if they are selected to fill this role. Use of an existing employee would mean we would need to give them a 5% raise in pay while they perform these duties as they would be working out of class. In either case the District should save labor costs as the existing employee is at longevity step for his classification and either the temporary worker or the existing employee with the raise in pay would be at a lesser cost to the District.

Water Conservation Specialist

A third situation has now arisen as Natalie Bellissimo, our Water Conservation Specialist, has announced her retirement effective May 1, 2015 as she is moving out of state. Staff has had extensive discussions on

this loss at the management level and with our new General Manager and we all agree that this is not the time to back off our conservation programs especially with the executive order just issued by Governor Brown mandating a 25% reduction in water consumption for all residents in California. This position also administers all the rebate programs, including the turf rebate inspections, both pre and post project, attend community events and distribute conservation materials, attend the various conservation and gardening classes provided by the District, track inventory of conservation materials and help in the Customer Service all day on Mondays and during lunch periods on the other days of the week. She also helps Ms. Scott with the data entry for lab samples and other items related to the various regulatory compliance reports that the District submits to state agencies. The District should recognize a savings in labor costs as Ms. Bellissimo is at the longevity step and the new employee would start at a lower level.

Customer Service Clerk

One other request from staff is that due to the loss of Natalie's time helping Customer Service, we would like the Board to authorize staff to elevate our current Customer Service Clerk from a 32-hour a week position to a 40-hour a week status. Mr. Love has indicated that he would need more secretarial support than Mr. Erdman required and these additional hours would help staff meet his needs and still provide our customers with the level of service they have come to expect. Staff believes that the additional labor costs for this change would be offset by the savings realized by the hiring of a new Water Conservation Specialist at a lower salary level then Ms. Bellissimo currently earns.

As directed by the Board, staff has reviewed our staffing needs and feels that if we do not re-fill the open positions, we will not have the workers needed to perform ongoing repairs and maintenance along with replacing the old water meters in our system. In the office, the Customer Service Clerk position is the only spot dedicated solely to meeting our customer's needs as all other employees perform other duties on top of helping customers. For example, one employee does accounts payable while another support to the Engineering Department and the others are members of the management group. If these positions are not replaced it could affect the level of service to our customers which we believe is second to none in the area.

RECOMMENDATION:

Staff is recommending that the Board authorize the General Manager to fill the current vacancies for the Utility Worker and Water Conservation Specialist, keep the IT Technician at a 40-our per week level for one additional year in order maintain the proper level of support in this area, and to permanently elevate the Customer Service Clerk to a 40- hour per week status. This request is made to ensure that our system is maintained properly, the water meter replacement program does not fall behind schedule, the water conservation program remains properly staffed to meet state mandated guidelines, and that service to our customers is not compromised or diminished.

Prepared by:

_____

Ron L. Mitchell
Secretary-Treasurer

Submitted by:

_____

Thomas A. Love
General Manager

CRESCENTA VALLEY WATER DISTRICT
BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 4
April 7, 2015

To: Honorable President and Members of the Board of Directors
From: Christy J. Scott
Subject: **Amendment of Resolution 682 and Appendix G**

ACTION ITEM:

Amendment of Resolution 682 and Appendix G – Discussion of Resolution 682 and Appendix G as amended to meet requirements of the State Board Emergency Resolution No. 2015-0015.

BACKGROUND

Due to the severity of the drought conditions, on July 15th, 2014, the State Resources Control Board (State) approved emergency regulations for urban water conservation. These regulations were set to expire on April 25th, 2015. On March 17, 2015 the State adopted Resolution No. 2015-0015, amending and re-adopting a drought emergency regulation regarding informational orders.

The changes to the amended resolution mostly modified wording to emphasize the need for increased conservation. It also contains increased reporting requirements, and some additional restrictions to further promote conservation.

The District's current water conservation ordinances cover all of the required items in resolution 2015-0015 with one exception. Listed in the State's restrictions is a requirement to not allow outdoor watering during and 48-hours after a measurable rain event. The District's current restrictions only specify no watering during a rain event.

RECOMMENDATION

Staff recommends modifying the District's existing water conservation ordinances, Resolution 682 and Appendix G, to include the 48-hour outdoor watering restriction following a measurable rain event.

Prepared by:

Christy J. Scott

Submitted by:

Thomas A. Love, P.E.,
General Manager

Attachments:

1. State Resolution No. 2015-0015
2. Resolution 682
3. Appendix G

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STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2015-0015

AMENDING AND READOPTING A DROUGHT EMERGENCY REGULATION
REGARDING INFORMATIONAL ORDERS

WHEREAS:

1. On January 17, 2014, Governor Brown declared a drought state of emergency. On March 1, 2014, Governor Brown signed a drought relief package, Senate Bill 104 (Statutes 2014; Chapter 3; Committee on Budget and Fiscal Review), to, among other things: provide funding to improve conservation and emergency supplies; reduce fire risk and increase fire-fighting capabilities; and expand the State Water Resources Control Board's (State Water Board or Board) authority under Water Code section 1058.5 and increase penalties for unauthorized diversion of water. On April 25, 2014, the Governor issued a Proclamation of a Continued State of Emergency to strengthen the state's ability to manage water and habitat effectively in drought conditions. The April 2014 Proclamation ordered that the provisions of the January 2014 Proclamation remain in full force and also added several new provisions. In addition, the drought declaration suspended California Environmental Quality Act (CEQA) review for many of the state's response to drought, including the issuance of drought emergency regulations under Water Code section 1058.5. On December 22, 2014, in light of the continued lack of rain, Governor Brown issued Executive Order B-28-14, which extended the CEQA suspension for drought emergency regulations through May 31, 2016.

2. California is currently in the fourth year of a drought. Water year 2012 was categorized as below normal, calendar year 2013 was the driest year in recorded history for many parts of California, water year 2014 was the third driest year in the 119 years of record, and water year 2015 has begun on a similar dry trend, with precipitation below average, snowpack water content far below average, and many key reservoirs in the state at far below normal capacity.

3. On January 23, 2015, the State Water Board issued a Notice of Surface Water Shortage and Potential for Curtailment of Water Right Diversions. The notice advised that if dry weather conditions persist, the State Water Board will notify water right holders in critically dry watersheds of the requirement to limit or stop diversions of water under their water right, based on their priority. Due to the dry hydrologic conditions, the State Water Board issued Water Diversion Curtailment Notices in 2014 and may issue Water Diversion Curtailment Notices in 2015 to water right holders within critically dry watersheds if the dry trend continues.

4. As previously adopted, California Code of Regulations, section 879, subdivision (c), authorized the Deputy Director for Water Rights to issue informational orders in response to complaints alleging interference with a water right by a riparian or a pre-1914 appropriative water right holder, or where the Division receives information that indicates unlawful diversion of stored water by riparian or pre-1914 appropriative water rights holders. The Deputy Director issued two such orders to known claimants of pre-1914 and riparian rights in response to allegations of interference with water rights and unauthorized diversions of stored water. Order WR 2014-0030-DWR affects approximately 23 claimants along the San Joaquin River immediately below Friant Dam, and Order WR 2015-0002-DWR affects

approximately 450 right claimants in the Sacramento, San Joaquin and Delta watersheds. The emergency regulation would extend the Deputy Director's authority to enforce the existing orders and authorize the Deputy Director to issue additional orders in response to similar complaints or information.

5. In order to effectively administer the State's water right system, the State Water Board needs to be able to effectively account for all diversions, project water availability, and ensure that water is used solely by persons holding valid rights and without waste or unreasonable use or unreasonable method of diversion. Riparian and pre-1914 rights are among the most senior water rights, and have a large impact on the availability of water in drought years. However, diversions under any claim of right, or under claim of contract purchase or water transfer, may also impact water availability during drought years. The State Water Board has little information regarding many of these diversions, their relative priorities, and their validity. During the ongoing drought, there is insufficient supply and diversion by persons lacking valid rights injures other right diverters. The emergency regulation would authorize the Deputy Director to issue informational orders against any water right holder, diverter or user in response to complaints, assertions of previously unasserted claims of right, contract or transfer, and where information indicates actual or threatened waste, unreasonable use or method of diversion, or unlawful diversions by any water right holder, diverter or user.

6. In 2014, the State Water Board conducted nearly 950 field inspections to determine compliance with curtailment notices. The field inspection program, and the submittal of responses to curtailment notices, found that many persons who received curtailment notices for a post-1914 right claimed a riparian or pre-1914 right for continued diversions. In many instances, the claimed right had never been reported to the Division, even though riparian and pre-1914 diversions must typically be reported under Water Code section 5100 et seq. Because a diversion made by the holder of more than one right is made first under any applicable senior right, with diversion occurring under a more junior right only after the senior right has been satisfied, the large number of such claims suggests accounting problems, failure to file claims, and/or falsification. The Division will use informational orders, authorized under the emergency regulation, to obtain information on previously unclaimed rights and also regarding certain known claims. This information will include diversion amounts and the basis and extent of claims.

7. Similarly, some diverters have responded to curtailment inspections or notices by asserting the right to divert under the rights of another. The Division will use informational orders to obtain information on claims to divert under a contract or water transfer for which the Board has not approved a change petition and for which no record has been filed with the Board. Such transfers must neither effect a new water right nor injure other legal users of water, and compliance with these requirements can be difficult to ensure, particularly in drought hydrology. The current extreme drought warrants provision of further information regarding such claims made in response to inquiries for compliance with these rules.

8. Water Code section 1058.5 grants the State Water Board the authority to adopt emergency regulations in certain drought years in order to: "prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, to promote water recycling or water conservation, to require curtailment of diversions when water is not available under the diverter's priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports."

9. The State Water Board is amending and re-adopting the emergency regulation because of emergency drought conditions and the need for prompt action.

10. Emergency regulations adopted under Water Code section 1058.5 remain in effect for up to 270 days.

11. Pursuant to Water Code section 7, the State Water Board is authorized to delegate authority to the Executive Director and to the Division of Water Rights Deputy Director. The State Water Board has delegated authority to the Executive Director and to the Deputy Director for the Division of Water Rights; and

THEREFORE BE IT RESOLVED THAT:

1. The State Water Board amends California Code of Regulations, title 23, section 879, as appended to this resolution as an emergency regulation;

2. The State Water Board staff will submit the regulation to the Office of Administrative Law (OAL) for final approval;

3. If, during the approval process, State Water Board staff, the State Water Board, or OAL determines that minor corrections to the language of the regulation or supporting documentation are needed for clarity or consistency, the State Water Board Executive Director, the Deputy Director for the Division of Water Rights or their designees may make such changes;

4. This regulation shall remain in effect for 270 days after filing with the Secretary of State unless the State Water Board determines that it is no longer necessary due to changed conditions, or unless the State Water Board renews the regulations due to continued drought conditions as described in Water Code section 1058.5;

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on March 17, 2015.

AYE:	Chair Felicia Marcus Vice Chair Frances Spivy-Weber Board Member Tam M. Doduc Board Member Steven Moore Board Member Dorene D'Adamo
NAY:	None
ABSENT:	None
ABSTAIN:	None

Jeanine Townsend

Jeanine Townsend
Clerk to the Board

Informational Order
Emergency Regulations Digest

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In Title 23, Division 3, Chapter 2, Article 24, amend Section 879, subdivision (c) to read:

§ 879. Reporting

(c)(1) The Deputy Director may issue an informational order, as provided in paragraph (2), in any of the following circumstances:

(A) Upon receipt of a complaint that staff determines to merit investigation alleging interference with a water right by a ~~riparian or pre-1914 appropriative~~ water right holder, diverter or user;

(B) Where a water right holder, diverter or user asserts a right to divert under a pre-1914 or riparian right in response to an investigation, curtailment order or any notice of curtailment, and no Statement of Water Diversion and Use for such right was on file with the Board as of January 17, 2014;

(C) Where a water right holder, diverter or user responds to an investigation, curtailment order or any notice of curtailment by asserting a right to divert under a contract or water transfer for which the Board has not approved a change petition and for which no record had been previously filed with the Board; or

(D) ~~upon~~ Upon receipt of information that indicates actual or threatened waste, unreasonable use, unreasonable method of diversion, or unlawful diversions of ~~stored~~ water by ~~riparians or pre-1914 appropriative~~ any water right holder~~s~~, diverter or user.

(2) ~~the~~The Deputy Director may issue an order under this article requiring a water right holder, diverter or user to provide additional information related to a diversion or use described in (c)(1), including ~~regarding~~ the claim of right~~;~~, property patent date; the date of initial appropriation~~;~~ ~~and~~ diversions made or anticipated during the current drought year; basis of right and amount of a water transfer not subject to approval of the Board or Department of Water Resources; or any other information relevant to authenticating the right or forecasting use and supplies in the current drought year.

(3) Any ~~water right holder~~ party receiving an order under this subdivision shall provide the requested information within ~~five~~thirty (~~5~~30) days. The Deputy Director may grant additional time for submission of information supporting the claim of right upon substantial compliance with the 30-day deadline and a showing of good cause.

(4) The failure to provide the information requested within 30 days or any additional time extension granted is a violation subject to civil liability of up to $500 per day for each day the violation continues pursuant to Water Code section 1846.

(5) Orders issued under previous versions of this subdivision shall remain in effect and shall be enforceable as if adopted under this version. The provisions of Article 12 of this Chapter (commencing with section 768) shall govern petitions for reconsideration of orders issued under this subdivision.

Authority: Sections 1058 and 1058.5, Water Code.
Reference: Sections 100, 186, 187, 275, 348, 1050, 1051 and 1058.5, Water Code.

Date	Revisions	Approved by Board	Initials
04/07/2015	1. Revise Resolution 682: **Windy and rainy days:** No watering, sprinkling or irrigating shall take place in any landscaped or vegetated areas on days when the wind is blowing causing overspray, and on days when it is raining. 2. Add the following: **Windy and rainy days:** No watering, sprinkling or irrigating shall take place in any landscaped or vegetated areas on days when the wind is blowing causing overspray. No irrigation or watering of turf or ornamental-landscapes during and 48 hours following measurable precipitation.		

RESOLUTION NO. 682

RESOLUTION OF THE BOARD OF DIRECTORS OF CRESCENTA VALLEY WATER DISTRICT ADOPTING A WATER CONSERVATION PROGRAM (PHASE I)

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

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

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

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

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

WHEREAS, California has experienced an energy crisis which has resulted in extremely high energy costs; and

WHEREAS, the District is a user of significant quantities of energy to meet its system demands for the production, transmission, and distribution of water; and

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is authorized to implement a water conservation program, as Phase I of the goal to reduce water use below pre-drought water usage, to reduce the risk and severity of water shortage; and

BE IT FURTHER RESOLVED, that the Crescenta Valley Water District prohibits the following water usage to all of its customers:

Prohibited Use Applicable to ALL Customers

1. **Water hose usage:** Hose washing of sidewalks, walkways, driveways, or parking areas, tennis courts, patios, porches or other paved areas shall not be permitted. Exception: Flammable or other dangerous substances may be disposed of by direct hose flushing by public safety officers for the benefit of public health and safety. Businesses or schools required to hose down public eating areas will be provided with access to a water broom.

2. **Overspray and runoff:** Use of water for any purpose which results in overspray, excessive runoff onto hardscapes, driveways, street, adjacent lands or into gutters shall not be permitted.

3. **Fountains, similar structures:** Water used to clean, fill or maintain levels in decorative fountains or similar structures must be part of a recirculation system.

4. **Leaks:** Leaks from any facility both inside and outside of a customer's premises must be repaired within seventy-two hours after the customer is notified of, or discovers the leak. Failure to affect the repair of any leak shall subject said customer to all penalties provided herein for waste of water.

5. **Irrigating times: Irrigating times:** No watering, sprinkling or irrigating shall take place between the hours of nine a.m. (9:00AM) and five p.m. (5:00PM) in any landscaped or vegetated areas, including, including, but not limited to, golf courses, parks, cemeteries and school areas landscaped with, but not limited to, grass, lawn, groundcover, shrubbery, annual and perennial plants, crops, trees, and California-friendly plantings. With the exception of drip irrigation systems or weather based irrigation controllers, residential timers shall not run for more than a 10 minutes per station.

6. **Hand Watering:** Hand watering of non-turf areas is allowed using a hose with a positive shut-off nozzle or watering can within the allowable times as specified above.

7. **Windy and rainy days:** No watering, sprinkling or irrigating shall take place in any landscaped or vegetated areas on days when the wind is blowing causing overspray. No irrigation or watering of turf or ornamental-landscapes during and 48 hours following measurable precipitation.

8. **Vehicle washing:** The washing of commercial and non-commercial privately owned automobiles, trucks, trailers, motor-homes, boats, buses, airplanes and other types of vehicles is restricted to use of a hand-held bucket and quick rinses using a hose with a positive shut-off nozzle. Exceptions: the use of wash water which is on the immediate premises of a commercial car wash or commercial service station; where health, safety and welfare of the public is contingent upon frequent vehicle cleaning, such as garbage trucks and vehicles which transport food and perishables.

9. **Swimming pools:** Owners of outdoor swimming pools, wading pools or spas, when these are not in use, are requested to use covers to minimize the evaporation of water.

10. **Construction water restrictions:** Water for construction purposes including but not limited to de-brushing of vacant land, compaction of fills and pads, trench backfill and other construction uses, shall be used in an efficient manner which will not result in runoff.

11. **Fire hydrants:** The use of potable water from fire hydrants shall be limited to firefighting, related activities or other activities immediately necessary to maintain the health, safety, and welfare of the residents of the city.

12. **Drinking water upon request:** No restaurant, hotel, café, cafeteria or other public place where food is sold, served or offered for sale, shall serve drinking water to any customer unless expressly requested by a customer.

13. **Hotels/Motels:** Hotels, motels, and other commercial lodging establishments are requested to post notices informing their guests about the city's water conservation policy and urging guests to conserve water. Water conservation notices will be provided by CVWD.

14. **Hotels/Motels:** Hotels, motels and other commercial lodgings are requested to post notices giving their guests the option of not laundering towels and linens daily.

15. **Reporting waste of water:** The District shall maintain a program for residents to report waste of water throughout the District boundaries. This will include an online submittal form, a dedicated phone number, and follow-up by District staff on all waste of water reports. Residents are requested to report any observed waste of water from surrounding properties or in the community and report to the District for follow-up.

16. **Pre-rinse spray valve**: Where applicable, restaurants must utilize water conserving nozzles.

17. **New Development**. 1). Prohibit water waste such as, but not limited to: single-pass cooling systems; conveyor and in-bay vehicle wash and commercial laundry systems which do not reuse water; non-re-circulating decorative water fountains, and address irrigation, landscape, and industrial, commercial, and other design deficiencies. 2). Enacts and enforces ordinances or establishes terms of service for water efficient design in new development, and supports local ordinances that establish permits for water efficient design in new development.

BE IT FURTHER RESOLVED, that the Crescenta Valley Water District urges the following water conservation practices to all of its customers:

1. Reduce the amount of turf and install new drought tolerant landscaping, low-water using trees and plants, and efficient irrigation systems including but not limited to evapotranspiration (ET) controllers, drip irrigation, and "high efficiency sprinkler heads".

2. Wash only full loads of dishes or clothes in automatic washers, and do not allow indoor faucets to run continuously.

3. Turn off water system when leaving property unoccupied for an extended period of time.

VIOLATIONS

For any customer of the District in violation of the provisions listed in the Waste of Water Ordinance:

First Violation: The District shall issue a written notice of the fact of such violation to the customer.

Second Violation: The District shall issue a written warning to the customer of the fact of such second violation with a statement of the possible penalties for the present violation for which the notice was written, the possible penalties for each subsequent violation should they occur, and a written copy of this resolution.

Third Violation: The District shall install a flow-restricting device of one gallon per minute (1gpm) capacity for services up to one and one-half inch size, and comparatively sized restrictors for larger service, on the service of the customer at the premises at which the violation occurred for a period of not less than forty-eight hours.

The charge for installing a flow-restricting device shall be based upon the size of the meter and shall not exceed $150.00.

The charge for removal of the flow-restricting device and restoration of normal service shall not exceed $100.00. Restoration of normal service will be performed during regular working hours on regular working days.

For any subsequent violation or any willful violation: The District shall either install a flow-restricting device, for a period of time not less than one week or discontinue water service to that customer at the premises at which the violation occurred.

The charge for installing a flow-restricting device shall be based upon the size of the meter and shall not exceed $200.00.

The charge for removal of the flow-restricting device and restoration of normal service shall not exceed $150.00. Restoration of normal service will be performed during regular working hours on regular working days.

Notice: The District shall give notice of each violation to the customer committing such violation as follows:

For the first violation: The District shall give written notice of the fact of such violation to the customer personally or by United States regular mail.

For the second violation: The District shall give written notice of the fact of such violation to the customer by United States certified mail, return receipt requested.

For any subsequent violations: If the penalty assessed is, or includes the installation of a flow-restrictor or the discontinuance of water service to the customer for any period of time whatsoever, notice of the fact of the violation shall be delivered fifteen (15) working days before the penalty is to be enacted, in the following manner:

- Personal delivery of written notice to the customer at their residence or place of business and obtain their signature of delivery.

- Return receipt delivery to customer at their residence or place of business.

All notices shall contain, in addition to the facts of the violation, a statement of the possible penalties for the present violation for which the notice was written and each subsequent violation, a statement of the anticipated date of the penalty, if any, will be enacted for the present violation, and a statement informing the customer of the customer's right to a hearing on the violation.

Hearing: Any customer against whom a restriction or limitation is levied has the right to a hearing and a right to appeal to the Board of Directors. Written request from customer to the District must be received within fifteen (15) working days of the date of notification of the violation. Before the hearing can be scheduled all existing plumbing fixtures in the structure must be retrofitted exclusively with water-conserving plumbing fixtures including low flush or high efficiency toilets, low flow showerheads, and aerators. A water audit will be used to verify installation.

Enactments of the appropriate penalty shall be deferred until the appeal is resolved.

If the appeal decision is NOT in favor of the customer, the determined penalty shall be enacted within ten (10) days after the customer is advised of the decision in writing through certified mail, return receipt requested.

Reservation of Rights: The rights of the District hereunder shall be cumulative to any other right of the District to discontinue service. All monies collected by the District pursuant to any of the penalty provisions of the chapter shall be deposited in the water revenue fund as reimbursement for the District's costs and expenses of administering and enforcing this ordinance.

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

BE IT FURTHER RESOLVED, that the Board of Directors of the Crescenta Valley Water District authorize that Section 8.07(c) and Appendix G of the District's Rules and Regulations are amended to read as attached; and

BE IT FURTHER RESOLVED, that if critical water shortages continue to exist and if current measures prove insufficient to accomplish the necessary conservation, the Crescenta Valley Water District will consider additional and more restrictive phases of water conservation to curtail water use. Likewise, should water supply conditions return to normal, the Crescenta Valley Water District will also consider ending this program.

PASSED, APPROVED, AND ADOPTED at a Regular Meeting of the Board of Directors of Crescenta Valley Water District held on April 7, 2015, amendments to Resolution No. 682 were adopted by the following vote:

AYES:

NOES: **None**

ABSENT: **None**

ATTEST:

_____

President, Board of Directors
Crescenta Valley Water District

_____

Secretary of the Board of Directors

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

I, RON MITCHELL, Secretary of the Crescenta Valley Water District, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy of the amendments to Resolution No. 682 of the Board of Directors of Crescenta Valley Water District adopted at a Regular Meeting held on April 7, 2015 and that the same has not been amended or repealed.

_____

Secretary of the Board of Directors of
Crescenta Valley Water District

DATED: April 7, 2015

(S E A L)

APPENDIX G

Date	Revisions	Approved by Board	Initials
04/28/2010	Residential and commercial landscape irrigation has been increased from two (2) days per week to no more than three (3) days per week on Tuesday, Thursday and Saturday. Watering limits have been reduced to seven (7) minutes per watering station from (10) minutes per station.	04/27/2010	
07/11/12	1. Revise "Prohibited Use Applicable to **all** Customers" was revised to "Prohibited Use Applicable to **Existing and New** Customers" 2. Add the following: **17. New Development** (new commercial and multi-family accounts) 1) All new commercial and multi-family accounts are prohibited from water waste such as, but not limited to: single-pass cooling systems; conveyor and in-bay vehicle wash and commercial laundry systems which do not reuse water; non-recirculating decorative water fountains. 2) All landscape must be in accordance with the permitting agency's landscape ordinance. If the permitting agency does not have a landscape ordinance, the Department of Water Resources Model Landscape Ordinance will apply.	07/10/12	
7/23/14	1. Revised Orange Alert from three (3) days per week to two (2) days per week, Tuesdays and Saturdays	7/23/2014	
4/7/15	1. Revise Appendix "G": **Windy and rainy days:** No watering, sprinkling or irrigating shall take place in any landscaped or vegetated areas on days when the wind is blowing causing overspray, and on days when it is raining. 2. Add the following: **Windy and rainy days:** No watering, sprinkling or irrigating shall take place in any landscaped or vegetated areas on days when the wind is blowing causing overspray. No irrigation or watering of turf or ornamental-landscapes during and 48 hours following measurable precipitation.		

CRESCENTA VALLEY WATER DISTRICT

APPENDIX G

WATER CONSERVATION PROGRAM

GENERAL STATEMENT

1. Due to the water supply conditions prevailing in the Crescenta Valley Water District (CVWD) and/or in the area from which CVWD obtains a portion of its water supply, the general welfare requires that:

   - The water resources available to the CVWD be put to the maximum beneficial use;
   - The waste or unreasonable use, or unreasonable method of use of water be prevented;
   - The conservation of such water be practiced with a view to the reasonable and beneficial use thereof in the interest of the customers of CVWD and for the public health and safety.

2. The purpose of this program is to provide water conservation regulations, in a phased approach, to minimize the effect of a shortage of water supplies on the customers of CVWD during various critical stages of a water shortage.

PHASE I –NORMAL WATER CONSERVATION

Phase I standard water conservation practices will be in effect at all times. The CVWD Board of Directors has adopted the following measures to reduce consumption and prohibit water waste for existing and new water users within CVWD in order to sustain water supply reliability.

Prohibited Use Applicable to Existing and New Customers

1. **Water hose usage:** Hose washing of sidewalks, walkways, driveways, or parking areas, tennis courts, patios, porches or other paved areas shall not be permitted. Exception: Flammable or other dangerous substances may be disposed of by direct hose flushing by public safety officers for the benefit of public health and safety. Businesses or schools required to hose down public eating areas will be provided with access to a water broom.
2. **Overspray and runoff:** Use of water for any purpose which results in overspray, excessive runoff onto hardscapes, driveways, streets, adjacent lands or into gutters shall not be permitted.
3. **Fountains, similar structures and swimming pools:** Water used to clean, fill or maintain levels in decorative fountains or similar structures must be part of a recirculation system.
4. **Leaks:** Leaks from any facility both inside and outside of a customer's premises must be repaired within seventy-two hours after the customer is notified of, or discovers the leak. Failure to affect the repair of any leak shall subject said customer to all penalties provided herein for waste of water.
5. **Irrigating times:** No watering, sprinkling or irrigating shall take place between the hours of nine a.m. (9:00AM) and five p.m. (5:00PM) in any landscaped or vegetated areas, including, but not limited to, golf courses, parks, cemeteries and school areas landscaped with, but not limited to, grass, lawn, groundcover, shrubbery, annual and perennial plants, crops, trees, and California-friendly plantings.

6. **Hand Watering:** Hand watering of non-turf areas is allowed using a hose with a positive shut-off nozzle or watering can within the allowable times as specified above.

7. **Windy and rainy days:** No watering, sprinkling or irrigating shall take place in any landscaped or vegetated areas on days when the wind is blowing causing overspray. No irrigation or watering of turf or ornamental-landscapes during and 48 hours following measurable precipitation.

8. **Vehicle washing:** The washing of commercial and non-commercial privately owned automobiles, trucks, trailers, motor-homes, boats, buses, airplanes and other types of vehicles is restricted to use of a hand-held bucket and quick rinses using a hose with a positive shut-off nozzle. Exceptions: the use of wash water which is on the immediate premises of a commercial car wash or commercial service station; where health, safety and welfare of the public is contingent upon frequent vehicle cleaning, such as garbage trucks and vehicles which transport food and perishables.

9. **Swimming pools:** Owners of outdoor swimming pools, wading pools or spas, when these are not in use, are requested to use covers to minimize the evaporation of water.

10. **Construction water restrictions:** Water for construction purposes including but not limited to de-brushing of vacant land, compaction of fills and pads, trench backfill and other construction uses, shall be used in an efficient manner which will not result in runoff.

11. **Fire hydrants:** The use of potable water from fire hydrants shall be limited to firefighting related activities or other activities immediately necessary to maintain the health, safety, and welfare of the residents of the city.

12. **Drinking water upon request:** No restaurant, hotel, café, cafeteria or other public place where food is sold, served or offered for sale, shall serve drinking water to any customer unless expressly requested by a customer.

13. **Hotels/Motels:** Hotels, motels, and other commercial lodging establishments are requested to post notices informing their guests about the city's water conservation policy and urging guests to conserve water. Water conservation notices will be provided by CVWD.

14. **Hotels/Motels:** Hotels, motels and other commercial lodgings are requested to post notices giving their guests the option of not laundering towels and linens daily.

15. **Reporting waste of water:** The District shall maintain a program for residents to report waste of water throughout the District boundaries. This will include an online submittal form, a dedicated phone number, and follow-up by District staff on all waste of water reports. Residents are requested to report any observed waste of water from surrounding properties or in the community and report to the District for follow-up.

16. **Pre-rinse spray valve**: Where applicable, restaurants must utilize water conserving nozzles.

17. **New Development** (new commercial and multi-family accounts):

    1) All new commercial and multi-family accounts are prohibited from water waste such as, but not limited to: single-pass cooling systems; conveyor and in-bay vehicle wash and commercial laundry systems which do not reuse water; non-recirculating decorative water fountains.

    2) All landscape must be in accordance with the permitting agency's landscape ordinance. If the permitting agency does not have a landscape ordinance, the Department of Water Resources Model Landscape Ordinance will apply.

BE IT FURTHER RESOLVED, Crescenta Valley Water District urges the following water usage to all of its customers:

1. To reduce the amount of turf and install new drought tolerant landscaping, low-water using trees and plants, and efficient irrigation systems including but not limited to ET controllers, drip irrigation, and "high efficiency sprinkler heads".
2. To wash only full loads of dishes or clothes in automatic washers, and do not allow indoor faucets to run continuously.
3. To turn water system off when leaving property unoccupied for an extended period of time.
4. To use covers to minimize the evaporation of water from outdoor swimming pools, wading pools or spas when they are not in use.

WATER CONSERVATION ALERT SYSTEM

When a water conservation alert system is implemented by direction of the General Manager, the following measures to reduce water consumption will be required for all water users within CVWD.

a. Color Code "Blue" is defined as the Normal Water Conservation Alert, Foothill Municipal Water District can meet all Member Agency demands. Standard water conservation applies as defined in Appendix G of the Rules and Regulations.

b. Color Code "Green" is defined as an Increased Voluntary Conservation Alert, some supplies have been impacted and customers should increase efforts to conserve by following strict water conservation practices indoors and limiting outdoor water use to odd or even days, based on ending number of customer address.

c. Color Code "Yellow" is defined as an Extraordinary Conservation Alert, when Metropolitan Water District of Southern California is pulling water from most of its storage programs to meet demands. Extraordinary conservation is called for from customers. Customers are requested to minimize indoor water use and water outdoors no more than three (3) days per week. Outdoor irrigation will be permitted only on Tuesday, Thursday, and Saturday.

d. Color Code "Orange" is defined as a Rationing Conservation Alert, when Metropolitan Water District of Southern California has implemented its allocation plan to its member agencies. Customers are requested to minimize indoor water use and severely limit outdoor water use as follows:

    1. Residential and commercial landscape irrigation is limited to no more than two (2) days per week on Tuesday and Saturday.
    2. Exemption: Public use areas owned and/or operated by School Districts are exempt from watering days, and public use areas greater than 4,000 square feet are exempt from watering days so long as best management practices are applied by all.
    3. The filling, refilling or adding of water to indoor and outdoor pools, wading pools, or spas is prohibited. Exemptions: Commercial Repairs mandated by the Federal Virginia Graeme Baker Act, or adding water for the prevention of equipment failure is permissible, however, the District strongly urges that a cover be used to prevent evaporation and thereby reducing the frequency of refilling..
    4. The use of water to clean, maintain, fill, or refill decorative fountains or similar structures is prohibited. Exemptions: Adding water for the prevention of equipment failure is permissible.

5. Vehicle washing is restricted to the use of a hand-held bucket and quick rinses using a hose with a positive shut-off nozzle.

6. Fix leaks within 48 hours.

e. Color Code **"Red"** is defined as a Critical Water Conservation Alert, when water supplies are only available for health and safety needs. Customers are required to minimize indoor water use and curtail all outdoor water use. Fix any leaks within 24 hours.

Notification of the Water Conservation Alert System status on any given day shall be visibly posted at the exterior of the District's Administration Office (2700 Foothill Blvd., La Crescenta) and other accessible locations throughout the District service area where allowed. At least one direct mailing shall be made to all water customer accounts, with notification and explanation of the alert system. Newspaper coverage will also be used to disseminate alert system status and water conservation updates.

CRESCENTA VALLEY WATER DISTRICT
BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 5

To: Honorable President and Members of the Board of Directors — April 7, 2015

From: Christy J. Scott

Subject: **Water Conservation Regulations / Orange Alert**

ACTION ITEM:

Water Conservation Regulations – Discussion regarding State mandated conservation regulations and steps the District needs to take to be in compliance. Consideration to authorize the General Manager to move to "Orange Alert" 2-days per week watering restrictions as appropriate.

BACKGROUND

Due to the severity of the drought conditions, on July 15th, 2014, the State Resources Control Board (State) approved emergency regulations for urban water conservation. These regulations were set to expire on April 25th, 2015. On March 17, 2015 the State adopted Resolution No. 2015-0015, amending and re-adopting a drought emergency regulation regarding informational orders.

On April 1, 2015, Governor Jerry Brown issued the first ever executive order (Order) with mandatory reductions in water use. The Order (See Attached) mandates the State to implement mandatory water reductions across the State to reduce water usage as reported in 2013 by 25% with areas which have higher per-capita water use, required to achieve greater reductions. A summary of the Order by Mr. Jim Ciampa of Lagerlof, Senecal, Bradley, Gosney & Kruse and the Public Agency Water Group (PWAG) is attached.

The exact impact that the Order will have upon the District will need to be determined after the State takes action. At the time of this report, the State has indicated, unofficially, that it will have a draft regulation regarding the 25% reduction available towards the end of the month with adoption in May 2015.

The Metropolitan Water District of Southern California (MWD) was scheduled to vote on an allocation plan to become effective in July 2015. Speculation was that allocation is inevitable and the level of the allocation to be selected will be between levels 2 and 4. (See attached sheet, Water Supply Allocation Limits).

Following the Order, Mr. Kightlinger, MWD General Manager, issued an email stating that:

> In light of the Governor's announcement yesterday, I have asked staff to review and revise the draft board letter on Metropolitan's Water Supply Allocation Program to ensure the staff recommendation is consistent with the Governor's Executive Order…
>
> Southern California is in a strong position to assist the Governor in achieving the 25% reduction in urban water use, given our extensive water conservation program and pending allocation.
>
> …Following the State Board's action, Metropolitan staff intends to present the Board with an array of tools to help our member agencies and the communities we serve comply with the Executive Order…

The District is currently in "Yellow Alert" which is 3-days per week watering. The Water Conservation Ordinances contained in Resolution 681 stipulate that the District will move into "Orange Alert" 2-days per week watering when MWD declares an allocation.

ITEMS TO CONSIDER:

During the last La Canada Water Committee Meeting held on March 12th, Foothill Municipal Water District (FMWD), La Canada Irrigation District, and the City of La Canada agreed to move to 2- days per week watering following their respective Boards' approval in April.

Along with the Family of Foothill Agencies, the District is a part of the "WET Group", (Water Efficiency Team), formally the Quad City Group. Members of the WET Group, the cities of Burbank, Glendale, Pasadena, South Pasadena, and FMWD work together on conservation strategies, outreach, events, and messaging to create a united front and strengthen and enforce conservation outreach with education and consistent messaging. The next WET Group meeting will be held on April 9th. At the time of this report I am unsure if any of the WET Group agencies are considering 2-days per week watering prior to an allocation from MWD.

DISCUSSION:

The situation with the drought and the regulatory issues which the Order and State Regulations will bring are dynamic. Staff will be monitoring the situation carefully with consideration to the fiscal impact on the District. State regulations will bring additional rate options including the availability to develop rate structures and other pricing mechanisms, including surcharges, fees, and penalties, to maximize water conservation consistent with statewide water restrictions. Staff will ensure that the Board is kept informed of all issues which may arise.

The "Orange Alert" in the District's Water Conservation Ordinances was linked to MWD's allocation plan, when "water rationing" was deemed necessary. At the time the ordinance was written, mandatory water reductions from the Governor or State were not taken into account and listed as a trigger to a higher level of conservation. Mandatory reductions from the State should have the same, if not more, impact in the necessity to enhance conservation.

RECOMMENDATION:

Staff recommends treating the Governor's Order and impending State regulations requiring urban water suppliers to reduce demand as a trigger to move to "Orange Alert" under the authorization of the General Manager as stated in Resolution 682.

Should this recommendation be approved, staff will continue to coordinate with the Family of Foothill Agencies and with the WET group.

Prepared by:

Christy J. Scott

Submitted by:

Thomas A. Love, P.E.,
General Manager

Attachment:

1. State Resolution No. 2015-0015
2. Mr. Jim Ciampa Summary
3. Water Supply Allocation Limits

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MEMORANDUM

To: Public Water Agencies Group

From: Jim Ciampa

Re: Governor's Executive Order on Water Use Restrictions

Date: April 2, 2015

As you have likely heard by now, in response to the dry winter California experienced that has worsened the ongoing drought, Governor Brown issued an Executive Order yesterday imposing a variety of water use restrictions upon Californians (a copy of that Executive Order is accompanies this memo). The State Water Resources Control Board will be releasing a draft plan later in the month that will implement the Executive Order's provisions. Below is a summary of the Executive Order's directives that are most relevant to the Group's members, with a reference to the paragraph number in the Order where that provision is set forth; editorial comments are in brackets where applicable.

- The State Water Resources Control Board is to impose restrictions to achieve a statewide reduction in water usage by 25%, as compared to 2013. Areas with higher per-capita water use will be required to achieve proportionally greater reductions in water use than areas with low per-capita use (¶ 2) [this provision will likely result in further revisions to the State Board's expanded water use restrictions that were approved March 17].

- The Department of Water Resources is to lead a statewide program (in partnership with local water agencies) to replace 50 million square feet of lawns and ornamental turf with water-efficient landscapes. DWR is to provide funding assistance for this new turf replacement program, which is intended to complement local efforts that are in place (¶ 3) [we assume funding for this program will come from the recently approved drought relief funding package].

- The California Energy Commission, along with DWR, is to implement a time-limited appliance rebate program to incentivize the replacement of inefficient household appliances (¶ 4) [we assume funding for this program will come from the recently approved drought relief funding package].

- The State Water Board is to impose requirements for commercial, industrial and institutional water users to implement water efficiency measures to reduce their water usage by 25% at properties, such as campuses, golf courses and cemeteries (¶ 5).

- The State Water Board will prohibit irrigation with potable water of ornamental turf on public medians (¶ 6).

- The State Water Board will prohibit outdoor irrigation with potable water at newly constructed homes and buildings where that irrigation is not delivered by drip or microspray systems (¶ 7).

- The State Water Board will direct urban water suppliers (i.e., water suppliers with more than 3,000 service connections or who supply more than 3,000 acre-feet of water per year) to develop "water conservation pricing" rate structures, including surcharges, fees and penalties, to maximize water conservation consistent with the statewide restrictions. Also, the PUC is requested to take similar action with respect to investor-owned utilities (¶ 8) [this may present some interesting legal issues with respect to compliance of penalty rates with Proposition 218 and/or Proposition 26].

- The State Water Board shall make permanent the monthly reporting of water usage, conservation and enforcement actions by local water suppliers (¶ 9) [thus, the reporting that began last year under the State Board's temporary regulations, and was expanded under the recently approved regulations, now becomes permanent].

- An expedited regulation by the Department of Water Resources to update the State Model Water Efficient Landscape Ordinance to improve irrigation efficiency standards through more efficient irrigation systems, graywater usage, onsite storm water capture and limiting the amount of landscaping that can be covered in turf (¶ 11).

- The California Energy Commission is to adopt emergency regulations to establish standards to improve the efficiency of toilets, urinals and faucets (¶ 16).

- Prioritized review and approval by state agencies for water infrastructure projects and programs that increase local water supplies, including water recycling facilities, reservoir improvement projects, storm water capture and graywater systems (¶ 19).

- Suspension of CEQA for purposes of carrying out the directives referenced above. The suspension applies to local agencies where the state agency with primary responsibility for implementing the directive concurs that local action is required (¶ 26).

We will keep the Group apprised as more information on these directives becomes available.

Executive Department
State of California

EXECUTIVE ORDER B-29-15

WHEREAS on January 17, 2014, I proclaimed a State of Emergency to exist throughout the State of California due to severe drought conditions; and

WHEREAS on April 25, 2014, I proclaimed a Continued State of Emergency to exist throughout the State of California due to the ongoing drought; and

WHEREAS California's water supplies continue to be severely depleted despite a limited amount of rain and snowfall this winter, with record low snowpack in the Sierra Nevada mountains, decreased water levels in most of California's reservoirs, reduced flows in the state's rivers and shrinking supplies in underground water basins; and

WHEREAS the severe drought conditions continue to present urgent challenges including: drinking water shortages in communities across the state, diminished water for agricultural production, degraded habitat for many fish and wildlife species, increased wildfire risk, and the threat of saltwater contamination to fresh water supplies in the Sacramento-San Joaquin Bay Delta; and

WHEREAS a distinct possibility exists that the current drought will stretch into a fifth straight year in 2016 and beyond; and

WHEREAS new expedited actions are needed to reduce the harmful impacts from water shortages and other impacts of the drought; and

WHEREAS the magnitude of the severe drought conditions continues to present threats beyond the control of the services, personnel, equipment, and facilities of any single local government and require the combined forces of a mutual aid region or regions to combat; and

WHEREAS under the provisions of section 8558(b) of the Government Code, I find that conditions of extreme peril to the safety of persons and property continue to exist in California due to water shortage and drought conditions with which local authority is unable to cope; and

WHEREAS under the provisions of section 8571 of the California Government Code, I find that strict compliance with various statutes and regulations specified in this order would prevent, hinder, or delay the mitigation of the effects of the drought.

NOW, THEREFORE, I, EDMUND G. BROWN JR., Governor of the State of California, in accordance with the authority vested in me by the Constitution and statutes of the State of California, in particular Government Code sections 8567 and 8571 of the California Government Code, do hereby issue this Executive Order, effective immediately.

IT IS HEREBY ORDERED THAT:

1. The orders and provisions contained in my January 17, 2014 Proclamation, my April 25, 2014 Proclamation, and Executive Orders B-26-14 and B-28-14 remain in full force and effect except as modified herein.

SAVE WATER

2. The State Water Resources Control Board (Water Board) shall impose restrictions to achieve a statewide 25% reduction in potable urban water usage through February 28, 2016. These restrictions will require water suppliers to California's cities and towns to reduce usage as compared to the amount used in 2013. These restrictions should consider the relative per capita water usage of each water suppliers' service area, and require that those areas with high per capita use achieve proportionally greater reductions than those with low use. The California Public Utilities Commission is requested to take similar action with respect to investor-owned utilities providing water services.

3. The Department of Water Resources (the Department) shall lead a statewide initiative, in partnership with local agencies, to collectively replace 50 million square feet of lawns and ornamental turf with drought tolerant landscapes. The Department shall provide funding to allow for lawn replacement programs in underserved communities, which will complement local programs already underway across the state.

4. The California Energy Commission, jointly with the Department and the Water Board, shall implement a time-limited statewide appliance rebate program to provide monetary incentives for the replacement of inefficient household devices.

5. The Water Board shall impose restrictions to require that commercial, industrial, and institutional properties, such as campuses, golf courses, and cemeteries, immediately implement water efficiency measures to reduce potable water usage in an amount consistent with the reduction targets mandated by Directive 2 of this Executive Order.

6. The Water Board shall prohibit irrigation with potable water of ornamental turf on public street medians.

7. The Water Board shall prohibit irrigation with potable water outside of newly constructed homes and buildings that is not delivered by drip or microspray systems.

8. The Water Board shall direct urban water suppliers to develop rate structures and other pricing mechanisms, including but not limited to surcharges, fees, and penalties, to maximize water conservation consistent with statewide water restrictions. The Water Board is directed to adopt emergency regulations, as it deems necessary, pursuant to Water Code section 1058.5 to implement this directive. The Water Board is further directed to work with state agencies and water suppliers to identify mechanisms that would encourage and facilitate the adoption of rate structures and other pricing mechanisms that promote water conservation. The California Public Utilities Commission is requested to take similar action with respect to investor-owned utilities providing water services.

INCREASE ENFORCEMENT AGAINST WATER WASTE

9. The Water Board shall require urban water suppliers to provide monthly information on water usage, conservation, and enforcement on a permanent basis.

10. The Water Board shall require frequent reporting of water diversion and use by water right holders, conduct inspections to determine whether illegal diversions or wasteful and unreasonable use of water are occurring, and bring enforcement actions against illegal diverters and those engaging in the wasteful and unreasonable use of water. Pursuant to Government Code sections 8570 and 8627, the Water Board is granted authority to inspect property or diversion facilities to ascertain compliance with water rights laws and regulations where there is cause to believe such laws and regulations have been violated. When access is not granted by a property owner, the Water Board may obtain an inspection warrant pursuant to the procedures set forth in Title 13 (commencing with section 1822.50) of Part 3 of the Code of Civil Procedure for the purposes of conducting an inspection pursuant to this directive.

11. The Department shall update the State Model Water Efficient Landscape Ordinance through expedited regulation. This updated Ordinance shall increase water efficiency standards for new and existing landscapes through more efficient irrigation systems, greywater usage, onsite storm water capture, and by limiting the portion of landscapes that can be covered in turf. It will also require reporting on the implementation and enforcement of local ordinances, with required reports due by December 31, 2015. The Department shall provide information on local compliance to the Water Board, which shall consider adopting regulations or taking appropriate enforcement actions to promote compliance. The Department shall provide technical assistance and give priority in grant funding to public agencies for actions necessary to comply with local ordinances.

12. Agricultural water suppliers that supply water to more than 25,000 acres shall include in their required 2015 Agricultural Water Management Plans a detailed drought management plan that describes the actions and measures the supplier will take to manage water demand during drought. The Department shall require those plans to include quantification of water supplies and demands for 2013, 2014, and 2015 to the extent data is available. The Department will provide technical assistance to water suppliers in preparing the plans.

13. Agricultural water suppliers that supply water to 10,000 to 25,000 acres of irrigated lands shall develop Agricultural Water Management Plans and submit the plans to the Department by July 1, 2016. These plans shall include a detailed drought management plan and quantification of water supplies and demands in 2013, 2014, and 2015, to the extent that data is available. The Department shall give priority in grant funding to agricultural water suppliers that supply water to 10,000 to 25,000 acres of land for development and implementation of Agricultural Water Management Plans.

14. The Department shall report to Water Board on the status of the Agricultural Water Management Plan submittals within one month of receipt of those reports.

15. Local water agencies in high and medium priority groundwater basins shall immediately implement all requirements of the California Statewide Groundwater Elevation Monitoring Program pursuant to Water Code section 10933. The Department shall refer noncompliant local water agencies within high and medium priority groundwater basins to the Water Board by December 31, 2015, which shall consider adopting regulations or taking appropriate enforcement to promote compliance.

16. The California Energy Commission shall adopt emergency regulations establishing standards that improve the efficiency of water appliances, including toilets, urinals, and faucets available for sale and installation in new and existing buildings.

INVEST IN NEW TECHNOLOGIES

17. The California Energy Commission, jointly with the Department and the Water Board, shall implement a Water Energy Technology (WET) program to deploy innovative water management technologies for businesses, residents, industries, and agriculture. This program will achieve water and energy savings and greenhouse gas reductions by accelerating use of cutting-edge technologies such as renewable energy-powered desalination, integrated on-site reuse systems, water-use monitoring software, irrigation system timing and precision technology, and on-farm precision technology.

STREAMLINE GOVERNMENT RESPONSE

18. The Office of Emergency Services and the Department of Housing and Community Development shall work jointly with counties to provide temporary assistance for persons moving from housing units due to a lack of potable water who are served by a private well or water utility with less than 15 connections, and where all reasonable attempts to find a potable water source have been exhausted.

19. State permitting agencies shall prioritize review and approval of water infrastructure projects and programs that increase local water supplies, including water recycling facilities, reservoir improvement projects, surface water treatment plants, desalination plants, stormwater capture, and greywater systems. Agencies shall report to the Governor's Office on applications that have been pending for longer than 90 days.

20. The Department shall take actions required to plan and, if necessary, implement Emergency Drought Salinity Barriers in coordination and consultation with the Water Board and the Department of Fish and Wildlife at locations within the Sacramento - San Joaquin delta estuary. These barriers will be designed to conserve water for use later in the year to meet state and federal Endangered Species Act requirements, preserve to the extent possible water quality in the Delta, and retain water supply for essential human health and safety uses in 2015 and in the future.

21. The Water Board and the Department of Fish and Wildlife shall immediately consider any necessary regulatory approvals for the purpose of installation of the Emergency Drought Salinity Barriers.

22. The Department shall immediately consider voluntary crop idling water transfer and water exchange proposals of one year or less in duration that are initiated by local public agencies and approved in 2015 by the Department subject to the criteria set forth in Water Code section 1810.

23. The Water Board will prioritize new and amended safe drinking water permits that enhance water supply and reliability for community water systems facing water shortages or that expand service connections to include existing residences facing water shortages. As the Department of Public Health's drinking water program was transferred to the Water Board, any reference to the Department of Public Health in any prior Proclamation or Executive Order listed in Paragraph 1 is deemed to refer to the Water Board.

24. The California Department of Forestry and Fire Protection shall launch a public information campaign to educate the public on actions they can take to help to prevent wildfires including the proper treatment of dead and dying trees. Pursuant to Government Code section 8645, $1.2 million from the State Responsibility Area Fire Prevention Fund (Fund 3063) shall be allocated to the California Department of Forestry and Fire Protection to carry out this directive.

25. The Energy Commission shall expedite the processing of all applications or petitions for amendments to power plant certifications issued by the Energy Commission for the purpose of securing alternate water supply necessary for continued power plant operation. Title 20, section 1769 of the California Code of Regulations is hereby waived for any such petition, and the Energy Commission is authorized to create and implement an alternative process to consider such petitions. This process may delegate amendment approval authority, as appropriate, to the Energy Commission Executive Director. The Energy Commission shall give timely notice to all relevant local, regional, and state agencies of any petition subject to this directive, and shall post on its website any such petition.

26. For purposes of carrying out directives 2–9, 11, 16–17, 20–23, and 25, Division 13 (commencing with section 21000) of the Public Resources Code and regulations adopted pursuant to that Division are hereby suspended. This suspension applies to any actions taken by state agencies, and for actions taken by local agencies where the state agency with primary responsibility for implementing the directive concurs that local action is required, as well as for any necessary permits or approvals required to complete these actions. This suspension, and those specified in paragraph 9 of the January 17, 2014 Proclamation, paragraph 19 of the April 25, 2014 proclamation, and paragraph 4 of Executive Order B-26-14, shall remain in effect until May 31, 2016. Drought relief actions taken pursuant to these paragraphs that are started prior to May 31, 2016, but not completed, shall not be subject to Division 13 (commencing with section 21000) of the Public Resources Code for the time required to complete them.

27. For purposes of carrying out directives 20 and 21, section 13247 and Chapter 3 of Part 3 (commencing with section 85225) of the Water Code are suspended.

28. For actions called for in this proclamation in directive 20, the Department shall exercise any authority vested in the Central Valley Flood Protection Board, as codified in Water Code section 8521, et seq., that is necessary to enable these urgent actions to be taken more quickly than otherwise possible. The Director of the Department of Water Resources is specifically authorized, on behalf of the State of California, to request that the Secretary of the Army, on the recommendation of the Chief of Engineers of the Army Corps of Engineers, grant any permission required pursuant to section 14 of the Rivers and Harbors Act of 1899 and codified in section 48 of title 33 of the United States Code.

29. The Department is directed to enter into agreements with landowners for the purposes of planning and installation of the Emergency Drought Barriers in 2015 to the extent necessary to accommodate access to barrier locations, land-side and water-side construction, and materials staging in proximity to barrier locations. Where the Department is unable to reach an agreement with landowners, the Department may exercise the full authority of Government Code section 8572.

30. For purposes of this Executive Order, chapter 3.5 (commencing with section 11340) of part 1 of division 3 of the Government Code and chapter 5 (commencing with section 25400) of division 15 of the Public Resources Code are suspended for the development and adoption of regulations or guidelines needed to carry out the provisions in this Order. Any entity issuing regulations or guidelines pursuant to this directive shall conduct a public meeting on the regulations and guidelines prior to adopting them.

31. In order to ensure that equipment and services necessary for drought response can be procured quickly, the provisions of the Government Code and the Public Contract Code applicable to state contracts, including, but not limited to, advertising and competitive bidding requirements, are hereby suspended for directives 17, 20, and 24. Approval by the Department of Finance is required prior to the execution of any contract entered into pursuant to these directives.

This Executive Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

I **FURTHER DIRECT** that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given to this Order.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 1st day of April 2015.

EDMUND G. BROWN JR.
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State

Crescenta Valley Water District

Water Supply Allocation Plan Limits

Fiscal Year	GW (ac-ft)	Well 16 (ac-ft)	Import (ac-ft)	Total (ac-ft)	Percent Increase/ Decrease from Previous Year	Regional Shortage Level	Regional Shortage Percentage	*WSAP Limit (ac-ft)	FY 15/16 1,365 Ac-ft Above or Below
2014/15	2,229		1,948	4,176	-12.7%	1	5.0%	1,968	Below
2015/16	2,340	395	1,365	4,100	-1.8%	2	10.0%	1,866	Below
2016/17	2,580	540	1,080	4,200	2.4%	3	15.0%	1,763	Below
2017/18	2,700	495	1,105	4,300	2.4%	4	20.0%	1,661	Below
2018/19	2,960	420	1,020	4,400	2.3%	5	25.0%	1,559	Below
2019/20	3,170	465	865	4,500	2.3%	6	30.0%	1,457	Below
2020/21	3,290	475	935	4,700	4.4%	**7**	**35.0%**	**1,354**	**Above**
2021/22	3,290	480	1,030	4,800	2.1%	8	40.0%	1,252	Above
2022/23	3,290	485	1,125	4,900	2.1%	9	45.0%	1,150	Above
2023/24	3,280	545	1,175	5,000	2.0%	10	50.0%	1,047	Above

* Water Supply Allocation Plan

CRESCENTA VALLEY WATER DISTRICT
BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 6
April 7, 2015

To: Honorable President and Members of the Board of Directors

From: Ron L. Mitchell – Secretary-Treasurer

Subject: **FY 2015/16 Water and Wastewater Budgets**

ACTION ITEM:

FY 2015/16 Water and Wastewater Budgets and Proposition 218 Notification for Proposed Water Rates and Charges – Discussion regarding setting tier rate structure set points for proposed water rates and consideration and motion to authorize staff to mail Proposition 218 notification letters for proposed increases to water rates and charges.

New Information for the April 7, 2015 Board meeting

At the March 17, 2015 Board meeting, staff was asked about the communications expenses and to improve the descriptions of those accounts to make it more clear what services the District is receiving in both the Water and Wastewater budgets. The Board also directed staff to reduce the Turf Rebate program back to $35,000, reduce the Election Expense to $40,000 for both Water and Wastewater, and keep the increased amount of spending related to accelerating the water meter replacement program. Staff made those changes to the appropriate tables for both Water and Wastewater (Table WB-4 and WWB-4 respectively) and updated the Tables WB-9 and WWB-7 respectively to show the changes to reserves and reviewed them with the Finance Committee on March 27th.

Every year staff does a thorough analysis of consumption data for single family residences (SFR) to determine if our tier rate set points are appropriate. Staff met with the Finance Committee and discussed that the District currently has four tiers with tier 1 at a cost below our cost of service, tier 2 equal to our cost of service and tiers 3 and 4 at higher rates to encourage water conservation. The goal is to be "revenue neutral" where the percentage of bills in tier 1 should be equal to the percentage of bills in tiers 3 & 4 and the total revenue collected should be equal to the value if all units were billed at the tier 2 rates.

Discussion

Staff reviewed with the Finance Committee two spreadsheets on the tier rate set points, a graphic summary of expenses vs. revenues, and what the cost per unit should be to cover those costs. The first table showed that if we keep the set points intact for all 4 tiers there will be a shortfall of revenue from SFR of $163,231. The second table showed that if we lower the range for tier 1 from 0-10 units to 0-7 units and lower the range for tier 2 from 33 units to 27 units, then we are basically matching the revenue requirements for SFR. The Committee asked several questions on how this data was determined and about the possibility of having a higher rate increase for tiers 3 & 4 to further encourage conservation. The Committee was not in favor of moving the existing set points and determined that this needs to be a full Board discussion.

Staff has prepared the draft Proposition 218 notification for changes to water rates and charges and has included it in this report. However, with the recent executive order from Governor Brown mandating reduction in per capita water usage and the uncertainty of exactly what that reduction will mean to the District, staff has been asked to develop a "Drought Surcharge" to be included in our water rates and charges. Staff is working on this element, but has not had enough time to have it included in this draft. This issue needs to be discussed further with the Board along with direction on how to proceed with the Proposition 218 notification process.

Information previously provided to the Board at the March 17, 2015 meeting

Staff presented the first draft of the FY 2015/16 Water and Wastewater Budgets at the March 3, 2015 Board meeting. At that time staff had the Board primarily focus on water production numbers as they are the key to projecting revenues. The Board agreed with staff's recommendation to project 4,100 AF less shrinkage for the FY 2015/16. The Board also asked staff to consider other items to include in the budget which included accelerating the water meter replacement program, reducing the amount of the Turf Rebate program for the upcoming year, reducing overtime figures and reviewing labor expenses related to transfers to capital improvement projects, and installing seismic sensor valves at two reservoirs.

Staff has gone back and reviewed these areas and made changes to the various tables shown on the first draft of the FY 2015/16 Water and Wastewater Budgets. The areas of change are described below and are highlighted in gray on the attached Cash Flow Models.

Water Cash Flow Model:

Table WB-1 No changes.

Table WB-2 No changes.

Table WB-3 Revised projected interest earnings for water and MTBE funds to reflect what staff believes will be the amounts for FY 2014/15 and FY 2015/16; Lowered expected revenues for Late Fees due to increased usage of online payment options; Revised the projected revenue for FY 2014/15 for Meter Installation/Hydrant Charges due to a large one-time project to install five new meters for Caltrans in FY 2014/15; Rental Income remained the same for FY 2015/16.

Table WB-4 Revised the OT downward as FY 2014/15 had a number of extraordinary events that staff anticipates will not happen again in FY 2015/16; Eliminated the Labor Transfer to Capital in the projected FY 2014/15 as those transfers are already accounted for in the project labor costs shown in the model; Reduced the Lab & Sampling expense from $80,000 to $65,000 as there were extraordinary sampling for the State in FY 2014/15; Increased the amount of Meters-Maintenance from $275,000 to $425,000, the amount of Meters-Paving from $275,000 to $315,000 and the amount of Meters-Lateral Leaks from $150,000 to $200,000. This was done to reflect the cost of purchasing an additional 1,000 meters in FY 2015/16 and the expected discovery of lateral that would need to be replaced along with the additional cost of paving for those replacements; Reduce the amount of the Turf Rebate program from $110,000 for FY 2014/15 to $50,000 for FY 2015/16.

Table WB-5 No changes.

Table WB-6 No changes.

Table WB-7 Revised Capital Improvements to reflect expected projects for pipelines and boosters and the addition of seismic sensor valves at Dunsmore and Pickens Reservoirs.

Table WB-8 The target reserve levels are a calculated number and changed due to the changes in revenues and expenses described above.

Table WB-8A No changes.

Table WB-9 This table summarizes all the previous tables and reflects the changes in projected revenues and expenses described above. Staff has left the projected rate increases that were a part of the FY 2014/15 Cash Flow Model and can provide changes at the meeting if requested.

Wastewater Cash Flow Model:

Tables WWB-1, WWB-2, and WWB-3 No changes.

Table WWB-4 Eliminated the Labor Transfer to Capital in FY 2014/15 as those transfers are already accounted for in the project labor costs shown in the model.

Table WWB-5 The target reserve levels are a calculated number and changed slightly due to the changes in labor expenses described in Table WWB-4.

Table WWB-6 No change.

Table WWB-7 This table summarizes all the previous tables and reflects the change in projected expenses described above. Staff has left the projected rate increases that were a part of the FY 2014/15 Cash Flow Model and can provide changes at the meeting if requested.

Staff's goal is to gather input from the Board related to the revenues, expenses, and capital improvements to finalize the budgets and begin to prepare the Proposition 218 notices for review at the Finance Committee meeting scheduled for March 27, 2015.

Information previously provided to the Board at the March 3, 2015 meeting

An essential element of preparing the annual budget is estimating the water production and sales for the coming fiscal year. The water production and sales projections are used to determine the anticipated revenue from water sales. This is a major factor in determining any potential water rate increases necessary to meet the estimated maintenance and operation expenses, capital outlay and improvements, cost of imported water, and to maintain the water reserve funds at the necessary target reserve level.

Staff also uses these water projections as part of setting the 5-year budget, which is used by the Board of Directors to determine the future needs of the District.

Staff met with the Finance Committee on February 26, 2015 and presented the first draft of the FY 2015/16 Water and Wastewater budgets, which included the proposed water production and sales projections.

Staff also has included as part of this action item, a memorandum which describes the methodology and assumptions used by staff to develop the water production, expenses, capital outlay, and capital improvements for the FY 2015/16 Water and Wastewater budgets.

There are a number of variables that are considered by staff when preparing the annual water projections and sales projections such as:

- The continued State-wide drought conditions
- Less than average rainfall in 2014 and 2015
- Decrease capacity of CVWD's groundwater wells
- Increase in the District's water conservation efforts
- The economic trends within the Crescenta Valley and the Los Angeles area
- Meeting the 20% reduction of water demand by 2020 requirements (5,147 ac-ft/yr)
- MWD's Water Supply Allocation Plan which could possibly start in July 2015 or sooner
- Historic water production data
- Unaccountable water loss through water main or lateral leaks and inaccurate meter readings

As part of the planning for last year's FY 2014/15 budget, staff projected 4,500 ac-ft of water would be produced with an 8% reduction due to water loss. This was a reduction of 5.9% in water production from FY 2013/14. As FY 2014/15 progresses, it appears that water production will be about 4,200 ac-ft, which reflects the community's response to the request for water conservation.

Staff used the current trends as a basis for looking at future water production and sales projections for FY 2015/16 and beyond.

Staff used these factors to develop water projections for the next five (5) fiscal years as shown in the attached Table 1. Staff anticipates that water production will reduce in FY 2015/16 to 4,100 ac-ft in response to the current drought condition. Staff is anticipating a slight increase of 100 ac-ft per year (or 2% increase) over the next five (5) years. These water production and sales projections were used as part of the draft FY 2015/16 budget.

Staff is looking for input from the Board to support or recommend changes to the anticipated water production and sales projection assumptions, as they are an important factor in determining potential revenues for water sales.

The Finance Committee also asked several questions related to expenses and capital improvements as outlined in the various tables included in this package. In particular, the Finance Committee requested information from staff on how to expedite the replacement of water meters and developing an AMI system, discussed the water conservation turf rebate program and to what level this program should be funded by the District, and the importance of completing the installation of seismic sensors and valve actuators at reservoir sites. Staff will be looking for direction from the Board on these issues as well.

Any recommendations, along with those already received from the Finance Committee, will be included in the next draft as part of the March 17th Board meeting.

Prepared by:

Ron L. Mitchell
Secretary-Treasurer

Submitted by:

Thomas A. Love
General Manager

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FY 2015-16 Tiered Rates for Residential Single-family Dwelling Consumption Charges
Based on Current Tier Block Levels

Tiers	Current Rates ($/Kgal)	Current Use Block (Kgal /Bimonthly)		Proposed 7/1/15 Rates ($/Kgal)	Proposed Use Block (Kgal /Bimonthly)		Projected FY 15-16 SFR Water Use (Kgal)	Usage Revenues	No. of Bills	Distribution Among Blocks			Use Block (gpd)	
		Bottom	Top		Bottom	Top				Revenues	Water Use	Bills	Bottom	Top
Tier 1	$4.36	0	10	$4.72	0	10	352,234	$1,662,543	9,176	35%	43%	22%	0	164
Tier 2	$5.64	11	33	$6.10	11	33	384,205	$2,343,652	25,413	50%	47%	62%	165	541
Tier 3	$8.04	34	50	$8.70	34	50	51,366	$446,888	4,701	9%	6%	11%	542	820
Tier 4	$10.78	51		$11.66	51		22,077	$257,421	1,726	5%	3%	4%	821	12,033
Total Average							809,883	$4,710,504	41,016	100%	100%	100%		
Cost per Unit	$5.82							Accounts:	6,836					
Required Revenue from commodity charge for SFR[1] =								$4,873,735	($163,231)	= Above or Below Required Revenue				

Notes:

1. Required revenue based on Single Family Residence (SFR) used 65% of total water demand
2. Goal - Projected revenue from Tier 1 equals projected revenues from Tier 3 & Tier 4

Date: 3/26/2015

FY 2015-16 Tiered Rates for Residential Single-family Dwelling Consumption Charges
Based on Revised Tier Block Levels to meet Goal

Tiers	Current Rates ($/Kgal)	Current Use Block (Kgal /Bimonthly) Bottom	Current Use Block (Kgal /Bimonthly) Top	Proposed 7/1/15 Rates ($/Kgal)	Proposed Use Block (Kgal /Bimonthly) Bottom	Proposed Use Block (Kgal /Bimonthly) Top	Projected FY 15-16 SFR Water Use (Kgal)	Usage Revenues	No. of Bills	Distribution Among Blocks: Revenues	Distribution Among Blocks: Water Use	Distribution Among Blocks: Bills	Use Block (gpd) Bottom	Use Block (gpd) Top
Tier 1	$4.36	0	10	$4.72	0	7	255,574	$1,206,310	5,105	24%	32%	12%	0	115
Tier 2	$5.64	11	33	$6.10	8	27	440,163	$2,684,997	25,592	54%	54%	62%	116	443
Tier 3	$8.04	34	50	$8.70	28	50	92,068	$800,990	8,593	16%	11%	21%	444	820
Tier 4	$10.78	51		$11.66	51		22,077	$257,421	1,726	5%	3%	4%	821	12,033
Total Average							809,883	$4,949,718	41,016	100%	100%	100%		
Cost per Unit	$6.11							Accounts:	6,836					
Required Revenue from commodity charge for SFR[1] =								$4,873,735	$75,983	= Above or Below Required Revenue				

Notes:

1. Required revenue based on Single Family Residence (SFR) used 65% of total water demand
2. Goal - Projected revenue from Tier 1 equals projected revenues from Tier 3 & Tier 4 AND Avg. Cost = Tier 2 Rate

Date: 3/26/2015

PUBLIC NOTICE OF PROPOSED INCREASE IN WATER RATES AND CHARGES

Public Hearing to be held on Tuesday, June 2, 2015, at 6:00 p.m.
2700 Foothill Blvd., La Crescenta, CA 91214

The CVWD Board of Directors is considering an 8.2% water rate increase to become effective July 1, 2015. **If approved a water bill for a typical residence with a 3/4-inch meter using 18 units of water (18,000 gallons) during a two-month period will increase by $10.25 ($5.13 a month), a change from $124.90 to $135.15.**

EFFECTIVE DATE

If approved, the increased rates will become effective on all fees and charges on any bill where the billing period ends after July 1, 2015.

REASON FOR RATE INCREASE

CVWD, like many other utilities around Southern California, must address aging infrastructure. The Board of Directors made the decision to invest in our community's water infrastructure and improve maintenance to ensure a safe and reliable water system now and for future generations. The District funds all capital repairs and equipment and pipeline replacements with its rate revenues on a pay-as-you-go basis. The contributing components of the rate increase are:

- Capital improvement projects (listed below)
- Maintenance of equipment and assets at a rate which places the District on a sustainable path to continue to provide dependable high quality water service
- Reduced projected revenue due to decreased water sales

CAPITAL IMPROVEMENT PROJECTS PLANNED FOR FISCAL YEAR 2014 / 2015

- Rehabilitate one of the District's groundwater wells,
- Continue study to use stormwater to recharge the groundwater basin,
- Replace 2400 linear feet of aging pipelines, the majority of which was installed in the early 1950's,
- New well in the Verdugo Basin including piping, and equipment
- Continue replacement of the 20 year-old Telemetry/Remote Data system.

WHAT THE DISTRICT HAS DONE TO CONTROL COSTS

The rate increase proposed by staff supports capital improvements and maintenance at a level which maximizes facility life expectancy while ensuring a safe and reliable water system for the community.

The Board of Directors and Staff continue to work to operate and maintain the water and wastewater services provided to the community in a cost effective and reliable manner. Every year during the past decade, the District has remained at or below the budgets established. The District's reserves for emergencies and operations are at to slightly below the target reserve levels due to a decrease in revenue resulting from the drought. Every employee is encouraged to provide exceptional customer service and maintain a high standard of reliability. The Staff and the Board go through every budget item, line by line, to cut and reduce expenses, if possible. Every employee is encouraged to reduce expenses and look for alternative solutions and products which maintain quality and/or lessen expenditures.

The District is a Public agency and does not operate on a for-profit basis.

YOUR WATER BILL

There are three components which make up the water portion of your CVWD bill you receive every two months.

- **Water Service Charge:** A portion of the District's overall fixed costs; or the cost it takes to run the District if it did not sell any water.
- **Foothill Municipal Water District (FMWD) Charge:** The estimated amount that CVWD will pay FMWD for purchasing imported water.
- **Water Quantity Charge:** The CVWD price per unit of water based on a tiered structure. A unit of water is 1,000 gallons.

PROPOSED WATER RATE INCREASE

Water service charge: Increase from $36.18 per bi-monthly billing period to **$39.15** per bi-monthly billing period for a typical (3/4-inch) residential water meter. Refer to the attached table for increased water service charges for larger meters.

FMWD Charge: No Change, the charge remains at $2.03 per unit. This amount is applicable to each unit in every tier including multi-family, commercial, and irrigation accounts.

Water Quantity Charge: Single Family Residence

- **Tier 1 water rate (0-10 units):** Increase from $2.33 to **$2.69** per unit.
- **Tier 2 water rate (11-33 units):** Increase from $3.61 to **$4.07** per unit.
- **Tier 3 water rate (34-50 units):** Increase from $6.01 to **$6.67** per unit.
- **Tier 4 water rate (51 units and above):** Increase from $8.75 to **$9.63** per unit.

Water Quantity Charge: Multi-Family Dwellings, Commercial, Institution, and School

- Increase from $3.61 to **$4.07** per unit.

Water Quantity Charge: Irrigation (Accounts with a dedicated meter for irrigation only)

- **Tier 1 water rate (0-70 units):** Increase from $3.61 to **$4.07** per unit.
- **Tier 2 water rate (71 units and above):** Increase from $8.75 to **$9.63** per unit.

Please see the proposed water rate table on the following page for all applicable rates

FMWD CHARGE

The costs of imported water are represented on each bill as the FMWD pass through charge (Imported Water Costs). The District does not control the fees associated with purchasing imported water. MWD has approved an overall rate increase of 5% for the 2015/2016 fiscal year. The District uses historical information to estimate the expense the District will incur during the fiscal year to purchase water from FMWD. That amount is divided equally into the amount of water the District sells by units of 1,000 gallons. Each customer pays the FMWD charge on each unit of water they use. In addition to supplementing the District's water supply, imported water is used for water quality purposes and also serves as a backup to the District's groundwater supply. As the District anticipates purchasing less imported water, due to current conditions, despite the rising costs of imported water, the FMWD pass through charge will remain at $2.03 per unit.

WHERE YOUR WATER COMES FROM

CVWD serves its customers water which is pumped from the ground (produced) by the District through a series of groundwater wells located within the Verdugo Basin and water purchased from FMWD. FMWD is a wholesaler whose primary job is to purchase water from Metropolitan Water District of Southern California (MWD) and sell it to retail agencies like CVWD. The purchased water consists of a combination of water from the California State Water Project and from the Colorado River. The distance the water must travel greatly increases the cost of supplying the water. Water the District purchases is nearly three times more expensive than the water the District produces.

PROPOSED WATER RATE TABLE

CURRENT RATES

Quantity Charge: Single Family Residences

	Water Use Range	CVWD	FMWD	TOTAL
Tier 1	1-10 Units	$ 2.33	$ 2.03	**$ 4.36**
Tier 2	11-33 Units	$ 3.61	$ 2.03	**$ 5.64**
Tier 3	34-50 Units	$ 6.01	$ 2.03	**$ 8.04**
Tier 4	51 Units and above	$ 8.75	$ 2.03	**$ 10.78**

Quantity Charge: Multi-Family Units, Commercial, & Schools

	CVWD	FMWD	TOTAL
Base Rate	$ 3.61	$ 2.03	**$ 5.64**

Quantity Charge: Irrigation

Irrigation Usage Charge:		CVWD	FMWD	TOTAL
Tier 1	1-70 Units	$ 3.61	$ 2.03	**$ 5.64**
Tier 2	Above 70 Units	$ 8.75	$ 2.03	**$ 10.78**

Meter Service Charge per bi-monthly billing period

Meter Size	7/1/2014 Within District	7/1/2014 Outside District *
3/4"	$ 36.18	$ 36.58
1"	$ 44.44	$ 44.84
1½"	$ 64.88	$ 65.28
2"	$ 82.06	$ 82.46
3"	$ 89.48	$ 89.88
4"	$ 229.90	$ 230.30

Private Fire Protection Service Charge per bi-monthly billing period

Meter Size	7/1/2014 Within District	7/1/2014 Outside District *
1"	$ 15.14	$ 15.54
2"	$ 22.30	$ 22.70
3"	$ 33.28	$ 33.68
4"	$ 45.12	$ 45.52
6"	$ 77.58	$ 77.98
8"	$ 118.02	$ 118.42
10"	$ 164.80	$ 165.20

PROPOSED RATES

Quantity Charge: Single Family Residences

	Water Use Range	CVWD	FMWD	TOTAL
Tier 1	1-10 Units	$ 2.69	$ 2.03	**$ 4.72**
Tier 2	11-33 Units	$ 4.07	$ 2.03	**$ 6.10**
Tier 3	34-50 Units	$ 6.67	$ 2.03	**$ 8.70**
Tier 4	51 Units and above	$ 9.63	$ 2.03	**$ 11.66**

Quantity Charge: Multi-Family Units, Commercial, & Schools

	CVWD	FMWD	TOTAL
Base Rate	$ 4.07	$ 2.03	**$ 6.10**

Quantity Charge: Irrigation

Irrigation Usage Charge:		CVWD	FMWD	TOTAL
Tier 1	1-70 Units	$ 4.09	$ 2.03	**$ 6.12**
Tier 2	Above 70 Units	$ 9.63	$ 2.03	**$ 11.66**

Meter Service Charge per bi-monthly billing period

Meter Size	7/1/2015 Within District	7/1/2015 Outside District *
3/4"	$ 39.15	$ 39.55
1"	$ 48.08	$ 48.48
1½"	$ 70.20	$ 70.60
2"	$ 88.79	$ 89.19
3"	$ 96.82	$ 97.22
4"	$ 248.75	$ 249.15

Private Fire Protection Service Charge per bi-monthly billing period

Meter Size	7/1/2015 Within District	7/1/2015 Outside District *
1"	$ 16.38	$ 16.78
2"	$ 24.13	$ 24.53
3"	$ 36.01	$ 36.41
4"	$ 48.82	$ 49.22
6"	$ 83.94	$ 84.34
8"	$ 127.70	$ 128.10
10"	$ 178.31	$ 178.71

One Unit of Water is 1,000 gallons.

*** Customers located within the City of Glendale are charged a $0.40 administration fee per bi-monthly period for collection of Glendale Utility Tax.**

Crescenta Valley Water District (CVWD) Foothill Municipal Water District (FMWD)

PROTEST LETTERS

Any CVWD customer or property owner within the CVWD service area may file a written protest of the proposed rate changes by sending a letter to CVWD, 2700 Foothill Boulevard, La Crescenta, CA 91214. A valid protest letter must include your name, your CVWD service address or parcel number, a statement of protest, and an original signature.

Protest letters will be tabulated and presented to the Board of Directors at a public hearing to be held on **Tuesday, June 02, 2015, at 6:00 p.m. at the CVWD main office.** Any CVWD customer or property owner may submit a letter or appear at the hearing to make comments regarding the proposed rate increase. Letters received prior to May 29, 2015 at noon will be included in the agenda package distributed to the Board of Directors and posted online at www.cvwd.com.

The Board of Directors may adopt, revise, or modify the rate increase as proposed at the Board meeting which is scheduled for June 16, 2014 at 7:00 p.m.

The Board may not increase water rates and charges more than indicated in this notice.

WHERE TO GET MORE INFORMATION

The proposed water rate chart is available for inspection on the District's website www.cvwd.com or at the District's office at 2700 Foothill Boulevard, La Crescenta, CA 91214 between 8:00 a.m. and 4:30 p.m., Monday through Friday. The District can assist in answering any questions about your bill. If you have questions or need additional information, please contact CVWD at **(818) 248-3925** or e-mail water@cvwd.com.

DISTRICT INFORMATION

The District is a Public agency and is governed by five elected Directors. The mission of the District is to provide dependable water service and wastewater collection in La Crescenta, Montrose, and portions of Glendale and La Canada Flintridge. In carrying out this mission, the District places special emphasis on delivering a high quality water supply and system reliability at the most reasonable costs to its ratepayers. The District endeavors to promote conservation of its resources and to perform all operations in the most efficient manner to meet the needs of the community.

The Board meets at 7:00 p.m. every 1st and 3rd Tuesday of each month at CVWD's main office at 2700 Foothill Blvd. in La Crescenta and the District welcomes the public's input. This document and other information regarding the District can also be found on the District's web site at www.cvwd.com.

CVWD offers a **20% senior low-income discount (62-years or older and an annual household income of $30,000 per year or less)** for up to 26 units of water used per bi-monthly billing period. Visit CVWD's website, **www.cvwd.com** for more information or contact CVWD at (818) 248-3925.

WAYS TO REDUCE YOUR WATER BILL

Outdoor irrigation usually accounts for the largest portion of your water bill. Check your sprinklers regularly to ensure that they are in good operational order. Runoff water from landscape irrigation is not permitted and can result in penalties. Watering outside is currently limited to 3-days per week, Tuesday, Thursday, and Saturday before 9:00 a.m. and after 5:00 p.m.

California is in a serious drought. Please make sure to repair all leaks immediately. You can easily check your water meter to ensure there are no leaks. Low flow shower heads, toilet leak detection tablets, information on water audits, or instructions on how to check your water meter are available at the District's Office located at 2700 Foothill Blvd.

Take advantage on savings for water efficient devices and rebates on turf removal. For details check the District website at www.cvwd.com. Rebate information is also available at www.socalwatersmart.com.

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CULTURE > SCIENCE

We're Using Less Water—So Why Are We Paying More for It?

Here's the answer, along with a list of the cities with the most and least expensive water prices

Author Abigail Tracy

Posted: 08/06/14 12:03 EDT

Water is all over the news these days—and not in a good way. Californians, in the midst of one of the most severe droughts in decades, are being forced to let their lawns turn brown. The city of Detroit threatened to cut off water last month to thousands of residents who can't pay their bills. And hundreds of thousands of people in Ohio and Detroit (again) couldn't drink their tap water this past weekend because of dangerous levels of algae.

Water has long been a complex issue, and a highly contentious one in parts of the South and West, where it's in shorter supply. But there's an interesting conundrum underlying the latest round of water fights: Even though Americans are consuming less water, their water bills are going up.

Cities are preaching more prudent use of water, and people are listening. The average person in the U.S. is consuming about 52 gallons of a water a day, down from 69 gallons in 1999, says Maureen Hodgins, a research manager at the Water Research Foundation, an independent organization that studies water-related issues.

Yet water bills are rising. The average water bill for a family of four increased by more than 6 percent last year — and more strikingly, is up more than 30 percent since 2010, according to the water news agency Circle of Blue, which surveyed families in 30 major U.S. cities. That spike is well above the price increases for other household goods over that same time frame.

In fact, prices for water and sewer maintenance are rapidly outpacing price increases for other utilities such as electricity, telephone services and natural gas, according to the Institute of Public Utilities at Michigan State University. Over the last decade, the average annual increase in water prices was two to three times the rise in the Consumer Price Index.

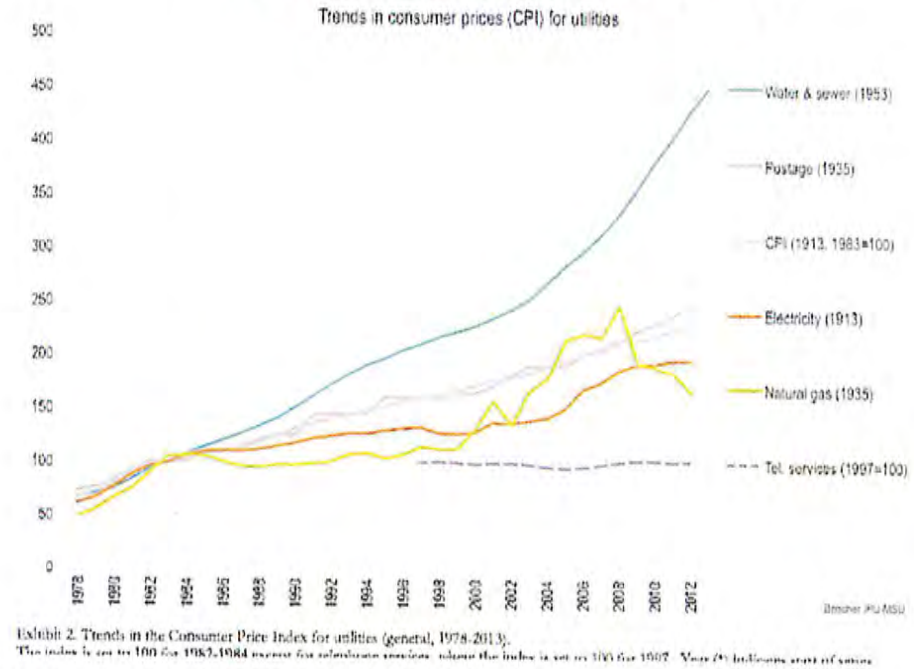


Exhibit 2. Trends in the Consumer Price Index for utilities (general, 1978-2013).

CREDIT: BEECHER, INSTITUTE OF PUBLIC UTILITIES

At the high end, families in cities such at Seattle and San Francisco pay close to an average of $100 a month for water, Circle of Blue found. And places like Baltimore, Chicago, Tucson and Los Angeles have seen their water bills increase by double-digit percentages over the last year. Fresno families saw their bills jump by a staggering 43 percent this year. (The average bill in the city is just over $28.)

And while not all cities experienced this surge in water costs—some saw no change at all—the variance in data highlights what might be the root of the water problem in the U.S.

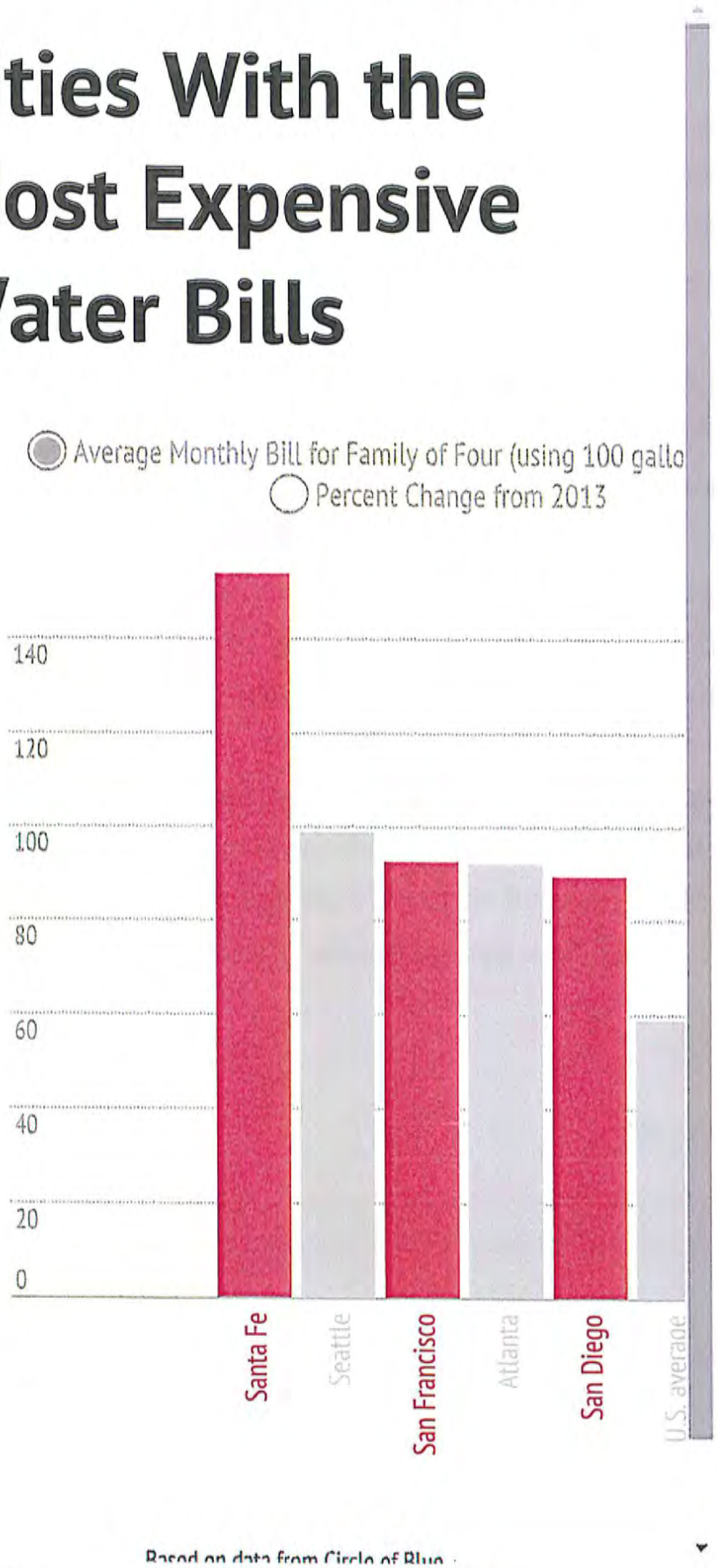
"There is no uniform way in which cities charge for water," says Brett Walton, a reporter for Circle of Blue. "Mostly water prices are driven by the cost of infrastructure—the pipes, treatment plants, reservoir upgrades, and other hardware necessary to move, treat and distribute water."

Circle of Blue outlined a few examples that show this variance in water bill prices. For instance, Fort Worth, Texas, has plans to increase its fixed fees so that they will account for 25 percent of utility companies' revenue, while San Diego decreased the fixed fees and increased the use-based part of the bill.

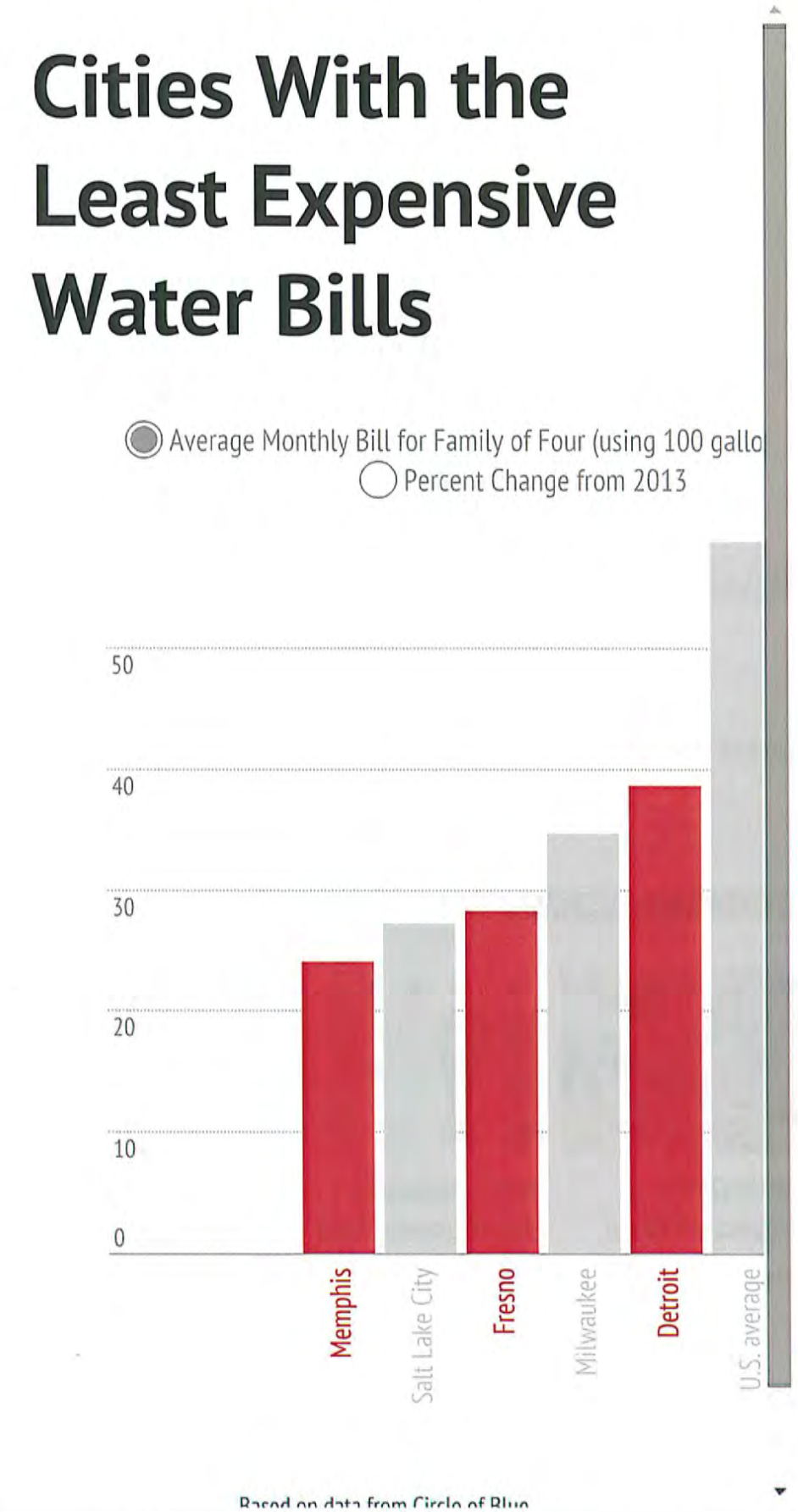
Utility companies are facing numerous challenges, all of which impact the final bill consumers see. Jonathan Cuppet, a research manager at the Water Research Foundation, said these companies have extremely high fixed costs for such things as manpower, processing, treatment and infrastructure, and yet generate around 80 percent of their revenue from water sales.

That puts water utilities in a unique position: They need a certain amount of revenue to survive–and that revenue is highly dependent on people using water — and yet they're also actively encourage people to consume less of it.

Cities With the Most Expensive Water Bills



Cities With the Most Expensive Water Bills



Cities With the Least Expensive Water Bills

CRESCENTA VALLEY WATER DISTRICT
INVESTMENT PORTFOLIO SUMMARY
April 3, 2015

INVESTMENT TYPE	ACCT/CUSIP I.D. NO.	PURCHASE DATE	*FACE VALUE	BOOK VALUE	INVESTMENT COST	% OF TOTAL	**MARKET VALUE	MATURITY DATE	DATE CALLABLE	EARNED TO DATE	YIELD TO MATURITY	
GENERAL FUNDS												
GENERAL FUND-SWEEP ACCOUNT	0631-525246		$ (385,549)	$ (385,549)	$ (385,549)	-2.01%	$ (385,549)	none	n/a	$ 171	0.02%	
GREAT PACIFIC SECURITIES	GPC-804452		$ -	$ -	$ -	0.00%	$ -	none	n/a	$ 17	0.02%	
BOND DEBT SERVICE FUND	6948-331525		$ 366,457	$ 366,457	$ 366,457	1.91%	$ 366,457	none	n/a	$ 147	0.15%	
LOCAL AGENCY INVESTMENT FUND	90-19-007		$ 3,129,965	$ 3,129,965	$ 3,129,965	16.30%	$ 3,129,965	none	n/a	$ 4,212	0.25%	Dec 14
FEDERAL FARM CREDIT (78)	3133EAZN1	7/17/2012	$ 500,000	$ 500,000	$ 500,000	2.60%	$ 495,065	7/24/2020	10/24/2012	$ 6,125	1.84%	
FEDERAL FARM CREDIT (81)	3133EAYP7	9/11/2012	$ 1,000,000	$ 1,005,220	$ 1,005,220	5.24%	$ 979,840	7/19/2022	n/a	$ 12,982	1.95%	
FEDERAL FARM CREDIT (83)	3133EAY28	10/9/2012	$ 500,000	$ 502,885	$ 502,885	2.62%	$ 504,010	9/21/2017	n/a	$ 2,763	0.71%	
FEDERAL FARM CREDIT (86)	3133EC4L5	11/15/2012	$ 1,000,000	$ 1,002,300	$ 1,002,300	5.22%	$ 982,320	11/23/2021	n/a	$ 10,719	1.58%	
FEDERAL FARM CREDIT (87)	3133EC4Y7	11/19/2012	$ 500,000	$ 500,000	$ 500,000	2.60%	$ 498,785	11/27/2017	n/a	$ 3,096	0.93%	
FEDERAL FARM CREDIT (96)	3133EENM8	2/2/2015	$ 1,000,000	$ 1,001,790	$ 1,001,790	5.22%	$ 968,726	2/6/2025	n/a	$ 1,539	2.14%	
FEDERAL FARM CREDIT (97)	3133EENM8	2/9/2015	$ 1,270,000	$ 1,245,289	$ 1,245,289	6.49%	$ 1,232,924	2/6/2025	n/a	$ 1,428	2.38%	
			$ 8,880,873	**$ 8,868,357**	**$ 8,868,357**		**$ 8,772,543**			**$ 60,842**		
							Yield on investments including LAIF but not cash accounts				1.54%	
							Yield on investments not including LAIF or cash accounts				1.69%	
CONSTRUCTION FUNDS												
CONSTRUCTION CASH FUNDS	412-1575005		$ -	$ -	$ -	0.00%	$ -	none	n/a	$ 19	0.02%	
COPS RESERVE FUND	108614000		$ 617,124	$ 617,124	$ 617,124	3.21%	$ 617,367	none	n/a	$ 116	0.02%	
			$ 617,124	**$ 617,124**	**$ 617,124**		**$ 617,367**			**$ 135**		
MTBE CONTINGENCY FUNDS												
LOCAL AGENCY INVESTMENT FUND	90-19-007		$ 2,694,779	$ 2,694,779	$ 2,694,779	14.04%	$ 2,694,779	none	n/a	$ 450	0.25%	Dec 14
GREAT PACIFIC SECURITIES	GPC-003670		$ 4,170,862	$ 4,170,862	$ 4,170,862	21.72%	$ 4,170,862	none	n/a	$ -	0.02%	
FEDERAL FARM CREDIT (M-35)	3133EDWX6	2/3/2015	$ 800,000	$ 849,960	$ 849,960	4.43%	$ 829,984	10/7/2024	n/a	$ 1,466	2.19%	
US TREASURY (M-36)	912828J27	2/6/2015	$ 1,000,000	$ 989,106	$ 989,106	5.15%	$ 999,840	2/15/2025	n/a	$ 1,145	1.85%	
FEDERAL FARM CREDIT (M-37) SOLD	3133ECKU7	2/17/2015	$ -	$ -	$ -	0.00%	$ -		n/a	$ 536	1.76%	
US TREASURY (M-38) SOLD	912828J27	3/10/2015	$ -	$ -	$ -	0.00%	$ -		n/a	$ -	2.10%	
FEDERAL FARM CREDIT (M-37) NEW	3133EEWP1	3/26/2015	$ 1,000,000	$ 996,460	$ 996,460	5.19%	$ 996,460	4/1/2025	n/a	$ -	2.41%	
			$ -	$ -	$ -	0.00%	$ -				0.00%	
			$ -	$ -	$ -	0.00%	$ -				0.00%	
			$ 9,665,641	**$ 9,701,167**	**$ 9,701,167**		**$ 9,691,925**			**$ 3,597**		
TOTAL INVESTMENTS			$ 19,163,639	$ 19,186,648	$ 19,186,648		$ 19,081,835			$ 64,574		
CASH- PAYROLL ACCOUNT	0948-024724		$ 11,810	$ 11,810	$ 11,810	0.06%	$ 11,810					
TOTAL CASH AND INVESTMENTS			**$ 19,175,448**	**$ 19,198,458**	**$ 19,198,458**	**100%**	**$ 19,093,645**			**$ 64,574**	**1.25%**	
							$ (105,056)	***Unrealized Gain/(Loss) on Investments				

I certify that this report accurately reflects all pooled investments and is in compliance with California Government Code Sections 5922 & 53601 as amended on 1/1/97; are currently in conformity with the investment policy as stated in Resolution No. 722 adopted on December 9, 2014.
As Treasurer of the Crescenta Valley Water District, I, Ron L. Mitchell hereby certify that sufficient investment liquidity and anticipated revenues are available to meet one year of estimated expenditures for the operations of Crescenta Valley Water District.

*Value at investment maturity date.
**Portfolio positions per Great Pacific Security Corp., Bloomberg CMO Analytical Report and Actual.
***Reported in compliance with GASB Standard No. 31, effective July 1, 1997, the "fair value" adjustment necessary between cost and market value.

Balance as of October 31, 2014

Water	$ 5,150,872.10
Wastewater	$14,047,327.09
Total Funds	$19,198,199.19

April 3, 2015

Ron L. Mitchell, Secretary-Treasurer, CVWD — **Date**

SEAL

Memorandum

DATE: April 7, 2015

TO: Board of Directors

FROM: Thomas A. Love

RE: General Manager's Report

CC: Management Staff

Effective March 30th, 2015 I have assumed the position of General Manager. Over the first week I have identified two early management staff priorities: 1) 2015/16 Budget and Rates and; 2) Extended Drought and State mandated conservation. Both these items are interrelated as the Districts revenue is directly affected by water use. Management staff is focused on evaluating the impacts of the dynamic water conservation situation to provide the Board of Directors with appropriate information to support the decisions that will be necessary over the next few months.

I will be scheduling meetings with the District's stakeholders, Foothill MWD, City of La Canada, Glendale Water Department, and others. I am scheduled to speak to the Crescenta Valley Town Council on May 21st. On April 2nd, I hosted an all-hands staff luncheon at the Glenwood Plant.

This month there is one staff anniversary; Superintendent Larry Byers has been with the District for twenty eight years. As of April 3rd, the District has worked 297 days without a lost time accident. At the present time there are two employees on medical leave. One employee is expected to return to work in May and the return date of the other employee is expected in six to nine months.

CRESCENTA VALLEY WATER DISTRICT
BOARD OF DIRECTORS - STAFF REPORT

April 7, 2015
Staff Report

To: Honorable President and Members of the Board of Directors

From: David S. Gould. P.E. – District Engineer

Subject: **District Engineer – Staff Report**

---

1. Water Production Report

- March 1 – 31 – Water Production – 56%/ 41% split – 110.5 MG for the month
  Average use – 4.1% more than 2014 and 5.3% more than 5-yr average

2. Rainfall Update

- 0.76" for March 2015
- Rainfall total for Rainfall Year 2014/15 – 9.38"

3. Report on Engineering

- **CIP Projects**
  - Ocean View Chlorination Project
    - Building –Bid Opening April 15, 2015
    - Treatment Equipment – Under Design
  - Oak Creek MCC –
    - Construction started on March 16, 2015
    - MCC to be delivered by middle of July 2015
- **Crescenta Valley County Park - Local Groundwater Assistance Grant**
  - Monitoring Wells - Complete
- **Well 16 – Prop. 84 – Drought Relief Grant**
  - Design
    - Finalizing plans and specifications for on-site work
    - Advertising for bids for 8-inch water transmission main
    - Waiting on Glendale to finalize comments from the Planning Department
- **FMWD**
  - No Report
- **ULARA**
  - No Report
- **La Canada Flintridge – Water Committee**
  - No Report
- **As-Needed Consulting Services**
  - DMc Engineering - Water Service Laterals – Design – 75% complete
  - SA Associates - Recycled Water Feasibility Study – 85% complete
  - GEI Consulting - Surge Tank – Working on agreement
- **Grants – Proposition 84 – Round 3**
  - Recycled Water Project at Two-Strike Park - $6.61M
  - Nitrate Removal Treatment Facility at Well 2 - $1.45M
  - CVC Park Stormwater Recharge Facility - $4.1M

- **Water Meter Replacement Program**
  - FY 14/15 Water Meter Replacement Program – Replaced 595 meters to date
  - Staff reviewing water meter replacement program

4. Report on Administrative and Field Operations

- **Wells - Status**
  - Well production capacity was 1.93 MGD for the month
- **Developer Jobs**
  - New 28 unit townhome project – 3037 Foothill Blvd
- **Booster Pumps**
  - No Report
- **Water Quality**
  - No Report
- **Reservoirs/Booster Stations**
  - No Report

5. Field Maintenance & Operations – March 14 – 31, 2015

- **Water lateral leaks & repairs**
  - 2635 Foothill
  - 3053 Los Olivos
  - 2208 Fairhurst
  - 2330 Caracas
  - 2336 Henrietta
  - 4423 Maryland
  - 3046 Stevens
- **Water Main Leaks**
  - No Report
- **Fire Hydrant Replacement**
  - No Report
- **Sewer Maintenance**
  - 4000 – 4300 Blocks of Pennsylvania
  - 3100 Blocks of Prospect, Evelyn, Encinal, and Prospect
  - 4400-4500 Blocks of Ramsdell
  - 2800 Blocks of Mayfield, Fairway, Alta Terrace and Harmony
  - 2600-2900 Blocks of Montrose
  - 4100 Block of La Crescenta
  - 2600 Blocks of Mayfield and Fairway
  - 5000 Blocks of La Crescenta

CRESCENTA VALLEY WATER DISTRICT

WATER PRODUCTION REPORT

March 1 - March 31, 2015

Well Production:	59,944,400	Gals		
Gravity Production:	1,608,000	Gals	% GW	56%
Purchased Water:				
FMWD:	48,963,750	Gals		
City of Glendale:	0	Gals	% Import	44%
TOTAL:	110,516,150	Gals		
	339.16	ac-ft		
Glenwood Nitrate Water Reclamation Plant:*	5,335,000	*Included in Well Production		

WATER DEMAND COMPARISON

	Average Daily Usage (gals)	Current Period Change	Average Daily Usage (gals)	Phase 1 Change
March 1, 2015 - March 31, 2015	3,558,846			
March 1, 2014 - March 31, 2015	3,418,250	4.1%		
5-yr Average - March 2010 - 2014	3,380,891	5.3%		
PHASE I CONSERVATION May 1, 2014 through March 31, 2015			3,884,499	
BASELINE CONSERVATION May 1, 2001 through March 31, 2002			5,253,259	-26.1%

RAINFALL: March 1 - March 31, 2015 0.76"

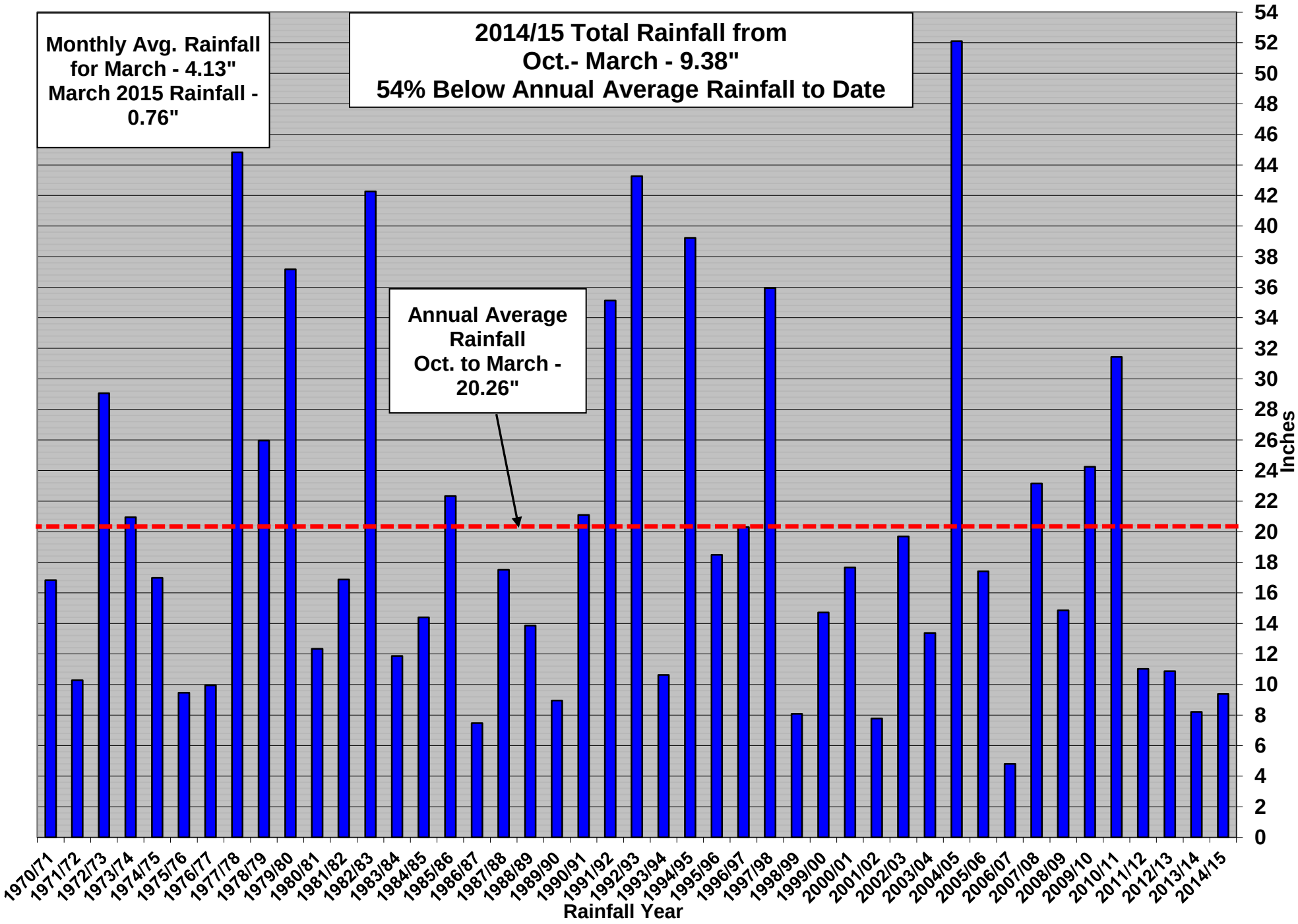
Season-To-Date: 9.38"

2014/15 Fiscal Year Water Production			Groundwater Production Water Rights		Purchased Water Production Tier 2 Allocation		Purchased Water Water Supply Allocation Plan	
Month	**Actual Total Water Production (ac-ft)**	**Projected Total Water Production (ac-ft)**	**Month**	**Well Production (ac-ft)**	**Month**	**Imported Water Production (ac-ft)**	**Month**	**Imported Water Production (ac-ft)**
July	**426**	**450**	**October**	**212**	**January**	**127**	**January**	**127**
August	**406**	**460**	**November**	**191**	**February**	**119**	**February**	**119**
September	**401**	**430**	**December**	**159**	**March**	**150**	**March**	**150**
October	**386**	**410**	**January**	**175**	**April**		**April**	
November	**320**	**330**	**February**	**147**	**May**		**May**	
December	**255**	**310**	**March**	**189**	**June**		**June**	
January	**303**	**300**	**April**		**July**		**July**	
February	**267**	**300**	**May**		**August**		**August**	
March	**339**	**355**	**June**		**September**		**September**	
April	**360**	**360**	**July**		**October**		**October**	
May	**385**	**385**	**August**		**November**		**November**	
June	**410**	**410**	**September**		**December**		**December**	
Total to Date	3,103	3,345	Total to Date	1,073	Total to Date	397	Total to Date	397
Projected	4,258	4,500	Water Rights	3,294	Tier 2	2,154	WSAP	1,968
% of Projected	68.9%	74.3%	% of Rights	33%	% of Allocation	18%	% of Allocation	20%
Remaining	1,397	1,155	Remaining	2,221	Remaining	1,757	Remaining	1,571

NOTE:

1) Blue Numbers - Estimate Total Water Production

Monthly Rainfall - 1970/71 - 2014/15 (Oct.- March)



Revised Date: 3/13/2015

CRESCENTA VALLEY WATER DISTRICT

M E M O R A N D U M

DATE: April 2, 2015

TO: Engineering Committee Meeting File

FROM: David S. Gould, District Engineer

SUBJECT: CVWD Engineering Committee Meeting No. 292

Following is a summary of Engineering Committee Meeting No. 292, held at 8:00 AM on March 26, 2015, at the CVWD main office, and was attended by the following:

Director Kerry Erikson - Committee Chairperson	CVWD
Director Ken Putnam – Committee Member	CVWD
Thomas Love – General Manager	CVWD
Brook Yared – Associate Engineer	CVWD
David S. Gould – District Engineer	CVWD

1. Review of Well Levels and Well Capacity Status Charts

Mr. Yared discussed the well levels through March 2015 stating that the static levels for the majority of the wells have decreased overall with a few exceptions for wells that are no longer on a 24 hour production cycle. Mr. Yared presented the well capacity chart that showed the status of the daily groundwater production in 2013 to 2015. The chart showed that the well capacity has been declining over recent months with a lot of variability due recent shutdown of wells because of biological contamination at several of the well sites with the capacity currently at about 2.2 MGD. Directors Putnam and Erikson requested that the well design capacity information be included on the well level reports.

2. FY 15/16 – CIP Project Review

Mr. Gould provided two tables to the people in attendance summarizing the CIP budget for fiscal year 15/16. Table 1 showed the preliminary annual CIP based on needed projects for the coming years at about $4M per year. Table 2 showed a reduced CIP budget based on reducing the overall CIP budget to approximately $2M per year.

Mr. Gould informed the Committee that after reviewing last year's CIP budget the leading reason that the $2 million dollar target was not met in fiscal year 14/15 was due to the funds budgeted for the replacement of the Ocean View Reservoir overflow/drain line. After the paving was complete, the City of La Canada Flintridge requested additional design information and that pushed the bulk of the construction for this work into fiscal year 16/17.

Directors Erikson and Putnam recommended presenting the $2M CIP budget to the Board. Director Putnam requested that a FY 15/16 project schedule be provided at the next Engineering Committee meeting. Both Directors also expressed concern about the amount of spending for SCADA upgrades. They recommended preparing a presentation explaining the type of SCADA work that will be performed and a cost benefit analysis of the SCADA project to help justify the expense.

3. FY 15/16 – Consultant Projects

Mr. Gould presented a list of studies and reports the staff will need the assistance of consultants to complete and that are either currently involved in or planning for the next fiscal year. This list of projects included a cost of water service study, a volume-based wastewater study, a wastewater master plan, and the 2015 urban water management plan. Staff will prepare request for proposals within the next few months. These studies are planned to begin in early September 2015.

4. FY 14/15 – CIP Project Status and Project Schedule

Ocean View Reservoir Overflow/Drain Pipe Project

Mr. Gould informed the committee that the paving portion of the project has been completed. With that portion of the project completed, the City of La Canada Flintridge has slowed the progress of completion of the storm drain connection. The work performed to date has alleviated public inconvenience, and before moving forward with construction, the City of La Canada Flintridge, is requesting that a hydraulic study be performed to properly size the storm drain.

Well 16 – Well Project

The grant agreement was completed in January 2015 and that staff has been working with Cannon to complete the design within the next month. Director Putnam suggested that since the well has been sitting for several years, that some type of well rehabilitation should be done before Well 16 is put into service. Mr. Gould indicated the he will work with Cannon and a well pump contractor on the well rehabilitation. Mr. Gould continued with a brief review of the design and mentioned the need to discharge Well 16 during start up and maintenance to the storm drain. Mr. Gould also indicated he will be working with the State Water Control Board for the discharge requirements.

Ocean View Chlorination Station Project

The Chlorination Station Building pre-bid meeting is scheduled for April 1, 2015 with a planned Award of Contract date set for April 21, 2015 once the lowest responsible bidder has been determined after the bid opening on April 15, 2015.

CVWD/LADWP Interconnection Project

The remainder of the project is under design and planned to be completed by the end of the year.

Oak Creek Motor Control Center

Construction began in mid-March and is planned to be completed by the end of August 2015.

CVC Park – Stormwater Feasibility Study

The construction of the monitoring wells was completed in March 2015, and the percolation pit is planned to be completed by the end of May 2015.

Mr. Gould provided an update of the FY 14/15 CIP budget and project schedule that showed the status of each project and indicated that staff is planning to complete the majority of the projects by the end of the fiscal year.

CRESCENTA VALLEY WATER DISTRICT

2700 FOOTHILL BOULEVARD
LA CRESCENTA, CALIFORNIA

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

To be held on

March 26, 2015 at 8:00 AM

Posted March 24, 2015 at 10:00 am

Call to Order

Adoption of Agenda

Information Items

1. Review of Well Levels and Well Capacity Status Charts
2. FY 15/16 – CIP Project Review
3. FY 15/16 – Consultant Projects
4. FY 14/15 – CIP Project Status and Project Schedule

Public Comments

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 the Committee. This opportunity is non-transferable and speakers are limited to three (3) minutes each.

Committee Member's Request for Future Agenda Items

Next Engineering Committee Meeting – April 10, 2015

Adjournment

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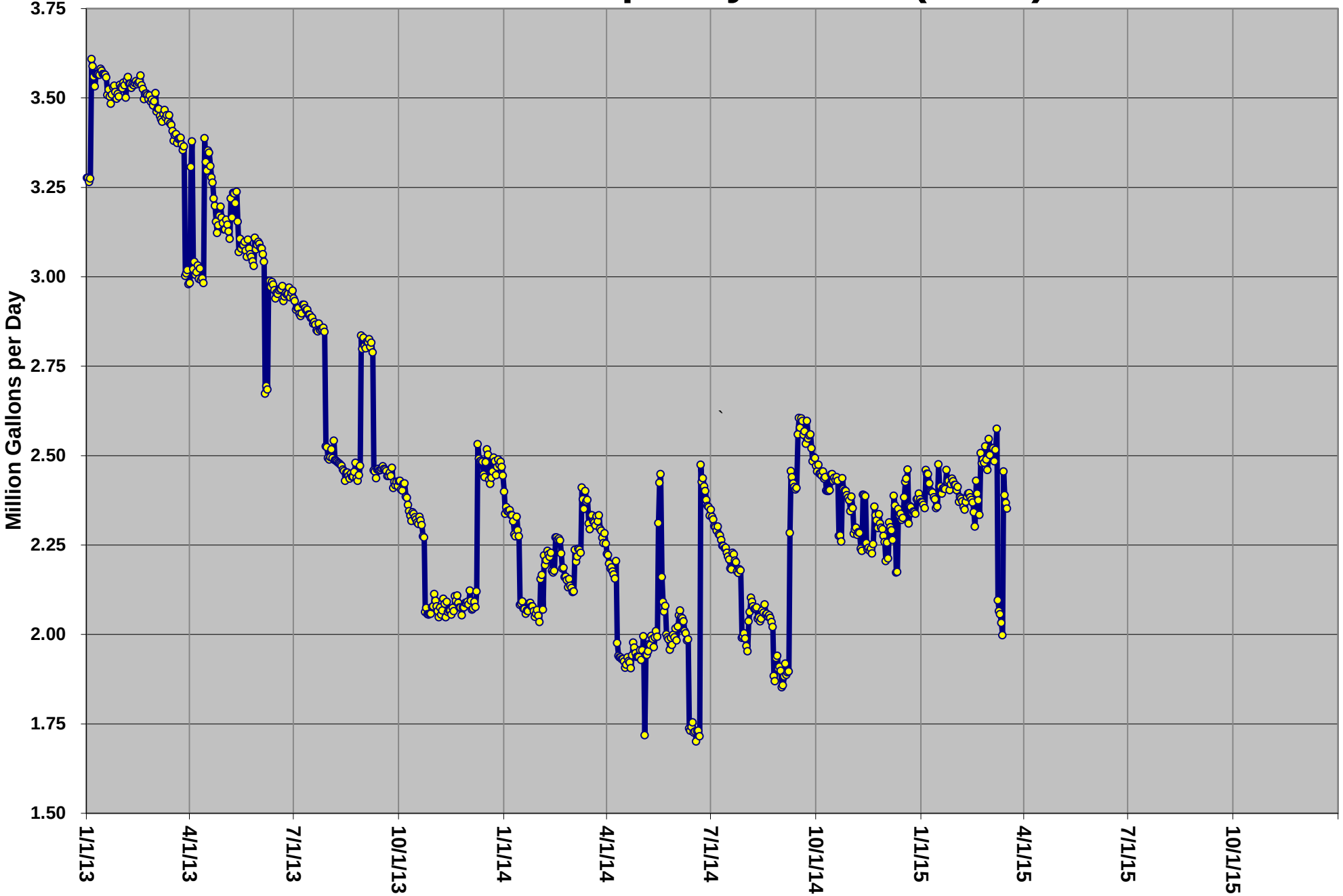
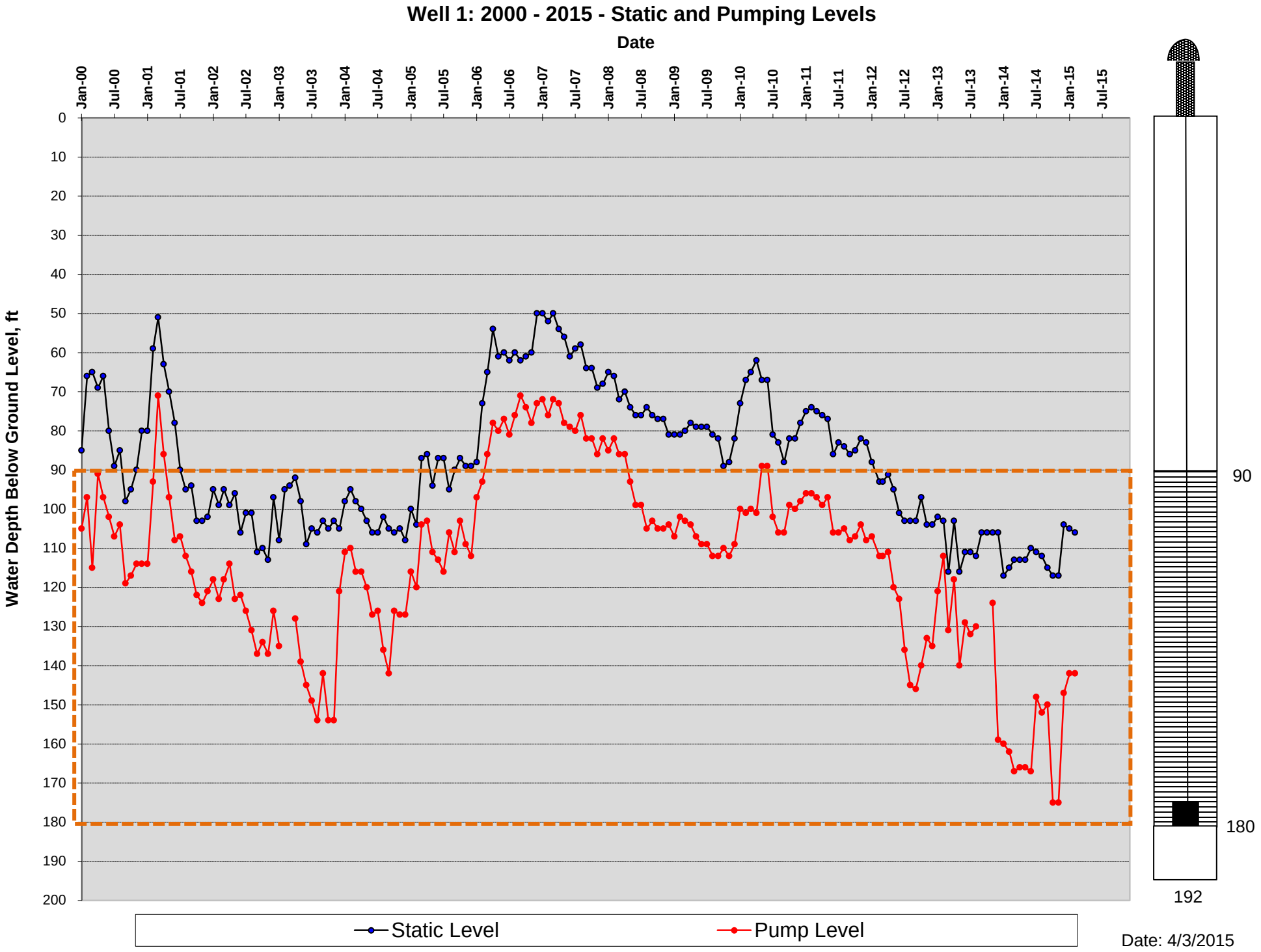
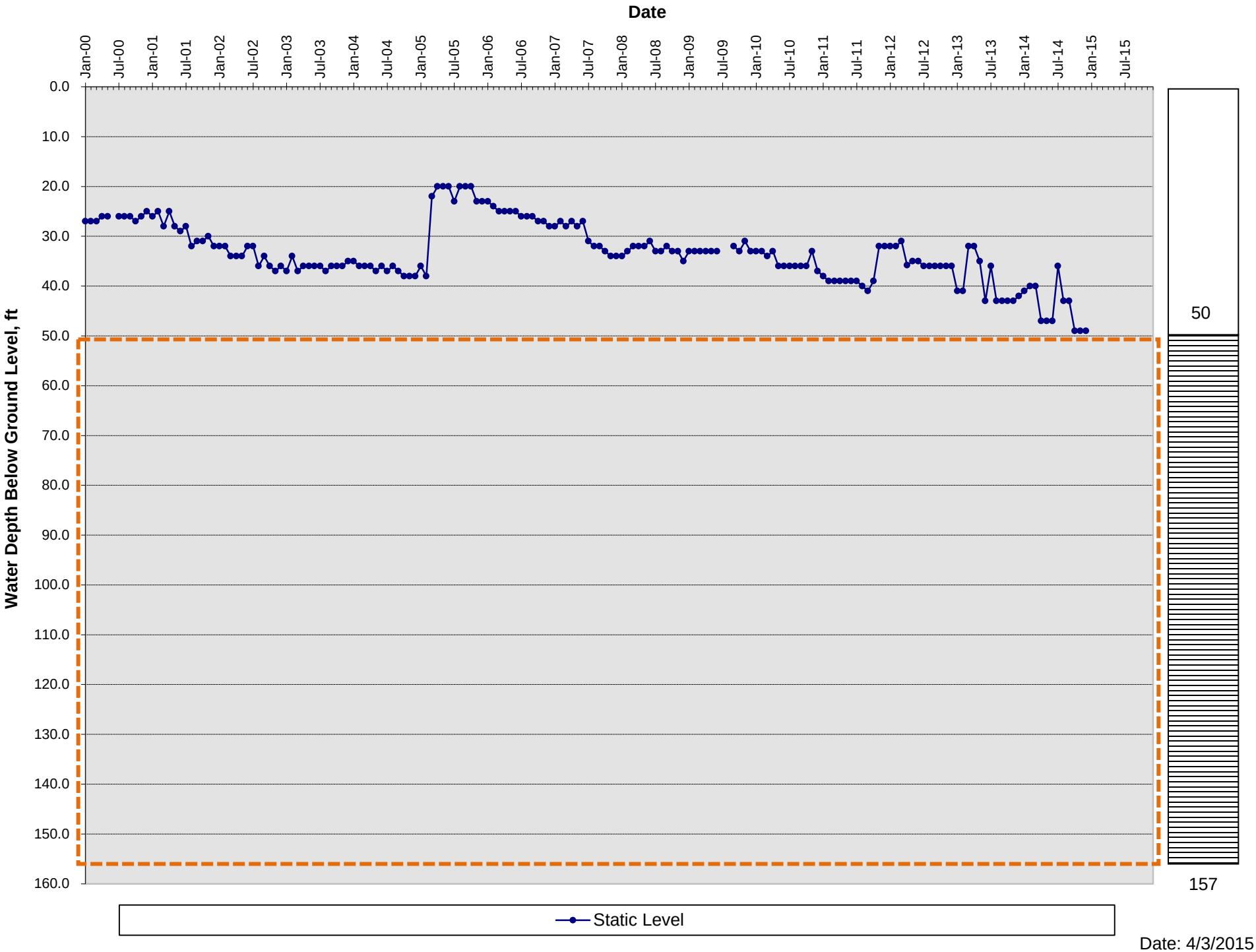
Crescenta Valley Water District
2013-15 Well Capacity Status (MGD)



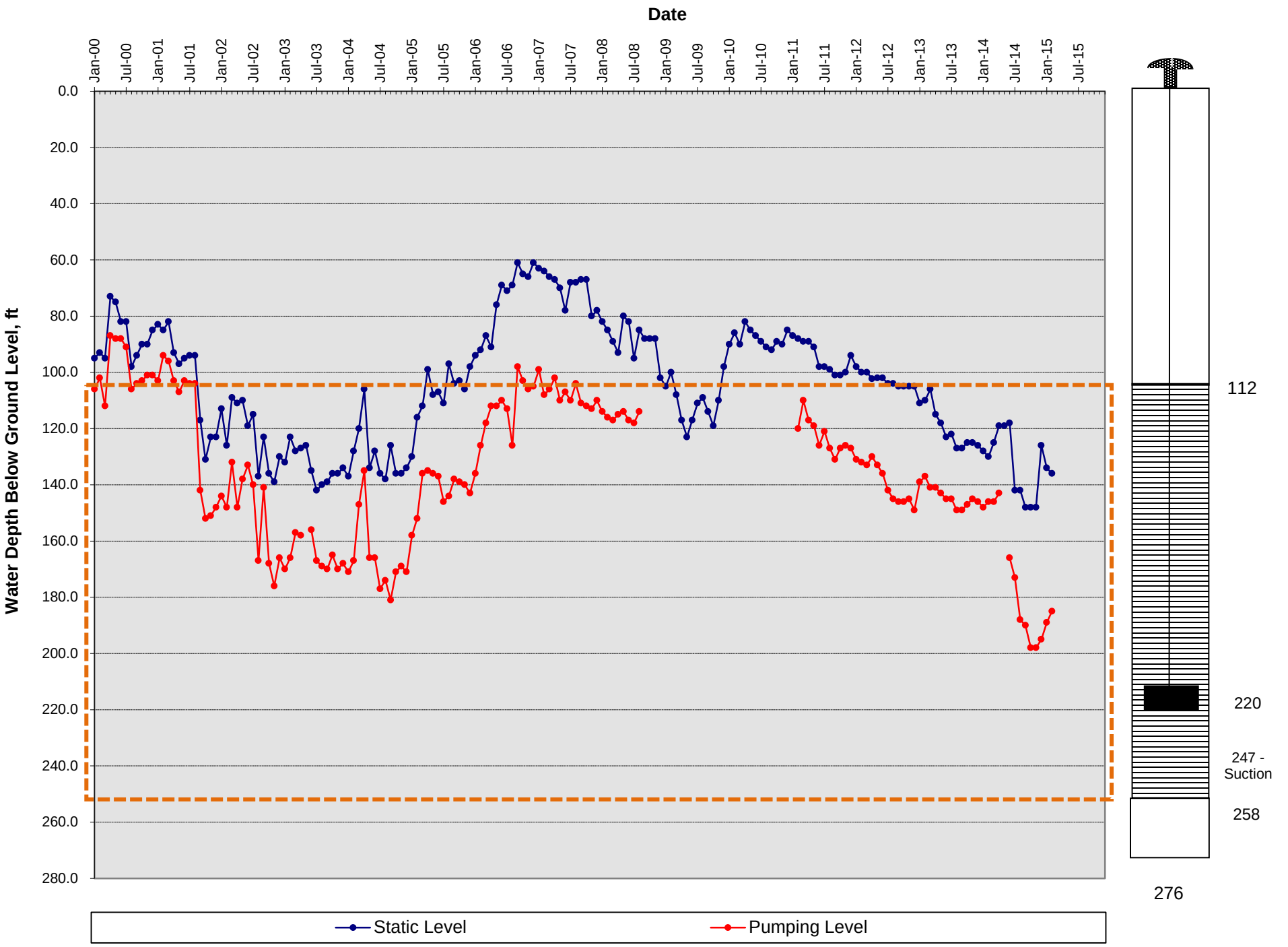

Well 1: 2000 - 2015 - Static and Pumping Levels
Date
Jan-00
Jul-00
Jan-01
Jul-01
Jan-02
Jul-02
Jan-03
Jul-03
Jan-04
Jul-04
Jan-05
Jul-05
Jan-06
Jul-06
Jan-07
Jul-07
Jan-08
Jul-08
Jan-09
Jul-09
Jan-10
Jul-10
Jan-11
Jul-11
Jan-12
Jul-12
Jan-13
Jul-13
Jan-14
Jul-14
Jan-15
Jul-15
Water Depth Below Ground Level, ft
0
10
20
30
40
50
60
70
80
90
100
110
120
130
140
150
160
170
180
190
200
90
180
192
Static Level
Pump Level
Date: 4/3/2015

Well 2: 2000 - 2015 - Static Level



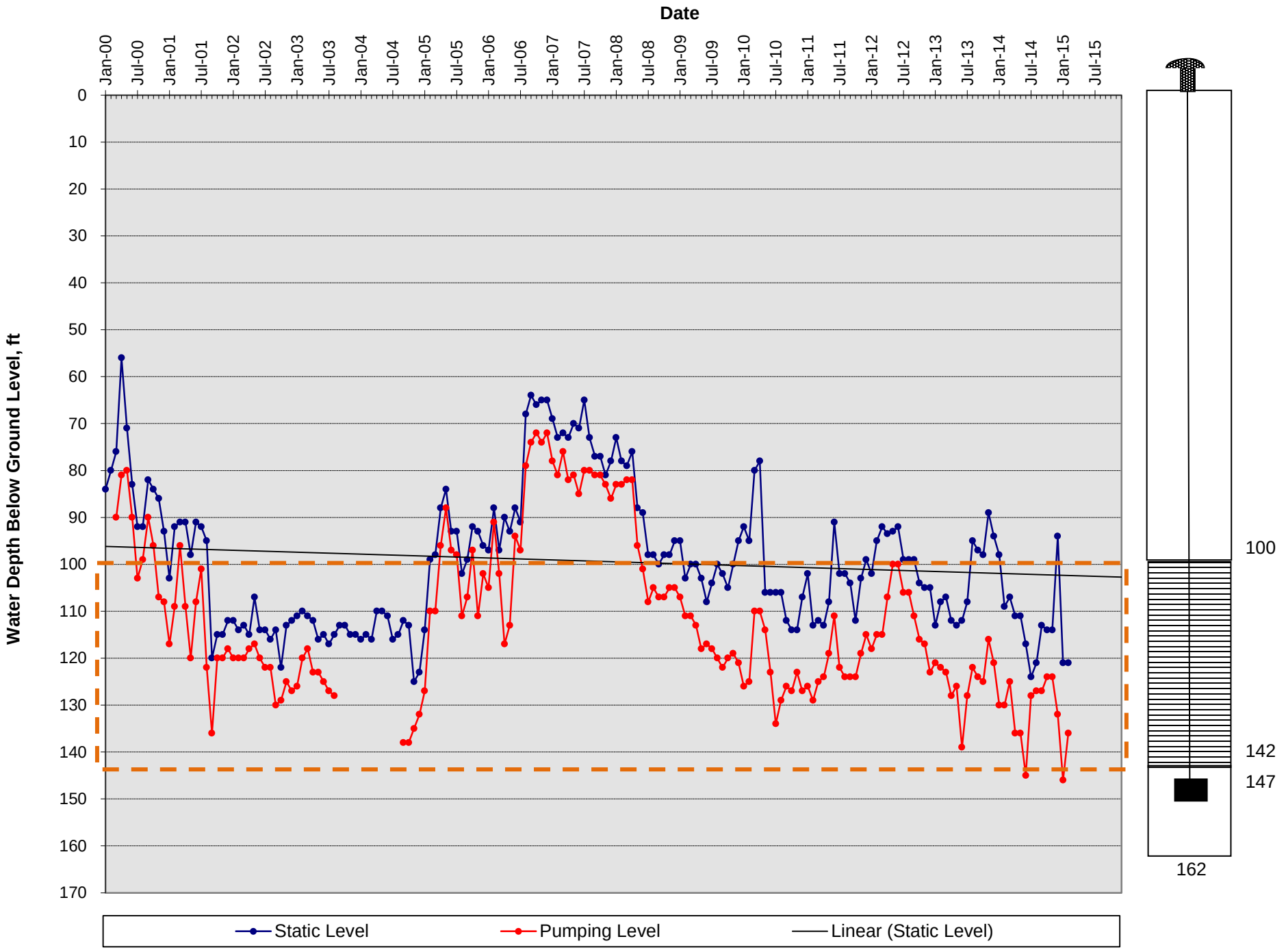
Date: 4/3/2015

Well 5: 2000 - 2015 - Static and Pumping Levels



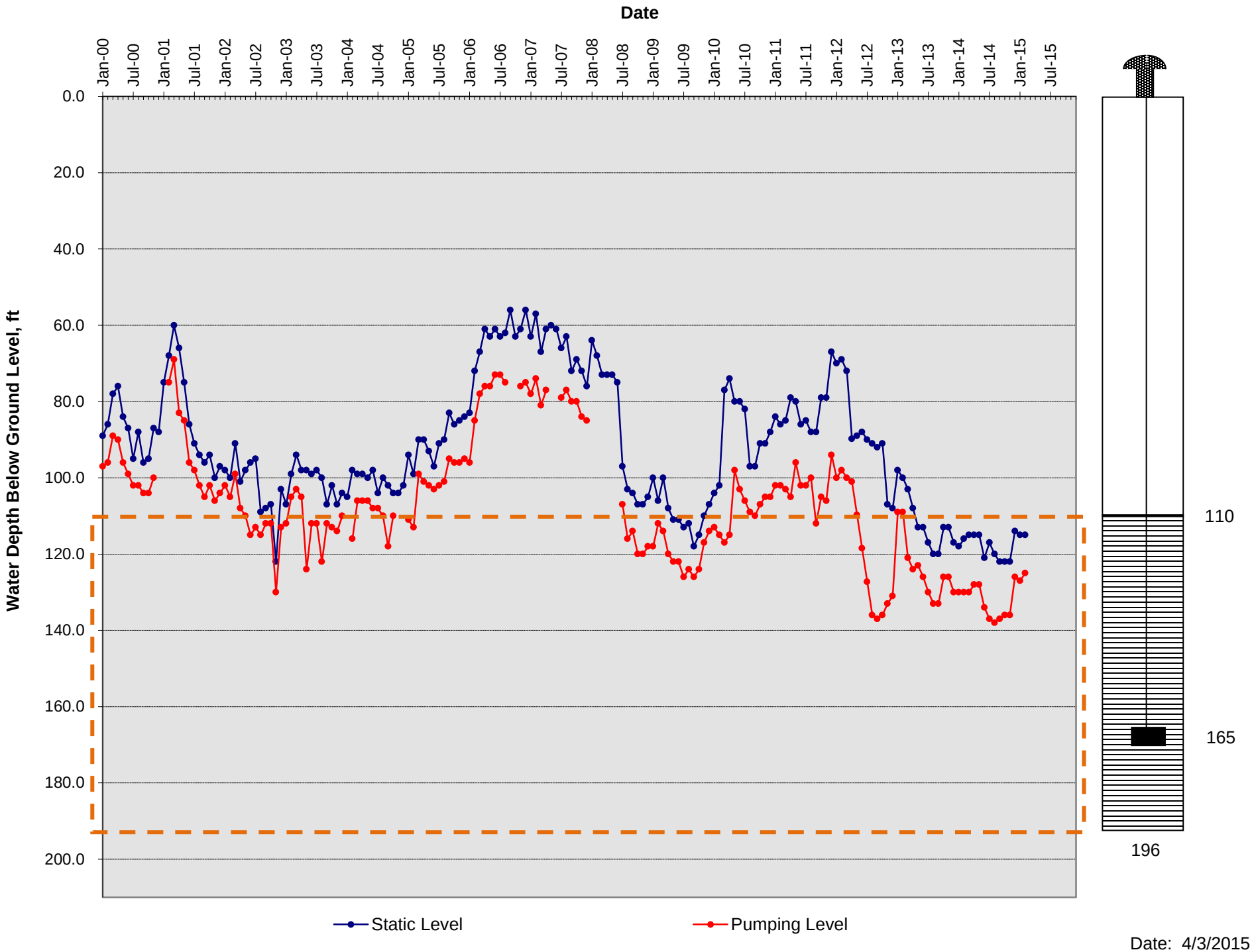
Date: 4/3/2015

Well 6: 2000 - 2015 - Static and Pumping Levels



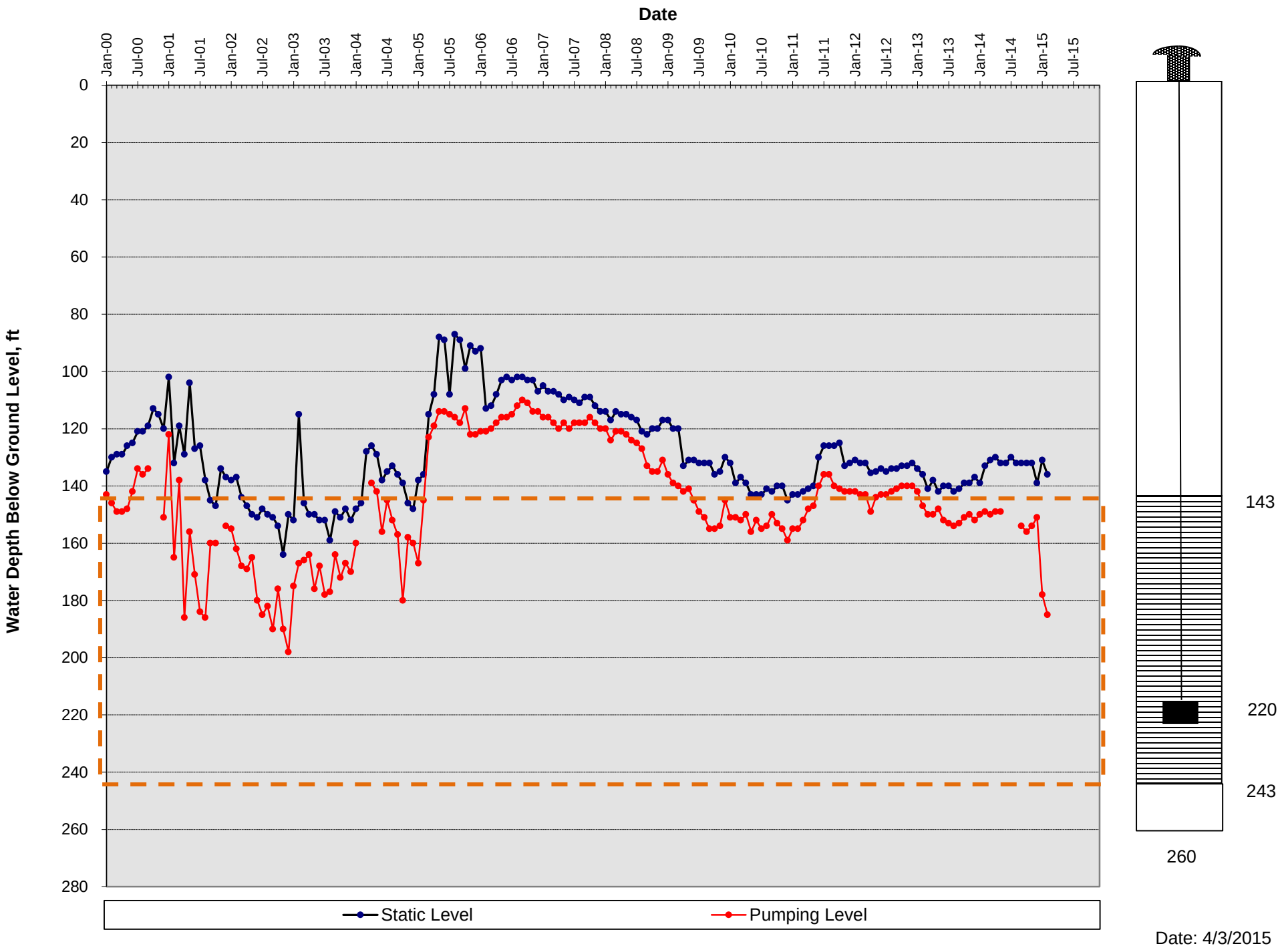
Date: 4/3/2015

Well 7: 2000 - 2015 - Static and Pumping Levels



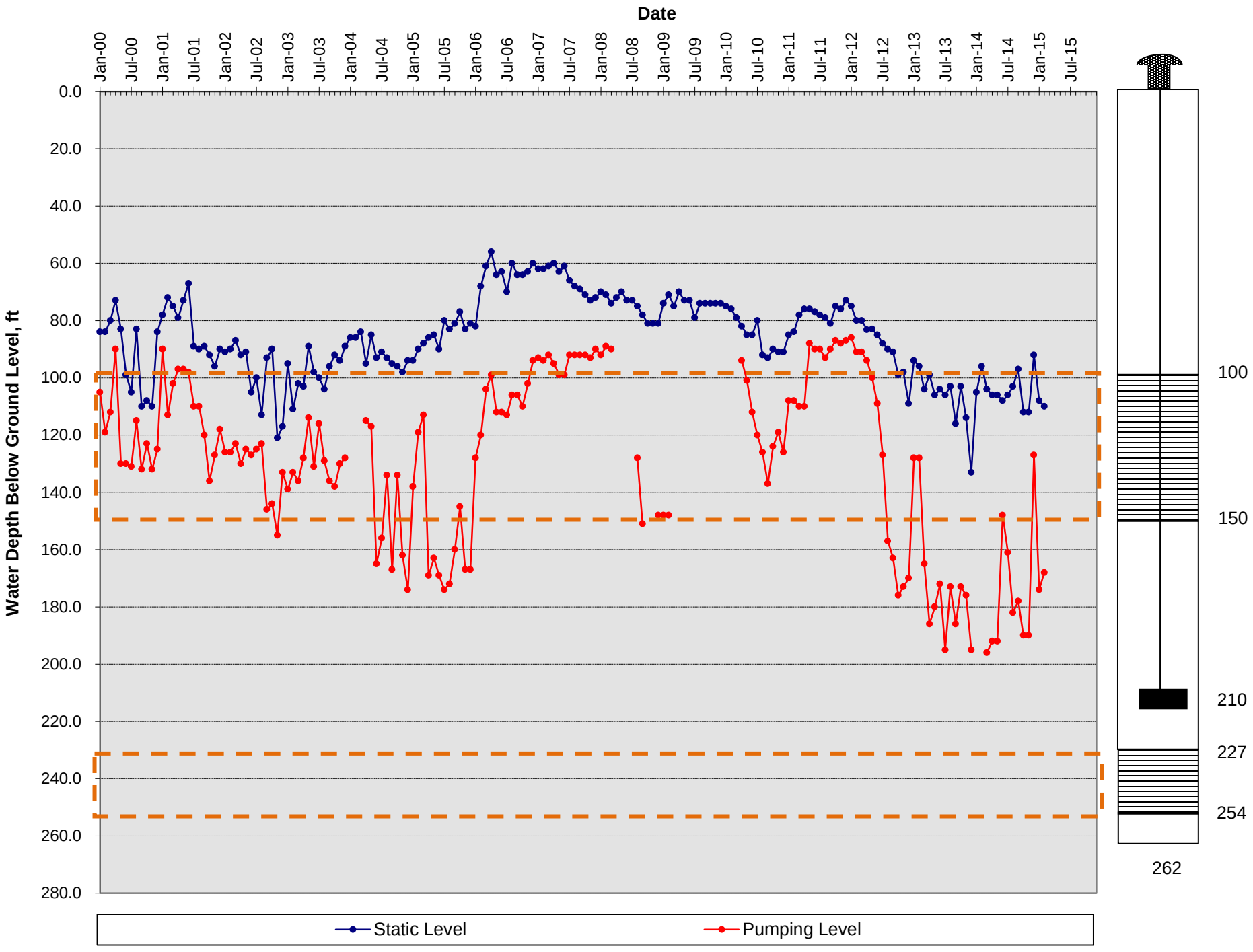
Date: 4/3/2015

Well 8: 2000 - 2015 - Static and Pumping Levels



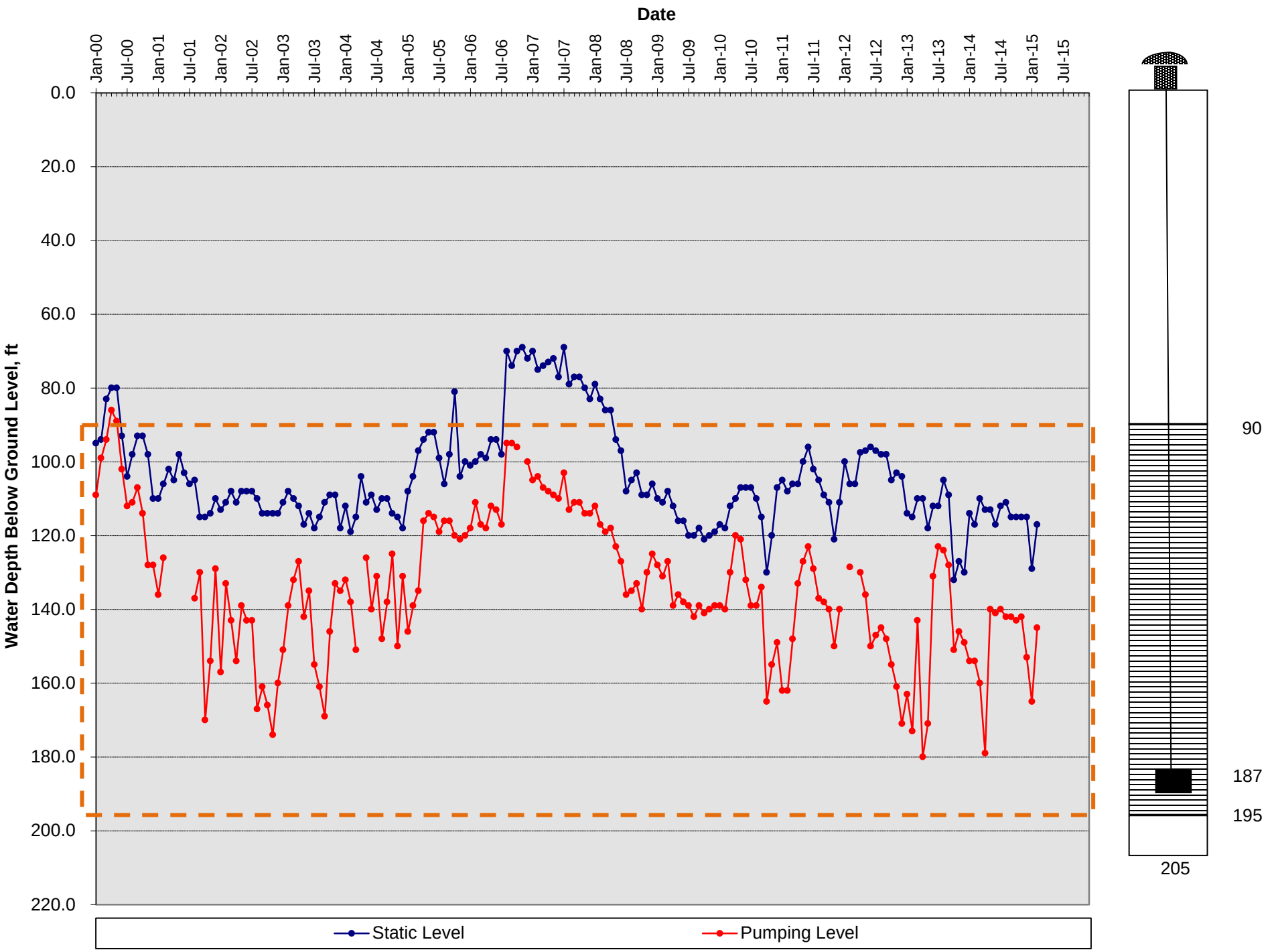
Date: 4/3/2015

Well 9: 2000 - 2015 - Static and Pumping Levels



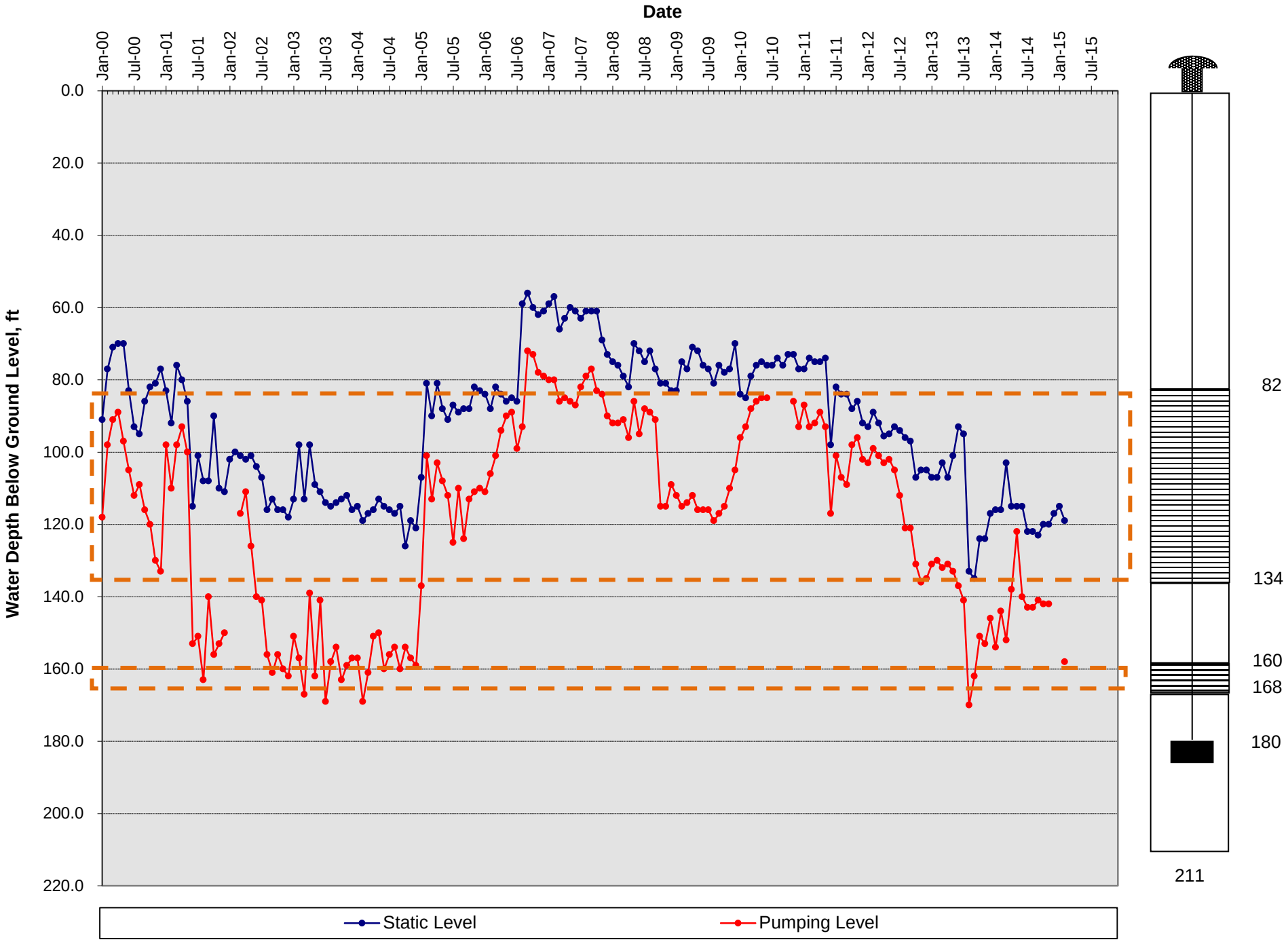
Date: 4/3/2015

Well 10: 2000 - 2015 - Static and Pumping Levels



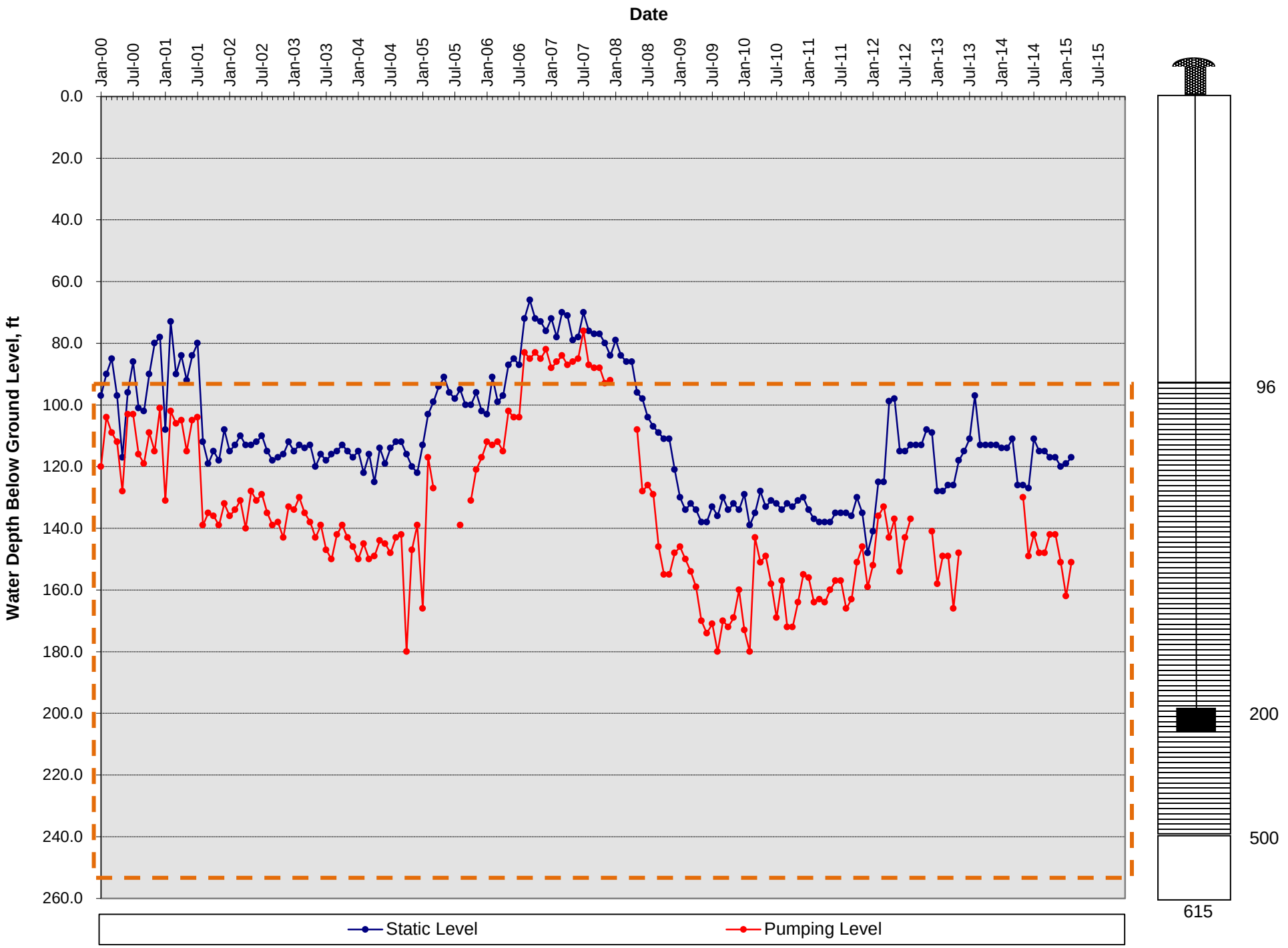
Date: 4/3/2015

Well 11: 2000 - 2015 - Static and Pumping Levels



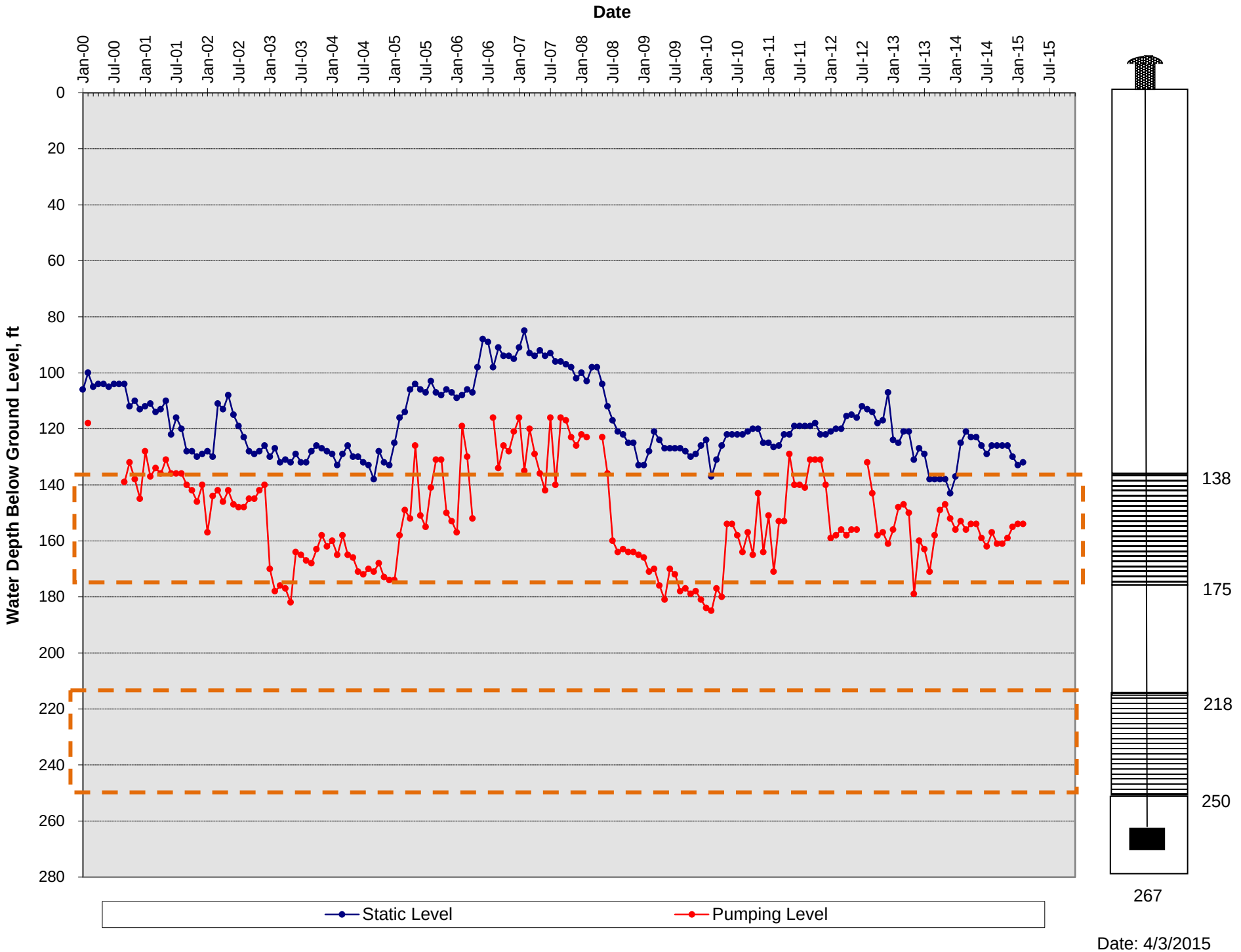
Date: 4/3/2015

Well 12: 2000 - 2015 - Static and Pumping Levels



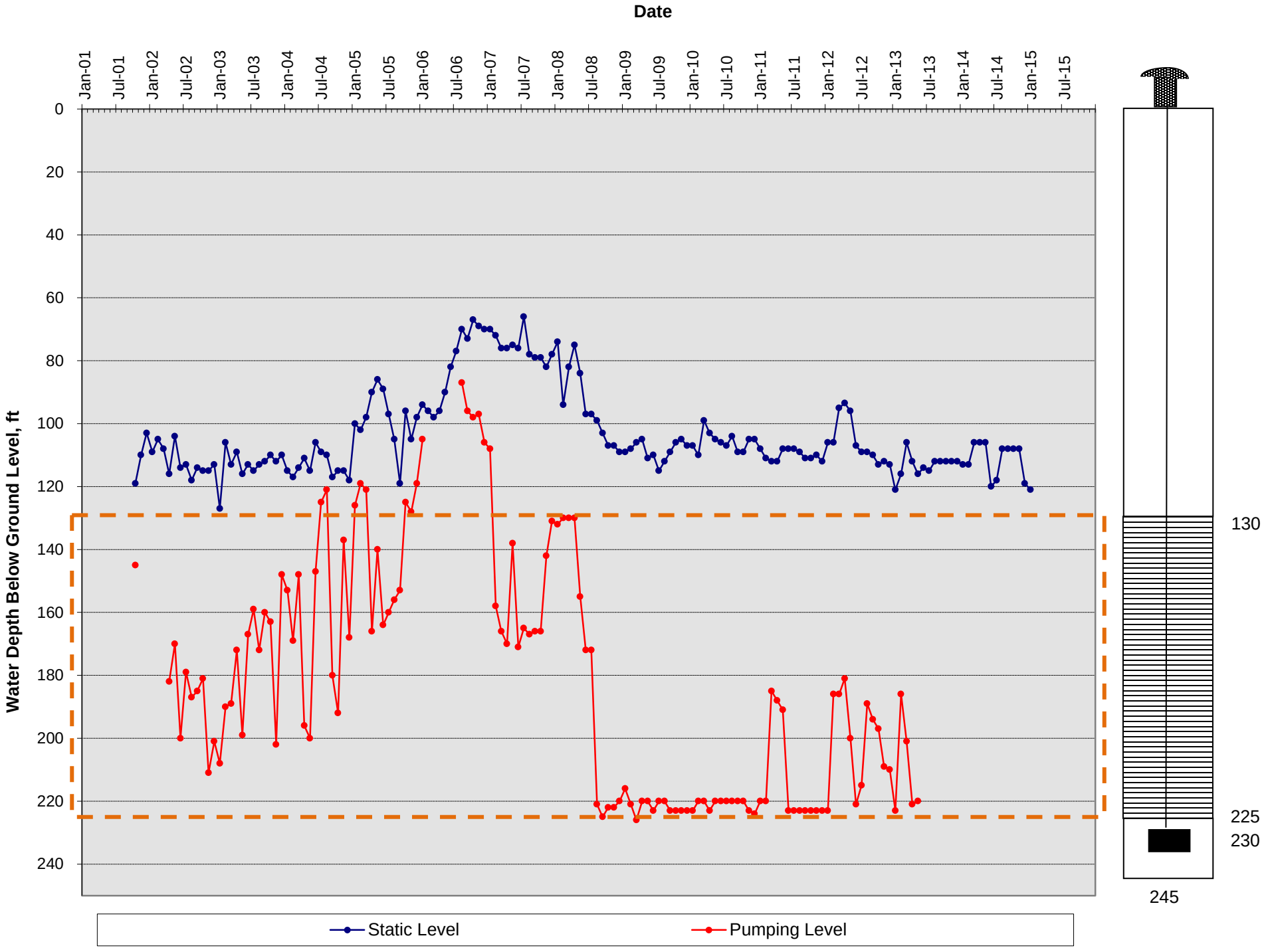
Date: 4/3/2015

Well 14: 2000 - 2015 - Static and Pumping Levels



Date: 4/3/2015

Well 15: 2000 - 2013 - Static and Pumping Levels



Date: 4/3/2015

CRESCENTA VALLEY WATER DISTRICT
STAFF REPORT

Information Item No. 2 & 3
March 26, 2015

To: Engineering Committee

From: David S. Gould, P.E. – District Engineer

Subject: **FY 15/16 Capital Improvement Project Program**

ITEM:

1. Review of FY 15/16 CIP Budget
2. Review of FY 15/16 Consultant Projects

DISCUSSION:

FY 15/16 CIP Budget

Staff prepared the FY 2015/16 CIP budget based on infrastructure replacement programs to upgrade CVWD's infrastructure such as pipelines, well rehabilitation, new wells, steel reservoir rehabilitation, upgrading electrical motor control centers, and replacement of the SCADA system.

Staff's initial review of the budget as shown in Table 1 attached, showed the annual CIP at about $4M per year. However, with the current staff level and in consideration of the "Pay-as-you-go", staff reduced the CIP budget to approximately $2M per year as shown in Table 2.

The major projects which will be focused on by staff during FY 15/16 will be the completion of projects such as the MCC replacement at Oak Creek, the Ocean View Chlorination Station, the interconnection at Ordunio Reservoir, and continuation of the replacement of the SCADA system. In addition, about 3,000 of pipeline will be replaced and Well 7 is scheduled for rehabilitation.

Consultant Projects

Staff prepared a summary of studies and reports which are needed for FY 15/16 and include a cost of water service study, a volume-based wastewater study, a wastewater master plan, and the 2015 urban water management plan. Staff will prepare request for proposals within the next few months and the studies should begin around early September 2015.

Prepared & Submitted by:

_____

David S. Gould, P.E.
District Engineer

Attachments:

1. Table 1 – FY 15/16 Preliminary CIP Budget
2. Table 2 – FY 15/16 Final CIP Budget
3.

Capital Improvement Project Program FY 15-16 Preliminary - 5-year CIP Budget	Budget FY 14/15	Projected FY 14/15	Budget FY 15/16	Forecast FY 16/17	Forecast FY 17/18	Forecast FY 18/19	Forecast FY 19/20
1. Water Supply							
A. Groundwater							
i. Well Rehabilitation							
Well 11 Rehabilitation	$ 65,000	$ 61,344					
Well 14 Rehabilitation	$ 60,000	$ -	$ 50,000				
Well 7 Rehabilitation			$ 60,000				
Well 14 Rehabilitation			$ 60,000				
Well 6 Rehabilitation				$ 75,000			
Well 12 Rehabilitation				$ 75,000			
Well 1 Rehabilitation					$ 75,000		
Well 14 Rehabilitation					$ 50,000		
Well 5 Rehabilitation						$ 75,000	
Well 9 Rehabilitation						$ 75,000	
Well 11 Rehabilitation						$ 75,000	
Well 10 Rehabilitation							$ 750,000
Well 14 Rehabilitation							$ 50,000
ii. New Wells							
Well 16 - Equipment & Pipeline - Design	$ 85,000	$ 81,000	$ 30,000				
Well 16 - Construction (Grant - Matching Funds)	$ -	$ 135,000	$ 155,000				
Re-Activate Well 2 - Design				$ 125,000			
Re-Activate Well 2 - Construction					$ 150,000		
iii. Studies							
B. Imported Water							
CVWD/LADWP Inter. at Ordunio (Grant - Matching Funds)	$ 125,000	$ -	$ 250,000				
Ocean View Piping & Vaults (Grant - Matching Funds)	$ 210,000	$ 249,676					
Ocean View Chlorination Station (Grant - Matching Funds)		$ -	$ 165,000				
Ocean View - Equip. & Elect (Grant - Matching Funds)		$ -	$ 125,000				
C. Groundwater Basin Recharge							
Storm Water Recharge Study (Grant - Matching Funds)	$ 55,000	$ 55,000	$ 40,000				
Stormwater Recharge Project - Design				$ 50,000			
Stormwater Recharge Project - Construction					$ 550,000	$ 550,000	
D. Recycled Water System							
i. Recycled Water							
Recycled Water System Study				$ 75,000			
ii. Membrane Bioreactor Technology							
WS Total	$ 600,000	$ 582,020	$ 935,000	$ 400,000	$ 825,000	$ 775,000	$ 800,000

Date: 4/3/2015

Capital Improvement Project Program FY 15-16 Preliminary - 5-year CIP Budget	Budget FY 14/15	Projected FY 14/15	Budget FY 15/16	Forecast FY 16/17	Forecast FY 17/18	Forecast FY 18/19	Forecast FY 19/20
2. Water Storage							
A. Reservoir Rehabilitation							
i. Roof/Vents Rehabilitation							
Oak Creek #1 - Roof/Air Vents			$ 250,000	$ -			
Oak Creek #2 - Roof/Air Vents				$ 250,000	$ -		
Rosemont - Roof/Air Vents					$ 250,000	$ -	
Markridge - Air Vents						$ 250,000	
Goss Canyon - Roof/Air Vents							$ 250,000
ii. Steel Reservoir Re-Coating							
iii. Concrete Reservoir Rehabilitation							
Encinal Reservoir - Concrete Rehabilitation				$ 100,000			
iv. Corrosion Protection							
Cathodic Protection - Replacement					$ 60,000		
v. Overflow & Drain System Upgrade							
Upgrade Overflow/Drain System - Design + Maintenance	$ -	$ 36,000	$ 15,000				
Ocean View Reservoir - AC Pavement	$ -	$ 70,267	$ -				
Ocean View Reservoir - Overflow/Drain - Construction	$ -	$ -	$ 450,000				
B. Reservoir Water Quality							
i. Water Mixing System							
Reservoir Water Quality & Mixing System Study				$ 55,000			
Water Quality Mixing System - Design					$ 85,000		
Water Quality Mixing System - Construction						$ 100,000	
iv. Replace common inlet and outlet piping							
Encinal Reservoir - Replace Common Inlet & Outlet pipe - Design				$ 75,000			
Encinal Reservoir - Replace Common Inlet & Outlet pipe - Const.					$ 375,000		
Eagle Canyon Reservoir - Replace Common Inlet & Outlet pipe - Design						$ 75,000	
Eagle Canyon Reservoir - Replace Common Inlet & Outlet pipe - Const.							$ 125,000
C. New Reservoir Water Storage							
WS Total	$ -	$ 106,267	$ 715,000	$ 480,000	$ 395,000	$ 350,000	$ 250,000

Capital Improvement Project Program FY 15-16 Preliminary - 5-year CIP Budget	Budget FY 14/15	Projected FY 14/15	Budget FY 15/16	Forecast FY 16/17	Forecast FY 17/18	Forecast FY 18/19	Forecast FY 19/20
3. Water Distribution							
A. Pipeline Replacement							
2900 Block - Paraiso Way - 800 LF	$ 200,000	$ 180,942					
2900 Block - Santa Carlotta - 800 LF	$ 200,000	$ 180,942					
4900 Block - Glenwood - 600 LF	$ 150,000	$ 140,732					
2800 Block - Prospect - 600 LF	$ 150,000	$ -					
4400 Block - Glenwood - 200 LF	$ 50,000	$ -					
2600 Block - Harmony Place - 450 LF			$ 115,000				
3900 Block - Park Place - 300 LF			$ 75,000				
2900 Block - Mary Avenue - 800 LF			$ 200,000				
2700 Block - Brookhill Avenue - 700 LF			$ 175,000				
2700 Block - Paraiso Way - 200 LF			$ 50,000				
3200 Block - Park Vista - 300 LF			$ 75,000				
3000 - 3300 Blocks - Brookhill Avenue - 3,300 LF				$ 860,000			
2200 Block - Honolulu Ave - 750 LF					$ 190,000		
4900 Block -El Sereno - 350 LF					$ 90,000		
2300 Block - Teasley - 700 LF					$ 175,000		
2800 Block - Los Olivos - 850 LF					$ 215,000		
2400 Block - Fairmount - 100 LF					$ 25,000		
4800 Block - Dyer - 400 LF					$ 100,000		
2400 & 2500 Blocks - Janet Lee - 1300 LF						$ 340,000	
3000 Block - Los Olivos - 800 LF						$ 210,000	
4600 Block - Orin - 200 LF						$ 55,000	
2000 Block - Ahlin - 200 LF						$ 55,000	
4900 Block - Caminito - 300 LF						$ 80,000	
3500 Block - Montrose - 300 LF						$ 80,000	
3200 & 3300 Block - Foothill Blvd - 1,950 LF							$ 505,000
1900 Block - Waltonia - 1250 LF							$ 325,000
B. New Pipelines							
C. Booster Pump System							
i. Annual Pump /Motor Replacement							
Eagle Canyon - Booster B	$ -	$ 37,454					
Encinal - Booster A	$ 35,000	$ 24,556					
2 - Boosters			$ 70,000				
2 - Boosters				$ 70,000			
2 - Boosters					$ 70,000		
2 - Boosters						$ 70,000	
2 - Boosters							$ 70,000

Capital Improvement Project Program FY 15-16 Preliminary - 5-year CIP Budget	Budget FY 14/15	Projected FY 14/15	Budget FY 15/16	Forecast FY 16/17	Forecast FY 17/18	Forecast FY 18/19	Forecast FY 19/20
ii. Pump Station Upgrade							
Mills Plant - Aeration Tower Rehabilitation	$ 35,000	$ -	$ 35,000				
Upgrade - Paschal Booster Station inlet piping & valves					$ 50,000	$ 255,000	
New Booster Pump Station - Cresta Heights							$ 75,000
iii. VFD Pump Upgrade							
VFD's & Upgrade at Paschal & Mills			$ 50,000				
iv. MCC Replacement							
MCC upgrade at Oak Creek	$ 300,000	$ 225,217	$ 185,000				
MCC upgrade at Paschal			$ 75,000	$ 425,000			
MCC upgrade at Goss Canyon				$ 75,000	$ 350,000		
MCC upgrade at Ocean View					$ 75,000	$ 450,000	
MCC upgrade at Edmund #2						$ 75,000	$ 350,000
MCC upgrade at Mills Plant							$ 75,000
D. Pressure Reducing Stations							
E. Miscellaneous Projects							
i. Water Surge Control							
Rehabilitation Surge Tanks at Glenwood	$ 28,000	$ -	$ 75,000				
Rehabilitation Surge Tank at Paschal				$ 150,000			
ii. Street/Utility/ Meter Adjustment & Upgrade							
iii. Misc.							
Repairs to Ramsdell Mixing Station	$ 35,000	$ -	$ 35,000				
WD Total	$ 1,183,000	$ 789,843	$ 1,215,000	$ 1,580,000	$ 1,340,000	$ 1,670,000	$ 1,400,000
4. Water Treatment							
A. Nitrate Removal							
i. Glenwood							
ii. Mills							
iii. Ordunio							
Ion Exchange Plant at Ordunio - Design				$ 75,000			
Ion Exchange Plant at Ordunio - Construction					$ 550,000	$ 700,000	
B. Chlorine Disinfection							
New Chlorination Station at Markridge Reservoir	$ 43,000	$ -	$ 50,000				
C. Convert to Chloramines							
D. New Federal and State Regulations							
WT Total	$ 43,000	$ -	$ 50,000	$ 75,000	$ 550,000	$ 700,000	$ -

Capital Improvement Project Program FY 15-16 Preliminary - 5-year CIP Budget	Budget FY 14/15	Projected FY 14/15	Budget FY 15/16	Forecast FY 16/17	Forecast FY 17/18	Forecast FY 18/19	Forecast FY 19/20
5. Technology							
A. Automated Meter Information (AMI) System							
Install Fix Area Network					$ 550,000		
Integration of AMR & Fix Area Network						$ 150,000	
B. Supervisory Control and Data Acquisition (SCADA) System							
SCADA RTU Replacement (35 sites) - Design	$ 25,000	$ 16,500	$ 15,000	$ 15,000			
SCADA RTU Replace - Equipment & Integration	$ 149,000	$ 75,000	$ 470,000	$ 315,000			
C. Graphical Information System (GIS)							
TECH Total	$ 174,000	$ 91,500	$ 485,000	$ 330,000	$ 550,000	$ 150,000	$ -
6. Public Safety/Emergency Response							
A. Emergency Electrical Generators							
B. Water Storage							
Seismic Sensors & Valve Actuators - Duns/Pickens			$ 100,000				
Seismic Sensors & Valve Actuators - Ordunio				$ 75,000			
Seismic Sensors & Valve Actuators - Oak Creek					$ 125,000		
C. Security							
Security Cameras - Well Sites						$ 125,000	
Security Cameras - Reservoir Sites							$ 225,000
D. Miscellaneous							
SF/ER Total	$ -	$ -	$ 100,000	$ 75,000	$ 125,000	$ 125,000	$ 225,000
7. Facilities & Planning							
A. Main Office							
B. Glenwood Plant							
D. Reservoir Site Improvements							
Roof Replacement at Old Encinal			$ 75,000	$ 125,000			
Pickens - Access Road Improvements				$ 75,000	$ 500,000		
Goss Canyon - Site Improvements					$ 35,000	$ 150,000	
Edmund #2 - Lower Access Road Improvements						$ 75,000	$ 350,000
Edmund #2 - Upper Access Road Improvements							$ 75,000
F & P Total	$ -	$ -	$ 75,000	$ 200,000	$ 535,000	$ 225,000	$ 425,000
Capital Improvement Projects - Total	$ 2,000,000	$ 1,569,630	$ 3,575,000	$ 3,140,000	$ 4,320,000	$ 3,995,000	$ 3,100,000
Budget Amount in Cashflow Model	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000
Amount over/under Budget	$ -	$ (430,370)	$ 1,575,000	$ 1,140,000	$ 2,320,000	$ 1,995,000	$ 1,100,000

Capital Improvement Project Program FY 15-16 Final - 5-year CIP Budget	Status	Budget FY 14/15	Projected FY 14/15	Budget FY 15/16	Forecast FY 16/17	Forecast FY 17/18	Forecast FY 18/19	Forecast FY 19/20
1. Water Supply								
A. Groundwater								
i. Well Rehabilitation								
Well 11 Rehabilitation	*Complete*	$ 65,000	$ 61,344					
Well 14 Rehabilitation	*Deferred*	$ 60,000	$ -					
Well 7 Rehabilitation				$ 60,000				
Well 10 Rehabilitation					$ 75,000			
Well 14 Rehabilitation					$ 50,000			
Well 6 Rehabilitation						$ 75,000		
Well 12 Rehabilitation						$ 75,000		
Well 1 Rehabilitation							$ 75,000	
Well 14 Rehabilitation							$ 50,000	
Well 5 Rehabilitation								$ 75,000
Well 9 Rehabilitation								$ 75,000
Well 11 Rehabilitation								$ 75,000
ii. New Wells								
Well 16 - Equipment & Pipeline - Design	*Carryover*	$ 85,000	$ 81,000	$ 60,000				
Well 16 - Construction (Grant - Matching Funds)	*Carryover*	$ -	$ 135,000	$ 100,000				
iii. Studies								
B. Imported Water								
CVWD/LADWP Inter. at Ordunio (Grant - Matching Funds)	*Carryover*	$ 125,000	$ -	$ 125,000				
Ocean View Piping & Vaults (Grant - Matching Funds)	*Complete*	$ 210,000	$ 249,676					
Ocean View Chlorination St (Grant - Matching Funds)			$ -	$ 85,000				
Ocean View - Equip. & Elect (Grant - Matching Funds)			$ -	$ 75,000				
C. Groundwater Basin Recharge								
Storm Water Recharge Study (Grant - Matching Funds)	*Carryover*	$ 55,000	$ 55,000	$ 40,000				
Stormwater Recharge Project - Design					$ 125,000			
Stormwater Recharge Project - Construction						$ 500,000	$ 500,000	
D. Recycled Water System								
i. Recycled Water								
ii. Membrane Bioreactor Technology								
E. Demand Management								
WS Total		$ 600,000	$ 582,020	$ 545,000	$ 250,000	$ 650,000	$ 625,000	$ 225,000

Date: 3/30/2015

Capital Improvement Project Program FY 15-16 Final - 5-year CIP Budget	Status	Budget FY 14/15	Projected FY 14/15	Budget FY 15/16	Forecast FY 16/17	Forecast FY 17/18	Forecast FY 18/19	Forecast FY 19/20
2. Water Storage								
A. Reservoir Rehabilitation								
i. Roof/Vents Rehabilitation								
Oak Creek #1 - Roof/Air Vents	*Deferred*				$ 250,000			
Oak Creek #2 - Roof/Air Vents						$ 250,000		
Rosemont - Roof/Air Vents							$ 255,000	
Markridge - Air Vents								$ 250,000
ii. Steel Reservoir Re-Coating								
iii. Concrete Reservoir Rehabilitation								
Encinal Reservoir - Concrete Rehabilitation					$ 75,000			
iv. Corrosion Protection								
Cathodic Protection - Replacement						$ 60,000		
v. Overflow & Drain System Upgrade								
Upgrade Overflow/Drain System - Design	*Carryover*	$ -	$ 36,000	$ -				
Ocean View Reservoir - AC Pavement	*Complete*	$ -	$ 70,267					
Ocean View Reservoir - Overflow/Drain - Construction		$ -	$ -		$ 450,000			
B. Reservoir Water Quality								
i. Water Mixing System								
Reservoir Water Quality & Mixing System Study								$ 75,000
iv. Replace common inlet and outlet piping								
C. New Reservoir Water Storage								
WS Total		$ -	$ 106,267	$ -	$ 775,000	$ 310,000	$ 255,000	$ 325,000

Capital Improvement Project Program FY 15-16 Final - 5-year CIP Budget	Status	Budget FY 14/15	Projected FY 14/15	Budget FY 15/16	Forecast FY 16/17	Forecast FY 17/18	Forecast FY 18/19	Forecast FY 19/20
3. Water Distribution								
A. Pipeline Replacement								
2900 Block - Paraiso Way - 800 LF	*Complete*	*$ 200,000*	$ 180,942					
2900 Block - Santa Carlotta - 800 LF	*Complete*	*$ 200,000*	$ 180,942					
4900 Block - Glenwood - 600 LF	*Complete*	*$ 150,000*	$ 140,732					
2800 Block - Prospect - 600 LF	*Deferred*	*$ 150,000*	$ -					
4400 Block - Glenwood - 200 LF	*Deferred*	*$ 50,000*	$ -					
2600 Block - Harmony Place - 450 LF				$ 115,000				
3900 Block - Park Place - 450 LF				$ 115,000				
2700 Block - Brookhill Avenue - 700 LF				$ 175,000				
2800 Block - Prospect & 4400 Block - Glenwood - 800 LF				$ 200,000				
3000 - 3100 Blocks - Brookhill Avenue - 1,650 LF					$ 430,000			
3200 - 3300 Blocks - Brookhill Avenue - 1,650 LF						$ 430,000		
2200 Block - Honolulu Ave - 750 LF							$ 190,000	
4900 Block -El Sereno - 350 LF							$ 90,000	
2300 Block - Teasley - 700 LF							$ 175,000	
2800 Block - Los Olivos - 850 LF							$ 215,000	
2400 Block - Fairmount - 100 LF							$ 25,000	
4800 Block - Dyer - 400 LF							$ 100,000	
2400 & 2500 Blocks - Janet Lee - 1300 LF								$ 340,000
3000 Block - Los Olivos - 800 LF								$ 210,000
4600 Block - Orin - 200 LF								$ 55,000
2000 Block - Ahlin - 200 LF								$ 55,000
4900 Block - Caminito - 300 LF								$ 80,000
3500 Block - Montrose - 300 LF								$ 80,000
B. New Pipelines								
C. Booster Pump System								
i. Annual Pump /Motor Replacement								
Eagle Canyon - Booster B	*Complete*	*$ -*	$ 37,454					
Encinal - Booster A	*Complete*	*$ 35,000*	$ 24,556					
1 - Boosters				$ 25,000				
1 - Boosters					$ 35,000			
2 - Boosters						$ 70,000		
2 - Boosters							$ 70,000	
2 - Boosters								$ 70,000
ii. Pump Station Upgrade								
Mills Plant - Aeration Tower Rehabilitation	*Deferred*	*$ 35,000*	$ -		$ 35,000			
Upgrade - Paschal Booster Station inlet piping & valves						$ 50,000	$ 255,000	
New Booster Pump Station - Cresta Heights								$ 75,000

Capital Improvement Project Program FY 15-16 Final - 5-year CIP Budget	Status	Budget FY 14/15	Projected FY 14/15	Budget FY 15/16	Forecast FY 16/17	Forecast FY 17/18	Forecast FY 18/19	Forecast FY 19/20
iii. VFD Pump Upgrade								
VFD's & Upgrade at Paschal & Mills					$ 50,000			
iv. MCC Replacement								
MCC upgrade at Oak Creek	*Carryover*	*$ 300,000*	$ 225,217	$ 185,000				
MCC upgrade at Paschal					$ 75,000	$ 400,000		
MCC upgrade at Goss Canyon						$ 75,000	$ 350,000	
MCC upgrade at Ocean View							$ 75,000	$ 450,000
D. Pressure Reducing Stations								
E. Miscellaneous Projects								
i. Water Surge Control								
Rehabilitation Surge Tanks at Glenwood	*Deferred*	*$ 28,000*	$ -	$ 65,000				
Rehabilitation Surge Tank at Paschal							$ 75,000	
ii. Street/Utility/ Meter Adjustment & Upgrade								
iii. Misc.								
Repairs to Ramsdell Mixing Station	*Deferred*	*$ 35,000*	$ -		$ 35,000			
WD Total		$ 1,183,000	$ 789,843	$ 880,000	$ 660,000	$ 1,025,000	$ 1,620,000	$ 1,415,000
4. Water Treatment								
A. Nitrate Removal								
i. Glenwood								
ii. Mills								
iii. Ordunio								
B. Chlorine Disinfection								
New Chlorination Station at Markridge Reservoir	*Deferred*	*$ 43,000*	$ -					$ 75,000
C. Convert to Chloramines								
WT Total		*$ 43,000*	$ -	$ -	$ -	$ -	$ -	$ 75,000

Capital Improvement Project Program FY 15-16 Final - 5-year CIP Budget	Status	Budget FY 14/15	Projected FY 14/15	Budget FY 15/16	Forecast FY 16/17	Forecast FY 17/18	Forecast FY 18/19	Forecast FY 19/20
5. Technology								
A. Automated Meter Information (AMI) System								
B. Supervisory Control and Data Acquisition (SCADA) System								
SCADA RTU Replacement (35 sites) - Design	*Carryover*	*$ 25,000*	$ 16,500	$ 15,000	$ 15,000			
SCADA RTU Replace - Equipment & Integration	*Carryover*	*$ 149,000*	$ 75,000	$ 470,000	$ 315,000			
C. Graphical Information System (GIS)								
TECH Total		*$ 174,000*	$ 91,500	$ 485,000	$ 330,000	$ -	$ -	$ -
6. Public Safety/Emergency Response								
A. Emergency Electrical Generators								
B. Water Storage								
Seismic Sensors & Valve Actuators - Duns/Pickens		*$ -*	$ -	$ 100,000				
Seismic Sensors & Valve Actuators - Ordunio						$ 85,000		
Seismic Sensors & Valve Actuators - Oak Creek								$ 150,000
C. Security								
D. Miscellaneous								
SF/ER Total		*$ -*	$ -	$ 100,000	$ -	$ 85,000	$ -	$ 150,000
7. Facilities & Planning								
A. Main Office								
B. Glenwood Plant								
C. Mills Plant								
D. Reservoir Site Improvements								
Roof Replacement at Old Encinal						$ 55,000		$ 175,000
Goss Canyon - Site Improvements								$ 125,000
5. Misc. Properties								
6. District Planning								
F & P Total		*$ -*	$ -	$ -	$ -	$ 55,000	$ -	$ 300,000
Capital Improvement Projects - Total		*$ 2,000,000*	$ 1,569,630	$ 2,010,000	$ 2,015,000	$ 2,125,000	$ 2,500,000	$ 2,490,000
Budget Amount in Cashflow Model		*$ 2,000,000*	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,500,000	$ 2,500,000
Amount over/under Budget		*$ -*	$ (430,370)	$ 10,000	$ 15,000	$ 125,000	$ -	$ (10,000)

CRESCENTA VALLEY WATER DISTRICT
STAFF REPORT

Information Item No. 4
January 16, 2015

To: Engineering Committee

From: David S. Gould, P.E. – District Engineer

Subject: **FY 14/15 Capital Improvement Project Program Update**

ITEM:

1. Review of FY 14/15CIP Budget, Project Schedule, & Project Status

DISCUSSION:

Staff is continuing on the FY 2014/15 CIP program and attached is the proposed project schedule for the coming year.

The FY 14/15 CIP budget was $2,000,000 which included well rehabilitation, pipeline replacement, motor control center upgrades, SCADA Upgrades, and the Crescenta Valley County Park Stormwater Feasibility Study.

a. Status - Ocean View Reservoir Overflow/Drain Pipe Project

- AC Pavement Replacement - Complete
- Pipeline Design
    i. Hydrology/Hydraulics Design Cost - $12,000
    ii. Waiting on LCF on Pipe Size and proceed with Design

b. Status - Well 16 – Well Project

- Agreement - Complete
- Grant:
    i. Agreement complete by Jan. 2015
- Design:
    i. Pre-order Equipment – working on Shop Drawings
    ii. Pipeline – Out to Bid
    iii. Site Plan – Working with Glendale Planning
    iv. Storm Drain – Working with LA County

c. Status - Ocean View Chlorination Station Project

- **E-733CS – 1 Piping and Metering Vaults:** - Complete
- **E-733CS – 2 Chlorination Building:**
    i. Design Complete
    ii. Out to Bid
    iii. Pre-bid – April 1, 2015
    iv. Award Contract – April 21, 2015
    v. Start Construction – July 2015

d. **E-733CS – 3 Purchase and Install Treatment Equipment:** Staff researching the purchase of treatment equipment including metering pumps, chemical storage tanks, and a chlorine analyzer. This equipment will be ordered after the final design of the new building design is approved.

e. **E-733CS – 4** **Electrical and SCADA Equipment:** This equipment shall be purchased and installed after the structure is complete. Staff estimates that this work will begin in March 2015.

f. **E-733CS – 5** **Collaborative Work Performed by CVWD Crews:** This work will be completed by CVWD crews after the building construction is finished.

g. **E-733CS – 6** **Other Work:** Currently, staff is preparing bids for contractors for the paving of the sidewalk and street adjacent to Ocean View now that piping and vault installation is complete. This work is anticipated to be completed by late March 2015.

h. Status - CVWD/LADWP Interconnection Project

- Connection from LADWP to CVWD is complete
- Remaining project on hold until August 2015

i. Status - Oak Creek Motor Control Center

- Construction started in mid-March 2015 and completed by August 2015

j. Status – CVC Park – Stormwater Feasibility Study

- Monitoring Well Drill – Complete
- Percolation Pit – April 2015

Prepared & Submitted by:

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David S. Gould, P.E.
District Engineer

Attachments:

1. FY 14/15 CIP Budget and Project Schedule – Revised 3/26/15

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Capital Improvement Project Program FY 14/15 - Updated 3/15/15	E-job	Budget FY 14/15	*Cost to date 7/1/14 - 3/15/15*	*Cost Committed - 3/15/15 - 6/30/15*	Cost Remaining
1. Water Supply					
A. Groundwater					
i. Well Rehabilitation					
Well 11 Rehabilitation	E-934	$ 65,000	$ 61,344	$ -	$ 3,656
Well 14 Rehabilitation (Project Removed)		$ 60,000	$ -	$ -	$ 60,000
ii. New Wells					
Rockhaven Well - Equipment & Pipeline - Design (Grant Funding)	E-940	$ 85,000	$ 51,584	$ 29,416	$ 4,000
Rockhaven Well - Equipment & Pipeline - Construction	E-940	$ -	$ -	$ 135,000	$ (135,000)
iii. Studies					
B. Imported Water					
CVWD/LADWP Interconnection (Grant Funding)	E-766	$ 125,000	$ -	$ -	$ 125,000
Ocean View Pipeline & Chlorination Station (Grant Funding)	E-733	$ 210,000	$ 231,176	$ 18,500	$ (39,676)
C. Groundwater Basin Recharge					
Storm Water Recharge Study (Grant Funding)	M-903	$ 55,000	$ 52,793	$ 2,207	$ -
D. Recycled Water System					
i. Recycled Water					
ii. Membrane Bioreactor Technology					
E. Demand Management					
WS Total		$ 600,000	$ 396,897	$ 185,123	$ 17,980
2. Water Storage					
A. Reservoir Rehabilitation					
v. Overflow & Drain System Upgrade					
Upgrade Overflow/Drain System - Design + Maintenance	M-943	$ -	$ 15,236	$ 20,764	$ (36,000)
Ocean View Reservoir - AC Pavement	M-943	$ -	$ 70,267	$ -	$ (70,267)
Ocean View Reservoir - Upgrade Overflow/Drain System - Construction	M-943	$ -	$ -	$ -	$ -
WS Total		$ -	$ 85,503	$ 20,764	$ (106,267)

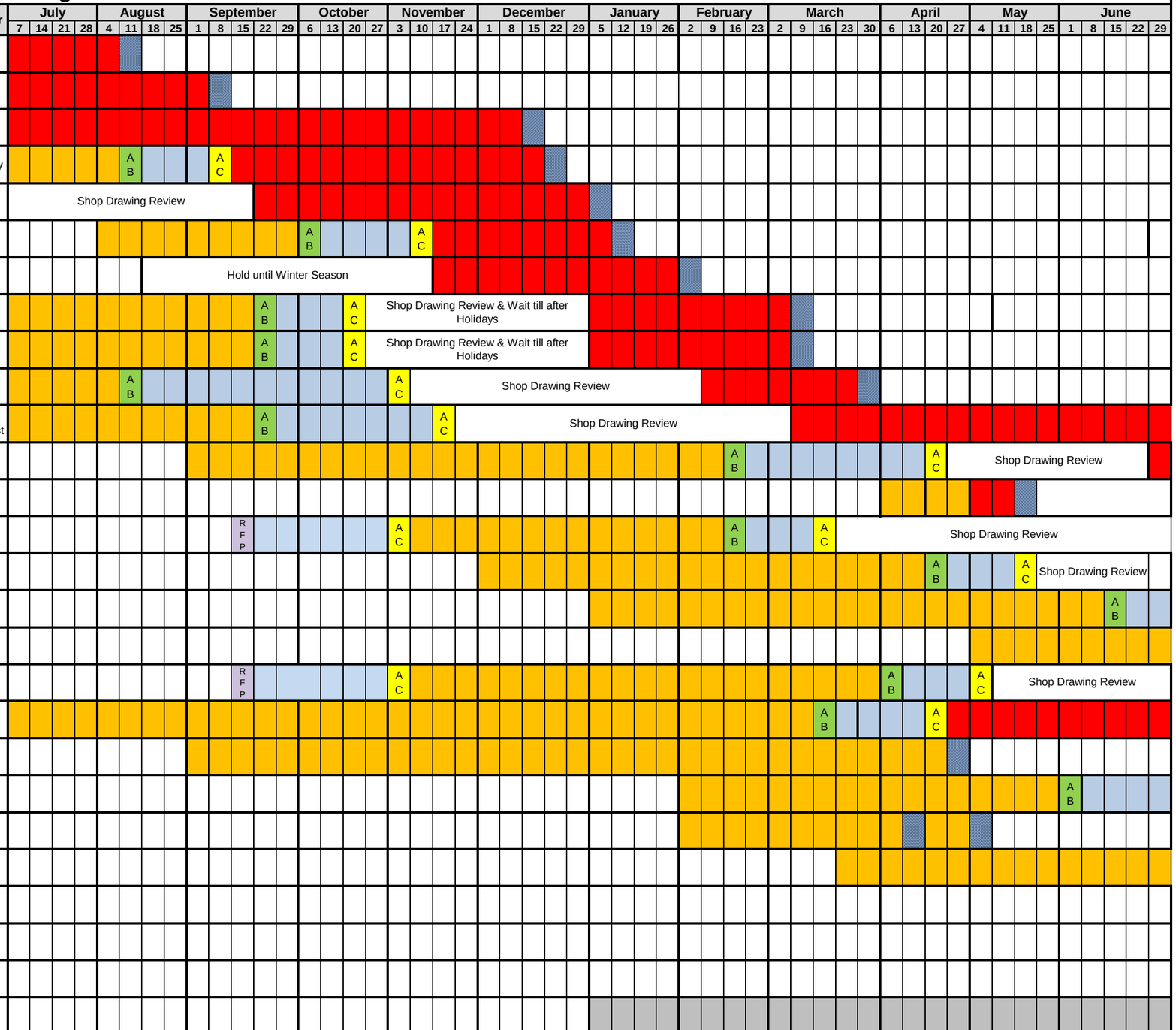
Capital Improvement Project Program FY 14/15 - Updated 3/15/15	E-job	Budget FY 14/15	*Cost to date 7/1/14 - 3/15/15*	*Cost Committed - 3/15/15 - 6/30/15*	Cost Remaining
3. Water Distribution					
A. Pipeline Replacement					
2900 Block - Paraiso Way - 800 LF	E-947	$ 200,000	$ 180,942	$ -	$ 19,058
2900 Block - Santa Carlotta - 800 LF	E-947	$ 200,000	$ 180,942	$ -	$ 19,058
4900 Block - Glenwood - 600 LF	E-947	$ 150,000	$ 140,732	$ -	$ 9,268
2800 Block - Prospect - 600 LF (Project Removed)		$ 150,000	$ -	$ -	$ 150,000
4400 Block - Glenwood - 200 LF (Project Removed)		$ 50,000	$ -	$ -	$ 50,000
C. Booster Pump System					
i. Annual Pump /Motor Replacement					
Eagle Canyon - Booster B	E-941	$ -	$ 37,454	$ -	$ (37,454)
Encinal - Booster A	E-918	$ 35,000	$ 24,556	$ -	$ 10,444
ii. Pump Station Upgrade					
Mills Plant - Aeration Tower Rehabilitation (Project Removed)		$ 35,000	$ -	$ -	$ 35,000
iv. MCC Replacement					
MCC upgrade at Oak Creek	E-931	$ 300,000	$ 112,458	$ 112,759	$ 74,783
E. Miscellaneous Projects					
i. Water Surge Control					
Rehabilitation Surge Tanks at Glenwood (Project Removed)		$ 28,000	$ -	$ -	$ 28,000
iii. Misc					
Repairs to Ramsdell Mixing Station (Project Removed)		$ 35,000	$ -	$ -	$ 35,000
WD Total		$ 1,183,000	$ 677,084	$ 112,759	$ 393,157
4. Water Treatment					
B. Chlorine Disinfection					
New Chlorination Station at Markridge Reservoir (Project Removed)		$ 43,000	$ -	$ -	$ 43,000
WT Total		$ 43,000	$ -	$ -	$ 43,000

Capital Improvement Project Program FY 14/15 - Updated 3/15/15	E-job	Budget FY 14/15	*Cost to date 7/1/14 - 3/15/15*	*Cost Committed - 3/15/15 - 6/30/15*	Cost Remaining
5. Technology					
B. Supervisory Control and Data Acquisition (SCADA) System					
SCADA RTU Replacement (35 sites) - Design	E-939	$ 25,000	$ 14,500	$ 2,000	$ 8,500
SCADA RTU Replacement - Equipment & Integration (Project Reduced)	E-939	$ 149,000	$ 30,000	$ 45,000	$ 74,000
C. Graphical Information System (GIS)					
TECH Total		$ 174,000	$ 44,500	$ 47,000	$ 82,500
6. Public Safety/Emergency Response					
SF/ER Total		$ -			
7. Facilities & Planning					
F & P Total		$ -			
Capital Improvement Projects - Total		$ 2,000,000	$ 1,203,984	$ 365,646	$ 430,370
Budget Amount in Cashflow Model		$ 2,000,000			
Total Projected Actual Cost			$ -	$ 1,569,630	

Crescenta Valley Water District

Design and Construction Schedule for FY 14/15

Project	E-Job No.	Project Manager	Status	Budget	Consult	Contractor
Encinal - Booster A	E-918	BY	Complete	$25,000	CVWD	General Pump
Well 8 Rehabilitation	E-934	BY	Complete	$77,500	CVWD	Best Drilling
Storm Water Recharge - Flow Monitoring Stations	M-903A	DG	Complete	$15,000	CVWD	CVWD
Eagle Canyon - Booster B	E-941	BY	Complete	$38,000	CVWD	Tri-County
Ocean View Chlorination Station - Piping and Metering Vaults	E-733CS – 1	BY	Complete	$175,000	Civiltec	E&R Const.
Ocean View Reservoir - Pavement Replacement	M-943	DG	Complete	$75,000	CVWD	Sager Const.
Well 11 Rehabilitation	E-934	BY	Complete	$65,000	CVWD	Best Drilling
8" Pipeline - 2900 Block - Paraiso Way, Santa Carlotta	E-947	CO	Complete	$550,000	CVWD	DeSegio Const.
FY 2014/15 Sewer Re-lining Project	S-942	BY	Complete	$85,000	CVWD	Re-Pipe - CA
Storm Water Recharge - Monitoring Wells	M-903A	DG	Complete	$65,900	AMEC	Yellow Jacket
MCC upgrade at Oak Creek	E-931	DG	Under Const.	$310,000	Cannon	CA Bldg. Eval & Const
Ocean View Chlorination Station - Chlorination Building	E-733CS – 2	BY	Under Const.	$85,000	Civiltec	Bid
Storm Water Recharge - Test Pit	M-903A	DG	Under Const.	$10,000	AMEC	CVWD
Rockhaven Well - Equipment - Design	E-940	DG	Under Const.	$230,000	Cannon	Varies
OV Chlorination Station - Purchase and Install Treatment Equipment	E-733CS – 3	BY	Design	$75,000	CVWD	
OV Chlorination Station - Electrical and SCADA Equipment	E-733CS – 4	BY	Design	$75,000	CVWD	
OV Chlorination Station - Work Performed by CVWD Crews	E-733CS – 5	BY	Design	$50,000	CVWD	
Rockhaven Well - Site - Design	E-940	DG	Design	$450,000	Cannon	
Rockhaven Well - Pipeline - Design	E-940	JH	Design	$300,000	CVWD	
SCADA RTU Replacement - Study	E-939	MH	Design	$15,000	CVWD	
Water Service Lateral Replacement (60 Laterals)	M-951	DG	Design	$30,000	DMc Eng	
Feasibility Study - Recycled Water - Two Strike Park	M-951	DG	Design	$30,000	SA Assoc.	
Tech. Memo - Surge Tanks at Glenwood	M-951	DG	Design	$30,000	GEI Consult	
OV Reservoir - Overflow/Drain System - Design & Construction	M-943	DG	Moved to FY 16/17	$27,000	Civiltec	
Ordunio - Interconnection	E-766A	BY	Moverd to FY 15/16		Civiltec	
SCADA RTU Replacement - Design	E-939	MH	Moverd to FY 15/16			
FY 15/16 Budget		DG	On-going		CVWD	



CRESCENTA VALLEY WATER DISTRICT
FINANCE COMMITTEE MINUTES

DATE: March 27, 2015

TO: Finance Committee Meeting Minutes

FROM: Ron Mitchell, Secretary-Treasurer

Following is a summary of the Finance Committee Meeting held at 8:30 a.m. on March 27, 2015, at the CVWD main office, and was attended by the following:

Director James Bodnar - Committee Chairperson	CVWD Board of Directors
Director Michael Claessens - Committee Member	CVWD Board of Directors
Ron Mitchell	CVWD
David Gould	CVWD
Mark Hass	CVWD
Thomas Love	

Discussion on 2015/16 Fiscal Year Water & Wastewater Budgets – Mr. Mitchell provided the Committee updated Water expenses (Table WB-4) and the Wastewater expenses (Table WWB-4) and revised the Sources of Funds for both operations (Table WB-9 & Table WWB-7 respectively) that showed the areas of concern addressed at the March 17th Board meeting. These included making changes to the descriptions regarding the communications expenses to make it more clear what services the District is receiving in both the Water and Wastewater budgets. The Board also directed staff to reduce the Turf Rebate program back to $35,000, reduce the Election Expense to $40,000 (both Water and Wastewater), and keep the increased amount of spending related to accelerating the water meter replacement program. The Committee concurred that the changes appropriately reflected the direction given by the Board.

Discussion of Water Rates

Mr. Mitchell explained that every year staff does a thorough analysis of consumption data for single family residences (SFR) to determine if our tier set points are still appropriate. He reminded the Committee that the District currently has four tiers with tier 1 at a cost below our cost of service, tier 2 equal to our cost of service and tiers 3 and 4 at higher rates to encourage water conservation. The goal is to be "revenue neutral" where the percentage of bills in tier 1 should be equal to the percentage of bills in tiers 3 & 4 and the total revenue collected should be equal to the value if all units were billed at the tier 2 rates.

Staff reviewed two spreadsheets on the tier set points, a graphic summary of expenses vs. revenues, a summary of various expense components, and what the cost per unit should be to cover those costs. The first table showed that if we keep the set points intact for all 4 tiers there will be a shortfall of revenue from SFR of $163,231. The second table showed that if we lower the range for tier 1 from 0-10 units to 0-7 units and lower the range for tier 2 from 33 units to 27 units, then we are basically matching the revenue requirements for SFR. The Committee asked several questions on how this data was determined and about the possibility of having higher rate increases for tiers 3 & 4 to further encourage conservation. The Committee discussed with staff how this affects the Proposition 218 notice and that it will be discussed further at the April 7th Board meeting.

Discussion of Service Charges for ACH/Credit Card Payments

Mr. Hass said that in October 2014, staff presented to the Board the option of accepting credit cards for payment of utility bills and the associated costs. Staff was informed by our software vendor that the cost would be $0.75 per transaction + .0054 of the value of the charge. Staff's calculations were based on this information and that the District's cost would be around $400/month in fees to provide this service to our customers. However, staff has found over the first 5 months of the program that the actual costs were higher than we were led to believe as a cost component from VISA and Mastercard for various types of high reward cards were not explained in enough detail. The actual costs for the period October 2014 – February 2015 for using these payment options were approximately double what staff anticipated them to be.

Mr. Hass said that staff has begun to explore other options for processing credit card and ACH payments with other providers such as Paymentus and Wells Fargo Bank and included a spreadsheet that summarizes what staff anticipated the costs to be for the 5-month period, the actual costs for the 5-month period, and what the projected costs would have been if the District had used either Paymentus or Wells Fargo. Staff felt it is important that this information be brought to the attention of the Finance Committee for their review and recommendation.

The Committee was not in favor of discontinuing the acceptance of credit card at this time and directed staff to continue to monitor the costs, explore other options for these services and report back to the Finance Committee and the Board at a later date.

The Committee asked staff to prepare written procedures for the Board and staff to follow when using District credit cards as recommended in the last audit report and bring this back to the Finance Committee at a future meeting.

The meeting adjourned at 10:05 a.m.