

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 December 10, 2013 at 7:00 p.m.

Posted: December 6, 2013 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

Oath of Office James D. Bodnar, Kerry D. Erickson and Kenneth R. Putnam

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 November 19, 2013.
2. Ratification of disbursements for November 2013.

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. Board Reorganization – Election of President and Vice President of the Board of Directors and Committee Appointments for 2014.
2. Slurry Seal Paving on the 3100 Block of Santa Carlotta Street - Project E-911 Discussion regarding the evaluation of the slurry seal paving on the 3100 block of Santa Carlotta.
3. Resolution No. 714 District Investment Policy – Consideration and motion to adopt Resolution No. 714 outlining the District's Investment Policy for 2014.
4. Purchase of Three (3) New District Vehicles, Project C-935 - Consideration and motion to authorize the General Manager to purchase two (2) new vehicles from Galpin Ford and one (1) new vehicle from Carmentia Truck Center at a total cost of \$85,200 as part of FY 2013/14 Capital Outlay budget.
5. Chlorination Station & Metering Vaults at Williams Reservoir, Project E-733CS – Consideration and motion to authorize the General Manager to reject all bids for the construction of a new chlorination station & metering vaults at Williams Reservoir.
6. Recycled Water – Discussion regarding the District's interest in a recycled water project.

7. **Request for Increase in Attorney Retainer Fees** – Consideration and motion regarding a request from Lagerlof Senecal for an increase in monthly retainer fees.

Information Items

Written Communications to District

Staff Reports

Secretary-Treasurer

1. Cash and Investments – December 10, 2013.

General Manager

1. Administrative Report.

District Engineer

1. Water Production Report –November 2013.
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. Consideration of engineering issues affecting the District.

Finance Committee

1. Consideration of financial issues affecting the District.

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. Consideration of community/water conservation issues affecting the District.

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.

Board Members' Request for Future Agenda Items

Closed Session

- **Conference with Legal Counsel – Existing Litigation (§54956.9)(d)(1)**
 - Crescenta Valley Water District vs. Exxon Mobil et al.

Adjournment

CRESCENTA VALLEY WATER DISTRICT
ADJOURNED REGULAR MEETING, BOARD OF DIRECTORS
November 19, 2013

Pursuant to the order of the Board of Directors of the Crescenta Valley Water District, made at the Regular Meeting of November 5, 2013, an Adjourned Regular Meeting was held on November 19, 2013, at 7:00 p.m. at the District office at 2700 Foothill Blvd., La Crescenta, California, with President James D. Bodnar presiding.

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

Directors:

James D. Bodnar
Kerry D. Erickson
Kenneth R. Putnam
Kathleen M. Ross
Judy L. Tejeda

Attorney:

Thomas S. Bunn

General Manager:

Dennis Erdman

Secretary-Treasurer:

Ron L. Mitchell (absent)

District Engineer:

David S. Gould

Others Present:

Mark Hass, IT Manager
Christy Scott, Program Specialist
Wendy Holloway, Customer Accounts Supervisor
Larry Byers, Superintendent

PLEDGE OF ALLEGIANCE

President Bodnar opened the meeting by leading the Board and staff in reciting the Pledge of Allegiance.

ADOPTION OF AGENDA

It was moved by Director Ross, seconded by Director Putnam and carried by a 5-0 vote that the Agenda for the Adjourned Regular Meeting of November 19, 2013 be adopted as presented.

PUBLIC COMMENT – Mr. Roger Schulke congratulated the Directors on their re-election, and then questioned the Board about the MTBE settlement. The Board said that the District would compile a fact sheet on this topic and distribute this to the customers in a news letter as well as posting it on the website. This summary will need to take into account any limitations on disclosure agreements during settlement negotiations.

FOOTHILL MUNICIPAL WATER DISTRICT REPORT – Mr. Erdman reported on the FMWD Manager's meeting and Board meeting. He reported that Bob Hayward, General Manager of Lincoln Avenue Water Company, talked about California Associations of Mutual

Water Companies and that they should work together as a group. On October 30, 2013, the construction work began for the emergency generator replacement at the Rose Bowl pump station. The FMWD Engineering Committee met to review a proposed contract amendment for Krieger & Stewart with additional funding to provide enhanced oversight for the project. The Engineering Committee recommended the approval for the addition funding and the Board did approve it. FMWD also endorsed Kathy Tiegs as a candidate for ACWA Vice President.

CONSENT CALENDAR

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

It was moved by Director Putnam, seconded by Director Tejeda and carried by a 5-0 vote to Ratify the Disbursements for October 2013 which consisted of:

Payment of demands against the Crescenta Valley Water District on or before October 31, 2013 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 Seventy Five Thousand One Hundred Twenty Four Dollars and Thirty Six cents. (875,124.36), which is composed of the individual items set forth herein.

ACTION CALENDAR

Resolution No. 712 – Mr. Gould reported that the Board of Directors held a special workshop on November 12, 2013 to discuss the proposed policy on the use of the MTBE settlement funds and creation of a MTBE Reserve Fund. A draft policy was presented by staff to the Policy Committee and the Finance Committee. Staff presented the MTBE Reserve Fund policy with comments from each Committee for review and discussion. Staff discussed that the creation of the MTBE Reserve Fund policy would be added to the District's Rules & Regulations as Article 21 and the policy would describe how the MTBE Reserve Fund should be established and how it would be used. This policy can be amended, modified, or terminated. It is staff's recommendation for the Board of Directors to approve Resolution 712, which establishes the District's policy on use of MTBE Settlement and Reserve Policy and addition of Article 21 to the District's Rules & Regulations Manual.

Following discussion:

It was moved by Director Ross, seconded by Director Erickson and carried to approve Resolution No. 712 with a correction to the wording to include, "excluding interest earned" to the Resolution.

**AYES: Directors James D. Bodnar
Kerry D. Erickson
Kenneth R. Putnam
Kathleen M. Ross
Judy L. Tejeda**

NOES: None

Resolution No. 713 – Mr. Erdman reported that the District is a member of ACWA and they will be conducting their bi-annual election for the offices of President and Vice President at the upcoming Fall Conference on December 4, 2013. ACWA's bylaws allow the nomination of candidates from the floor and Kathleen J. Tiegs has expressed her intention to proceed with a floor nomination for the office of Vice President in a letter to the Board received November 12, 2013. President Bodnar suggested delegating the authority to Mr. Dennis Erdman to represent the Board's decision. Mr. Erdman suggested that Director Erickson be the delegate for the District.

Following discussion:

It was moved by Director Ross, seconded by Director Putnam to not adopt Resolution 713.

Following discussion:

Director Ross withdrew her motion, seconded by Director Putnam.

Following discussion:

It was moved by Director Bodnar, seconded by Director Ross and carried a 5-0 vote to designate Director Erickson to be the primary representative of the District for the ACWA elections with Dennis Erdman to be the alternate in his absence at the AWCA Conference.

Well Rehabilitation of Wells 5, 8, 9, 11, & 12, Project E-934 – Mr. Gould reported that staff has been discussing with the Engineering Committee and the Board regarding lost water production from Wells 5, 8, 9, 11, & 12. On September 17, 2013, the Board authorized the General Manager to advertise for bids for the subject project. A mandatory pre-bid meeting was held on October 29, 2013, and was attended by six (6) contractors. On November 13, 2013, at 2:00 PM, the District opened and read the bid proposals for this project. Best Drilling and Pump of Colton, CA was the lowest responsible bidder for this project at \$308,015 which is 15.2% higher than the engineer's estimate of \$272,500. Staff has worked with Best Drilling and Pump in the past and the experience was largely positive. It is staff's recommendation to award the project to Best Drilling and Pump at a cost of \$308,015 in addition, establish a contingency amount of \$30,802 (10%) of contract.

Following discussion:

It was moved by Director Ross, seconded by Director Erickson and carried by a 5-0 vote to authorize the General Manager to award the contract for Project E-934 to Best Drilling and Pump not to exceed \$308,015, plus a contingency amount of \$30,802.

IT Technician Position – Mr. Erdman reported that in 2009 the Board authorized the creation of a part-time IT Technician position (approximately 30 hours per week) to help Mr. Hass complete tasks associated with the set-up and maintenance of new computer hardware/software

and back-up systems. This position was filled but the employee didn't work out as expected and was later dismissed. This part-time position has been included in each fiscal year budget since then and has remained vacant. Recently staff brought this position and 3 others, to the Board for approval to fill the vacancy and the request was approved. The original plan was to hire someone with some experience in the IT field for 32 hours per week. The District has an opportunity to hire an experienced person with over 20 years as an independent consultant. This person has been providing IT support for the District for more than 6 years as a consultant and is very familiar with how the District's technology systems work. In order to have this position work for this person, we would need to expand the amount of time that was budgeted from 32 hours per week to 40 hours per week. The Employee Relations Committee met and discussed that the District would not be paying consulting fees that was budgeted for consulting in the FY13/14 and for the FY14/15. Mr. Erdman suggested that legal counsel draft a temporary employment agreement that would expire at the end of the FY 14/15.

Following discussion:

It was moved by Director Tejeda, seconded by Director Ross and carried by a 5-0 vote to approve to temporarily change authorization for the IT Tech position from part-time to full-time through June 30, 2015.

INFORMATION ITEMS – Glendale Newspress: Incumbents win re-election on CV Water District board. WEF: Special invitation to Sea to Sierra Water Tour on April 10-11, 2014. The Sacramento Bee: NASA identifies rare weather pattern set to bring big winter storms to region.

WRITTEN COMMUNICATIONS TO DISTRICT – None.

REPORTS OF PERSONNEL

SECRETARY-TREASURER – No report.

GENERAL MANAGER – Mr. Erdman reported on November 12, 2013 staff met with consultant Steven Marvin to review documentation, photos and plans for the slurry seal on 3100 block of Santa Carlotta. Mr. Marvin then conducted a field investigation and will have a letter with his finding for the December meeting. Staff conducted a community meeting on November 13, 2013 at the intersection of Cloud and Paraiso Way. Residents came by to get information about the pipeline replacement project that will begin work in January 2014. On November 12, 2013, staff and the Emergency Planning Committee met with CV Ready to see how we can establish cooperative efforts on community emergency preparedness. After working for over 173 days without lost time accident, two employees were sent to our clinic for treatment and sent home to recover from separate incidents. On worker safety, the District reported to the Sheriff's Department two instances where employees felt threatened by the action of a driver near sites where they were working. Last week during the Taste of the Foothills, the District participated by loaning one of our emergency generators for this event. CVWD crew members also assisted Glendale Water & Power last week on a water main service near out intertie with GWP.

DISTRICIT ENGINEER

Water Production – For the period of November 1 through November 17, 2013, water production averaged 71.8 million gallons per day, which is **0.5% more** than the daily average production of the same period in 2012. This is **3.9% more** from the daily average production of the previous five years.

Rainfall: November 2013	0.03"
Season-to-date:	0.30"

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

Rainfall Update – 0.03" for November 2013. Rainfall total for 2013-14 is at 0.30".

Report on Engineering:

CIP Projects – Pipeline – 3000 & 3100 Block of Paraiso Way – Community meeting, November 13, 2013. Start in January 2014. Ocean View Chlorination Project – requesting change in scope of work & time extension. Well 1 rehabilitation – Pump to be installed November 25, 2013. Ordunio – Wall – Under design. Oak Creek MCC – Kickoff meeting on November 20, 2013.

Local Groundwater Assistance Grant Application – Met with LA County on location and installation of runoff gage.

Glendale – GWP & CVWD – met with GWP to review Cost Analysis Study. Assisted with GWP shutdown at NY & Honolulu.

FMWD Issues – No report.

ULARA – Salt & Nutrient Management Plan Public Workshop – November 19, 2013.

AT&T – Oak Creek – LA County – approved plans.

Water Meter Replacement Program: FY 13/14 Water Meter Replacement Program – replaced 320 meters to date.

Report on Administrative and Field Operations:

Well Status – Current well capacity – November 1 – November 17; - 2.07 MGD. Well 12 out of service since September 9, 2013. Well 1 out of service since October 23, 2013 for rehabilitation.

Booster Pumps – No Report.

Glenwood Nitrate Plant – No Report.

Water Quality – No Report.

Mills Plant – No Report.

Reservoirs/Booster Stations – Edmund #1 out of service on October 24, 2013. Underside of roof cleaning. Meeting on replacement of roof November 21, 2013.

MTBE Update – MTBE levels in Wells below 1ppb

Field Maintenance and Operations update for Nov 1 – Nov 17, 2013

Water lateral leaks & repairs

- 2401 & 2411 Cinco Casitas
- 4903 Rosemont
- 3410 Gromer Terrace
- 2617 Harmony
- 2936 Honolulu
- 3030 Foothill
- 2905 Montrose
- 5534 Rockcastle
- 4234 Cloud

Water Main Leaks – No Report.

Fire Hydrant Replacement – No Report.

Developer Projects – No Report

Valve Replacement – No Report.

General Maintenance – Valve Exercising Program started October 2013.

SCADA/Telemetry System – No Report.

Sewer Maintenance – Sewer Cleaning – Maurice, Terrace, Freeman, & Shields.

PROGRAM SPECIALIST – Ms. Scott reported that she attended a Stakeholders meeting on November 18, 2013 on the SWRCB's proposed NDPES permit for public water systems. The permit, which will be a tool developed by the State Board, would be available for the Regional Board to use as applicable. Many of the participants spoke out against the permit due to the lengthy process that Los Angeles Area water systems just concluded in regards to the MS4 permit. The MS4 permit already regulates discharges from drinking water systems. The LA Regional Board will have this item on their agenda at a future Board meeting after the first of the year. She also reported that the Urban Water Management Plan has been approved and submitted.

INFORMATION TECHNOLOGY – No Report.

ATTORNEY – Mr. Bunn also reported on the Stakeholders Workshop. The proposed permit will be a State Board permit; however the individual regions will have the option of opting in or opting out. What gave rise to this did not happen in Los Angeles, but in other areas that had not gone as far on the MS4 permit as Los Angeles has. Our Regional Board staff has opted in for the permit. When this does go before the Board in February 2014, it's not clear on what the Board will do, but the staff wants this permit.

REPORTS OF COMMITTEES

Engineering Committee – Mr. Gould reported that the Committee met on November 8, 2013 and discussed the following: Well Levels and Well Production, Solar Energy Study, Roof at Edmund #1 Reservoir, Proposition 50, Water Security Grant, and the Status of the FY 13/14 Capital Improvement Project Program.

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

Employee Relations Committee – Director Erickson reported that the Committee met on November 5, 2013 and discussed the IT Technician Position.

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

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

Emergency Planning Committee – Director Bodnar reported that the Committee met on November 12, 2013 and had a discussion between CV Ready and CVWD on community emergency preparedness planning and cooperation.

DIRECTORS ORAL REPORTS

Director Ross reported that November 19, 2013 was World Toilet Day, and to bring attention to the fact that 2.5 billion people do not have toilets, and 800,000 children die from airborne toxins.

Director Erickson reported that he attended the Veterans Day ceremony at Two Strike Park and the ceremony in Montrose.

Director Bodnar reported that he attended the Engineering Committee meeting on November 8th and the Emergency Planning Committee on November 12th. He said that he has completed over 100 hours of AWWA online training. He is also going to submit a request to be selected as an alternate member of the Local Agency Formation Committee.

Director Tejada reported that she attended the Taste of the Foothills, well organized and tons of people there. She said that she will be attending the ACWA/JPIA next month in Los Angeles and also the Energy Committee meetings held at the ACWA Fall Conference.

Director Putnam – No Report

CLOSED SESSION

No reportable Action

ADJOURNMENT

There being no other business to come before the Board, at 8:59 p.m., it was moved by Director Tejada, seconded by Director Ross that the meeting be adjourned to December 10, 2013 at 7:00 p.m.

APPROVED

James D. Bodnar
President

Ron L. Mitchell
Secretary-Treasurer

CASH DISBURSEMENTS LIST

November 2013



Check#	Check Date	Payable To	Description	Water Amount	Wastewater Amount
0	11/25	Southern California Edison Co.	Power purchased 11/2013	21,899.24	272.64
28865	11/5	ABC Auto Electric	Unit #2 - Replace inverter outlet	141.08	47.02
28866	11/5	ACWA/Joint Powers Ins. Authori	HR Group Training	45.00	15.00
28867	11/5	Affordable Generator Services, Inc.	Annual maintenance service on 5 portable generators	5,974.85	
28868	11/5	All American Landscape Co.	Maintenance 11/2013	217.50	72.50
28869	11/5	Ameripride Uniform Services, Inc	Uniform rentals 10/2013	736.42	245.47
28870	11/5	Anawalt Lumber & Materials Co.	Misc hardware 10/2013	103.96	
28871	11/5	Kirk Anderson	Remove bees from meter box	50.00	
28872	11/5	ARC	E-934 Well Rehab Specs	2,046.90	
28873	11/5	Arrowhead Mountain Spring Water	Distilled Water	56.82	
28874	11/5	AT&T Mobility	Cell Phone service	1,870.97	623.64
28875	11/5	Regino Avalos	Trim trees at Goss Canyon Reservoir	300.00	
28876	11/5	AVAYA Financial Services	Land line phone system lease	302.96	100.98
28877	11/5	Cesar Avila	Special Licensing Comp D-2	400.00	
28878	11/5	Barry Grubb & Kathy Hansen	Turf rebate	1,600.00	
28879	11/5	BC Laboratories, Inc	Water Analysis	1,897.30	
28880	11/5	BC Laboratories, Inc	Water Analysis	1,934.00	
28881	11/5	Natalie Bellissimo	Mileage reimbursement	75.03	3.22
28882	11/5	Bonnors Equipment Rentals	Misc rentals 10/2013	721.64	68.30
28883	11/5	CalPers	Employee contributions 10/2013	21,712.82	14,475.21
28884	11/5	Capital One Commercial	Misc supplies	368.93	368.92
28885	11/5	Charles Z. Fedak & Company	Progress billing for year end June 30, 2013	708.00	708.00
28886	11/5	Charter Communications	Fiber optic, cable at Mills, Office and Glenwood 10/2013	3,652.17	1,217.38
28887	11/5	City of Glendale Water & Power	Power purchased	35,335.31	12.69
28888	11/5	Civiltec Engineering Inc	E-733CS	822.50	
28889	11/5	Colonial Life & Accidents Ins.	Employee paid insurance	183.61	
28890	11/5	Direct Connection	Business cards for Cesar Avila	18.49	18.49
28891	11/5	Downey Brand Attorneys LLP	ULARA	4,942.61	

Check#	Check Date	Payable To	Description	Water Amount	Wastewater Amount
28892	11/5	Eurofins Eaton Analytical Inc.	Water Analysis	442.00	
28893	11/5	Foothill Car Wash, Lube & Oil	Maintenance on Unit #10, #7, #27, #24, #36, #38, and #13	684.79	228.25
28894	11/5	Grainger	12 - Safety vests with stenciling	263.04	87.67
28895	11/5	Great America Leasing Corp.	Kyocera Copier systems	434.91	434.91
28896	11/5	Hach Company	2 -DPD bulk dispensers	814.04	
28897	11/5	Hercules Industries, Inc	Lock stamp		100.11
28898	11/5	Hoag Consulting, LLC	Services for financial reveiw Rockhaven Well	2,400.00	
28899	11/5	Kevin & Susie Hoard	Turf rebate	1,600.00	
28900	11/5	L.A. County Dept. Public Works	Excavation permits	7,027.00	
28901	11/5	L.A. County Dept. Public Works	Excavation permits	3,519.15	
28902	11/5	Lightning Oil Co. & Vacuum Svc	Remove waste oil plant	120.00	
28903	11/5	McMaster-Carr Supply Co	100 yards of various grit sandpaper		42.12
28904	11/5	Ron Mitchell	Longevity pay for 20 years of service	90.07	50.00
28905	11/5	New Image Landscape & Design	Weed trimming various reservoirs	1,100.00	
28906	11/5	Northern Safety Co., Inc	48 pairs of clear safety glasses	122.64	40.88
28907	11/5	O'Reilly Auto Parts	Misc parts 10/2013	172.47	122.85
28908	11/5	Office Depot - Credit Plan	Misc supplies 10/2013	275.64	275.64
28909	11/5	Paveco Construction Inc	List 74Q various paving locations	3,826.45	
28910	11/5	Quinn Power Systems	Unit #18 - repairs to wiring harness and oil change	622.90	207.63
28911	11/5	Red Wing Shoe Store	Safety boots Jayson Ortega	132.02	44.01
28912	11/5	Royal Roofing Company	Repair roof @ Sycamore house	1,650.00	550.00
28913	11/5	Sawyer Petroleum	554.4 gal clear diesel fuel	2,792.41	930.81
28914	11/5	Scotty's & Sons, Inc	Tools & misc.	165.08	165.08
28915	11/5	South Coast Air Quality	Diesel generator permits and emission fees	434.94	
28916	11/5	Staples Business Advantage	Misc office supplies	384.74	384.74
28917	11/5	Sully-Miller Contracting Co.	10.28 tons of cold patch	1,030.96	
28918	11/5	Vichuda Thanasankid	Turf rebate	1,600.00	
28919	11/5	The Gas Company	Gas purchased Glenwood	44.32	14.77
28920	11/5	UPS	Shipping charges - return wrong sized flags	22.02	22.01
28921	11/5	Ver Sales, Inc	Red round safety sling	39.15	39.14
28922	11/5	Vision Service Plan Co-(CA)	Group vision	225.36	150.23
28923	11/5	Waste Management - Sun Valley	Disposal service Office	581.83	193.95
28924	11/5	Water Wise Consulting, Inc	Drought tolerant plants class	750.00	
28925	11/5	Western Water Works	Brass bushings, adapters, elbows, nipples & couplings	1,436.73	
28926	11/5	Robert Wood	Reimbursement for Tri-State Seminar	112.85	37.61

Check#	Check Date	Payable To	Description	Water Amount	Wastewater Amount
28927	11/5	Stephen P. Korejwo	IT support for 10/2013	922.50	922.50
28928	11/5	Orchard Supply Hardware	Misc hardware 10/2013	1,000.32	518.20
28929	11/14	ACV Systems, LLC	Repair Booster 25 & Booster 26 control valves	1,049.08	
28930	11/14	American Van Equipment, Inc.	Unit #9 organizer	79.21	79.21
28931	11/14	Kirk Anderson	Remove bee's from meter box	50.00	
28932	11/14	Auto Hutch	Unit #7 - front/rear brakes & serpentine belt	521.36	173.78
28933	11/14	BC Laboratories, Inc	Water Analysis	142.00	
28934	11/14	Kellen Boyce	Special Comp D-4	400.00	
28935	11/14	CA Dept. of Public Health-OCP	Certification fee for Cesar Avila Grade 2	80.00	
28936	11/14	City of Glendale Permits	Watermaster fees - Aug & Sep	2,162.67	
28937	11/14	City of LA Canada Flintridge	Excavation permit for 2155 La Canada Crest	350.00	
28938	11/14	Crescenta Valley Tow Service	Tow unit #27 to City of Industry Rush Truck Center	150.00	50.00
28939	11/14	Do-it Center	Misc hardware 10/2013	196.44	
			Management Institute Class for Christina Olmedo & Brook Yared	823.50	274.50
28940	11/14	Education & Training Services	Water analysis	324.00	
28941	11/14	Eurofins Eaton Analytical Inc.	Rembursement for D-3 exam	500.00	
28942	11/14	James T. Halaszynski	Pipe nipple	43.60	
28943	11/14	Hamilton Tool & Engineering	Refund Check	53.77	
28944	11/14	Niles Hollowell-Dhar	Compcn consulting 10/2013	131.25	43.75
28945	11/14	Hutchinson & Bloodgood	Unit #25 - smog repair	251.25	83.75
28946	11/14	Ironman, Inc	1 - 4x4x48 open bottom concrete vault for fire service	2,343.50	
28947	11/14	J&R Concrete Products, Inc	Repair flat tire unit #14	7.61	2.54
28948	11/14	Just Tires, Inc.	Legal services 10/2013	1,852.50	617.50
28949	11/14	Lagerlof, Senecal, Gosney & Kr	Public Water Agencies Group	416.78	138.92
28950	11/14	Lagerlof, Senecal, Gosney & Kr	Reimbursement for Mgmt class refreshments	64.52	21.51
28951	11/14	Pam Leddy	Gate repairs at Glenwood Plant	172.50	57.50
28952	11/14	Lock-Up Inc.	2 days of tree trimming at Oak Creek Reservoir	2,500.00	
28953	11/14	New Image Landscape & Design	Booster & well site landscaping - 6 sites	2,700.00	
28954	11/14	New Image Landscape & Design	Paper shredding	2.50	2.50
28955	11/14	Paper Cuts, Inc	Refund Check	297.87	
28956	11/14	Marla Potter	Test Booster B Mills/Wells 9 & 11	720.00	
28957	11/14	Pump Check	Crushed misc base	2,194.30	
28958	11/14	Ramco	Gas purchased 10/2013	2,028.04	676.01
28959	11/14	Shell	Wash/clean service trucks	345.75	115.25
28960	11/14	Tyler Smith			

Check#	Check Date	Payable To	Description	Water Amount	Wastewater Amount
28961	11/14	Jill Suarez	Refund Check	20.05	
28962	11/14	Eun Young Suh	Refund Check	18.52	
28963	11/14	Tank Products, Inc.	48 rolls of tape for target boards at various reservoirs	791.64	
28964	11/14	Devin Thor	Turf rebate	1,600.00	
28965	11/14	Toro's Lawnmower & Garden	Fuel stabilizer & repairs to concrete saw	376.57	376.56
28966	11/14	Underground Service Alert/SC	Underground notification 10/2013	131.62	43.88
28967	11/14	Univar USA Inc	1399 gal. bleach Mills/Glenwood	2,323.89	
28968	11/14	UPS	Shipping charges - return materials	15.59	15.58
28969	11/14	Verdugo Hills Urgents Care	Pre-employment physical for Jaysen Ortega	344.98	115.00
28970	11/14	Water Wise Consulting, Inc	Water audit at 5102 Parham Ave.	175.00	
28971	11/14	Western Water Works	300' of 1" plastic pipe, clamps, nipples, flanges	600.82	
28972	11/18	Ron Mitchell	Office supplies	20.99	20.99
28973	11/18	ACWA/JPIA	Group Health 12/2013	32,639.82	21,759.89
28974	11/18	ADS, LLC	Monthly monitoring		1,015.00
28975	11/18	Aflac	Employee paid insurance		
28976	11/18	Airgas USA, LLC	Monthly cylinder rental	1,074.53	
28977	11/18	American Water Works Assoc.	Membership renewal Raymond Dodge	273.10	273.09
28978	11/18	Association of CA Water Agenci	Membership renewal 2014	75.75	25.25
28979	11/18	AT&T	Phone service at Office and Mills 10/2013	11,541.80	4,030.12
28980	11/18	B&W Distributors, Inc.	8 rolls of 6" x 24' Viscotag pipe wrap	952.57	325.08
28981	11/18	CA Dept. of Public Health-OCP	Grade T3 renewal for Morgen DuRose	553.02	
28982	11/18	Capital One Commercial	Misc supplies	90.00	
28983	11/18	City of Los Angeles	Capital Portion of Asssc	837.95	837.94
28984	11/18	Crescenta Valley Weekly	Ad for UWMP		161,455.00
28985	11/18	DataProse Inc.	Printing & postage controls 1-4	198.75	66.25
28986	11/18	Department of Consumer Affairs	Civil Engineer certificate renewal for Dennis Erdman	1,471.88	1,471.87
28987	11/18	ESRI, Inc	E-927 GIS System/Software Developer	115.00	
28988	11/18	First Choice	Coffee service plant	1,805.97	
28989	11/18	Foothill Municipal Water	Water delivery 10/2013	124.32	124.32
28990	11/18	General Pump Company, Inc	Mills "B" booster pump maintenance	271,129.85	
28991	11/18	Logan Supply Co. Inc	Meter wrenches, traffic cones, paint brushes & electrical tape	695.00	427.84
28992	11/18	Master Distributors, Inc	OP-AR62 micro switches	519.77	
28993	11/18	Matt-Chlor Inc	Injector check valves	327.40	
28994	11/18	Napa Auto Parts	Misc supplies	615.94	
28995	11/18	Northern Safety Co., Inc	Safety harnesses and 6' 2-hook lanyards	19.25	6.42
				422.73	129.61

Check#	Check Date	Payable To	Description	Water Amount	Wastewater Amount
28996	11/18	Jaysen Ortega	Special Comp for Class B license	400.00	
28997	11/18	Paveco Construction Inc	List 74P - various paving locations	17,026.68	
28998	11/18	Star Brite Bldg. Maintenance Inc	Janitorial services 11/2013	618.75	206.25
28999	11/18	The Bilco Company	5-Ladderup safety posts for Edmund I Reservoir	1,243.29	414.43
29000	11/18	Univar USA Inc	1180 gal. bleach/Mills/Glenwood	2,035.74	
29001	11/18	Water Well Redevelopers Inc	E-932 Video log Well #1	895.00	
29002	11/18	Wells Fargo Card Services	Erdman: ACWA Fall Conf (reg); lunch with Glendale employees; dinner for crews working OT	506.25	150.75
29003	11/18	Wells Fargo Card Services	Gould: Collections Cert training (Byers, Maxwell, Ortega); T-1 review class (Avila); well and chlorine books from AWWA	597.64	173.72
29004	11/18	Wells Fargo Card Services	Hass: Recurring monthly charges for web, remote access etc.; SCADA lunch; zip drives, computer hardware	348.31	130.60
29005	11/18	Wells Fargo Card Services	Mitchell: Sod for lateral replacement; COBRA training class (reg); shop supplies	296.17	97.43
29006	11/18	Wells Fargo Card Services	Scott: Water Smart Conf (parking); Drought class refreshments; Water Quality Conf (lunch, parking)	587.85	44.42
29007	11/18	Wells Fargo Card Services	Tejeda: Los Angeles Water Summit (reg)	56.25	18.75
29008	11/18	Western Water Works	Meter flanges, adapters, meter box lids, handles, couplings	3,189.79	
29009	11/25	Oscar Alonzo	Upholstery work on Unit #27	356.25	118.75
Total for Fund:01 Water				\$ 528,124.48	\$ 220,024.08
Total Disbursements for November 2013				<u>\$ 748,148.56</u>	

PAYROLL REPORT
November-13

Directors	\$	1,890
Office Regular Payroll	\$	114,970
Office OT	\$	872
Vacation Cash Out	\$	5,420
Plant Regular Payroll	\$	93,843
Plant OT and Standby	\$	12,224
Vacation Cash Out	\$	1,588
Employer Payroll Taxes	\$	15,299
Payroll Service Charges	\$	347
Total	\$	<u>246,453</u>

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 2
December 10, 2013

To: Honorable President and Members of the Board of Directors
From: David S. Gould, P.E. – District Engineer
Subject: Slurry Seal Paving on the 3100 Block of Santa Carlotta Street, Project E-911

ACTION ITEM:

1. **Slurry Seal Paving on the 3100 Block of Santa Carlotta Street - Project E-911** – Discussion regarding the evaluation of the slurry seal paving on the 3100 block of Santa Carlotta.

BACKGROUND

CVWD completed the installation of a new 8-inch water main pipeline on the 3100 Block of Santa Carlotta Street which is a private street. The residents requested that the Board consider re-pavement of the street after the completion of the pipeline. The Board directed staff to work with the local residents and the following was agreed upon:

- Re-pave the private street with a Slurry Seal, Type II
- CVWD would pay for 1/3 of the cost for the slurry seal and the residents would pay the remaining 2/3 of the cost to slurry seal the street
- CVWD will provide construction administration for the project
- A bid item for sealing of the existing cracks in the pavement was added
- The Contractor agreed to a \$500 cost sharing as part of this project for the gouges and scrapes in the pavement
- The two (2) existing sewer manholes would be raised to grade and CVWD will pay for that cost

The Board awarded a contract to GM Sager Construction on July 9, 2013 for a cost of \$9,641 and the following table shows a cost breakdown for the project and the amount that would be contributed by the residents.

3100 Block of Santa Carlotta Street											
Actual Construction Cost - 67%/33% Split											
Bid Item	Street Total (SF)	CVWD Portion (SF)	Contract Portion (SF)	Resident Portion (SF)	Cost per SF	Total Cost	Cost to CVWD	Cost to Cont.	Cost to Resident	# of Houses	Cost per House
Slurry - Type II	15,800	5,267	1,250	9,283	\$0.40	\$6,241	\$2,080	\$500	\$3,667	20	\$183
Crack Sealing						\$1,000	\$333		\$667	20	\$33
Raise MH						\$1,400	\$1,400				
Misc						\$1,000	\$333		\$667	20	\$33
Total						\$9,641	\$4,147	\$500	\$5,000	20	\$250
Notes:											
1. CVWD Portion - 15,800 SF X .33333 = 5,267 SF											
2. Contractor Portion - 1,250 SF											
3. Residents Portion - 15,800 - 5,267 - 1,250 = 9,283 SF											
4. Misc- Mobilization and Traffic Control - \$1000 used 67/33 split											

Staff sent a letter to all residents explaining the project, the cost to each resident, the time frame in which to send payment, the proposed schedule and a customer service agreement in which the residents agree to the project and the contractor's one-year warranty.

The funds were collected with the customer service agreement from the residents in August 2013.

The slurry seal portion was performed on September 6, 2013. Traffic was not allowed on the street for the weekend of September 7-8, 2013 to allow the slurry seal to cure.

After completion of the slurry seal, CVWD staff received numerous complaints from the residents that ranged from:

- Tire marks in the new slurry seal
- Overlap of slurry seal on a driveway
- The pavement surface was not smooth
- The method used to apply the slurry seal was incorrect
- The slurry seal was not evenly applied and the existing pavement is exposed
- The slurry seal is still soft after 4 weeks
- The slurry seal is not properly adhering to the pavement
- Cracks in the slurry seal

The Board heard from three (3) residents, Mr. Paul Mitchell, Mr. Chris Barnes and Mr. Steve Jensen about their concerns regarding the project. Staff took the information and indicated to the Board that they will contact an engineering firm that specializes in pavement issues, to perform an independent evaluation and report back to the Board of Directors.

DISCUSSION:

CVWD contacted Mr. Steven Marvin from Labelle & Marvin, Inc. Labelle & Marvin is a Full-Service Pavement Engineering firm located in Southern California, with over 40 years of experience in all pavement related projects, serving local, state, and national clients. Mr. Marvin has more than forty years of experience in the area of pavement engineering and oversees final quality control for all field and laboratory data including construction inspections, pavement evaluations, and final engineering reports.

Mr. Marvin met with Ms. Olmedo and Mr. Erdman on November 12, 2013 to discuss the project. Photos of the area before and after paving were provided and an investigation at the site was performed. Mr. Marvin spent a couple of hours walking the site and taking photos as part of his investigation.

Mr. Marvin provided a report dated November 27, 2013 which is included for your review. Mr. Marvin concluded that the Type II Slurry Seal is performing consistent with expectations for the material and application. Mr. Marvin also provided some recommendations and that no additional measures are needed.

RECOMMENDATION:

It is staff's recommendation to provide a copy of the report to the residents of the area as information to finalize the project and to make the final payment to the Contractor.

Prepared by:


Christina Olmedo
Assistant Engineer

Submitted by:


David S. Gould, P.E.
District Engineer

November 27, 2013

Christina Olmedo

[colmedo@cvwd.com]

Crescenta Valley Water District

2700 Foothill Boulevard

La Crescenta, California 91214

Type II Emulsion Aggregate Slurry

3100 Block Santa Carlotta

La Crescenta, Ca

Project No. 39083

Dear Ms. Olmedo:

The roadway surface along the 3100 block of Santa Carlotta Street, La Crescenta-Montrose, California, has been recently improved through the application of an emulsion aggregate slurry seal. The slurry seal wearing surface was applied following completion of regional improvements to the water delivery system by the Crescenta Valley Water District.

Initial observations and use by surrounding residents has contributed to questions regarding the adequacy of the slurry seal application. The concerns include

- Appearance
- Areas of apparent absence of slurry seal
- Surface damage or scuffs to the completed surface
- Discoloration
- Non-uniformity of the surface condition, color and texture

Based on these expressed concerns, the Crescenta Valley Water District has requested a third party review of the project as constructed. The purpose of the review is to

- Assess where possible conformance of the completed slurry seal to contract requirements
- Define if appropriate areas of required corrective measures
- Assess overall slurry seal performance

- Provide future projections of performance based on observed conditions

Available Information

The current slurry seal application was constructed following recent pavement cutting and patching in concert with water line construction. The combination of mainline and water laterals resulted in patching of the older paved surface. Part of the project scope included placement of a Type II Emulsion Aggregate Slurry Seal to provide a more uniform, unpatched surface appearance.

The Crescenta Valley Water District contracted with G.M. Sager Construction to place a Type II Emulsion Aggregate Slurry Seal along the 3100 block of Santa Carlotta. The portion of Santa Carlotta west of Cloud Avenue is maintained by an association consisting of adjacent property owners. The slurry seal was applied as part of an agreement with the adjacent property owners, with the association contributing to some portion of the slurry seal costs. The roadway is not part of the City maintained roadway network.

The slurry seal was applied September 6, 2013 using a self propelled slurry seal truck as documented through available photographs. The slurry was spread using multiple pulls or passes. Slurry was also spread using laborers to access areas less accessible to the slurry seal truck, blend successive patches, correct blemishes left by the truck spreading process, blend successive pulls or passes and conform to fixed items such as curbs, manholes etc. The truck spreading and hand work performed are visible in available photographs provided as part of this assessment.

Existing Site Conditions

The 3100 block of Santa Carlotta includes a variety of owner constructed frontage improvements, widened areas for on street parking, planter curbs, brick mowing strips, driveway approaches etc. The roadway is generally slightly narrower than the corresponding roadway east of Cloud Avenue.

Surface drainage is generally along the roadway centerline in an undefined swale configuration. The collected surface water is directed to the west, exiting through a planted area and ultimately entering an unimproved drainage course or creek. Asphalt concrete berms and similar devices have been installed at certain homes and driveways to reduce surface water runoff into or onto adjacent properties from the roadway.

The roadway serves as a community gathering area as defined by the various basketball backboards visible along the roadway at the time of the field review and review of googlemap photographs obtained prior to the recent roadway improvements. On street parking severely restricts turning movements along the roadway.

The recently applied Type II Emulsion Aggregate Slurry seal is visible along the entire length of the roadway. The waterline trench installed as part of waterline improvements by the Water District is visible through a combination of textural differences and slight cracking defining the edges of trench patching.

A slight area of standing water was noted at the westerly end of the roadway. Oil stains, either deposited by parked automobiles prior to and/or following completion of the slurry seal project were noted at various locations along the roadway.

Damage to the slurry seal surface was also noted at various locations along the roadway. The most severely damaged areas are generally near 3140 and 3146 Santa Carlotta. The power steering scuffs have generally been recompacted, restoring the surface to predamaged conditions. Certain limited areas remain void of the Type II Slurry seal as a result of power steering damage.

The Type II Slurry Seal is largely absent from the STOP stencil approaching Cloud Avenue. The previous STOP stencil paint is becoming increasingly evident through the slurry seal with continued traffic use.

Conclusions

The Type II Slurry Seal is performing consistent with expectations for the material and application. The narrow and variable roadway width and undefined central asphalt concrete valley gutter along the length of the roadway complicated the installation process and likely contributed to the visible joint along the roadway centerline.

The combined narrow width and initial use during the warm weather in September and October exacerbated the normal, surface tender conditions of completed slurry seal applications. Traffic during this warm weather also provided necessary compaction of the slurry seal following initial set or curing.

Santa Carlotta, west of Cloud Avenue includes ~16,600 square feet or ~1,850 square yards of pavement surface. Specified application rates for Type II Slurry Seal require 12 to 15 pounds of aggregate per square yard, plus water and emulsion would be required to complete the contract. The contractor reportedly utilized a single truck of slurry seal, consistent with the anticipated 12 to 13 tons of materials required to complete the project.

The power steering scuffing evident at certain locations will blend with time. Continued traffic use, particularly on warm days will ultimately blend the longitudinal joints and the scuffing areas. Concurrently, aging or long term curing of the slurry seal will result in a toughening of the surface, providing additional resistance to the steering activities along the roadway.

Limited loss of surface aggregate is apparent along the roadway. Routine power sweeping will remove the loose aggregate, reduce the abrasive impacts of the surface aggregate and improve aesthetics.

The loss of slurry seal on the STOP paint stencil could have been avoided through removal of the paint prior to the slurry seal application. Based on the current conditions two options are available for consideration.

- 1) Power broom and clean the STOP stencil and repaint

- 2) Surface mill and remove the paint stencil followed by reapplication of the STOP paint stencil.

Recommendations

The entire roadway should be swept with a power broom to remove loose aggregate. The area at the STOP stencil should receive additional sweeping as required prior to application of a new STOP paint stencil.

No additional measures are recommended. The roadway should remain in service through the upcoming winter and subsequent summer of 2014. Continued use will blend existing joints, hand work areas and visible textural differences. Warm weather in the late Spring and early summer of 2014 will also blend previous damage areas. Continued use combined with environmental exposure will toughen the surface, resulting in additional resistance to normal power steering damage.

Where street use includes tight turning maneuvers, such as trailers or large trucks, construction traffic related to home improvement, etc. restriction of such movements to morning hours, however impractical, would and will reduce initial damage. Since the initial use period has concluded and weather has cooled considerably, such restrictions are likely unnecessary.

Local repairs, such as reapplication of the Type II Slurry Seal in areas of power steering damage are not advisable. These areas represent a very small percentage of the surface area ($<0.1\%$) with such repairs most often resulting in prolonging the tender surface conditions and providing a blemish on the pavement surface. Continued use will blend these areas damaged during initial use.

Where the community utilizes the roadway for common activities, such as observed basketball and likely other youth related activities, the community may choose at some point in the future, preferably following the Summer of 2014 to apply a pavement seal conforming to Section 302-8 SEALCOAT FOR MISCELLANEOUS AREAS.

The seal is not commonly used for roadways, would not normally be specified for City work and as such will be quite different from the City utilized materials east of Cloud Avenue. The sealcoat is however consistent with materials used on parking lots and playgrounds and may provide the community with a finished surface more consistent with expectations. The alternative Sealcoat will however highlight surface deviations, cracks and similar blemishes.

The opportunity to review this matter is appreciated and should you have any questions, kindly call.

Very truly yours,



Steven R. Marvin
RCE 30659

SRM:mm

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Item No. 3
December 10, 2013

To: Board of Directors
From: Ron L. Mitchell, Secretary-Treasurer
Subject: Resolution No. 714 – District Investment Policy

ACTION ITEM:

1. **Resolution No. 714 District Investment Policy** – Consideration and motion to adopt Resolution No. 714 outlining the District's Investment Policy for 2014.

BACKGROUND:

Annually the Secretary-Treasurer shall prepare and submit a statement of investment policy for monies not required for the immediate necessities of the local agency in accordance with provisions of California Government Code Sections 5922 and 53601 et seq. to the Board of Directors. This Investment Policy and any changes thereto, shall be considered at a public meeting.

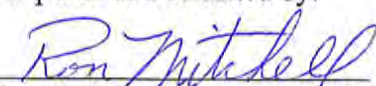
The current Investment Policy is modeled after the state and Staff has consulted with legal counsel regarding any changes made by the legislature in the last year. Mr. Bunn informed me that the legislature has not made any changes during the year including issues such as what percentage of moneys and types of permissible investment types have not changed from the current policy. This policy also incorporates the amendment to previous policy that allows up to 50% of the total portfolio to be invested in securities with up to a 10 year maturity.

Even though several investment options are outlined and permissible by the state for the District to use for our funds, staff continues to follow the request of the Board to only place such funds in U. S. Treasuries, Federal Farm Credit Bank securities and the Local Agency Investment Fund (LAIF). It is still staff's request to keep all available options open for consideration when the current economic conditions change.

Recommendation

It is staff recommendation that the Board adopt Resolution No. 714 to approve the District's Investment Policy for the year 2014 as presented.

Prepared & Submitted by:


Ron L. Mitchell, Secretary-Treasurer


Dennis A. Erdman, General Manager

RESOLUTION NO. 714

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CRESCENTA VALLEY WATER DISTRICT ESTABLISHING ITS INVESTMENT POLICY

1. POLICY

WHEREAS; the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern; and

WHEREAS; the legislative body of a local agency may invest monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 5922 and 53601 et seq.; and

WHEREAS; the Treasurer of the Crescenta Valley Water District ("District") shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the Board of Directors at a public meeting;

NOW THEREFORE, it shall be the policy of the District to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of District funds.

2.0 SCOPE

This investment policy applies to all financial assets of the District. These funds are accounted for in the annual district audit.

3.0 PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (California Government Code 53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 OBJECTIVES

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

1. **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

2. Liquidity: The investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated.

3. Return on Investments: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

5.0 DELEGATION OF AUTHORITY

Authority to manage the investment program is derived from California Government Code 53600, et seq. Management responsibility for the investment program is hereby delegated to the Treasurer, who shall be responsible for all transactions undertaken and shall make a monthly report of those transactions to the Board of Directors. Under the provisions of California Government Code 53600.3, the Treasurer is a trustee and a fiduciary subject to the prudent investor standard.

6.0 ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

7.0 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Treasurer will maintain a list of financial institutions, selected on the basis of credit worthiness, financial strength, experience and minimal capitalization authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment and financial advisory services in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.

For brokers/dealers of government securities and other investments, the District shall select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the Treasurer shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for the District's account with that firm has reviewed the District's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the District that are appropriate under the terms and conditions of the Investment Policy.

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

The District is empowered by California Government Code 53601 et seq. to invest in the following:

- a. Bonds issued by the local agency, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency or by a department, board, agency, or authority of the local agency.

- b. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- c. Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.
- d. Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.
- e. Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
- f. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by, or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- g. Bankers' acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers' acceptances shall not exceed 180 days maturity or 40% of the District's moneys that may be invested pursuant to this section. However, no more than 30% of the District's moneys may be invested in the bankers' acceptances of any one commercial bank pursuant to this section.
- h. Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by the nationally recognized statistical rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either part (1) or part (2): (1) The entity meets the following criteria: (A) Is organized and operating in the United States as a general corporation. (B) Has total assets greater than \$500 million. (C) Has debt other than commercial paper, if any, that is rated "A" or higher by an NRSRO. (2) The entity meets the following criteria: (A) is organized within the United States as a special purpose corporation, trust or limited liability company. (B) Has programwide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond. (C) Has commercial paper that is rated "A-1" or higher, or the equivalent, by an NRSRO. Eligible commercial paper shall have a maximum maturity of 270 days or less. The District may invest no more than 25% of its moneys in eligible commercial paper. The District may purchase no more than 10% of the outstanding commercial paper of any single issuer.
- i. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally-licensed or state-licensed branch of a foreign bank. Purchases of

negotiable certificates of deposit shall not exceed 30% of the District's moneys that may be invested pursuant to this policy. For purposes of this section, negotiable certificates of deposit do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. The legislative body of a local agency and the treasurer or other official of the local agency having legal custody of the moneys are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency, or a person with investment decision making authority in the administrative office manager's office, budget office, auditor-controller's office, or treasurer's office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.

- j. Repurchase/Reverse Repurchase Agreements of any securities authorized by Section 53601. Securities purchased under these agreements shall be no less than 102% of market value and are subject to the special limits in California Government Code 53601(j).
- k. Medium term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of 5 years or less, issued by corporations organized and operating with the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rate "A" or better by an NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this policy and may not exceed 30% of the District's moneys which may be invested pursuant to this policy.
- l. Shares of beneficial interest issued by diversified management companies (mutual funds) investing in the securities and obligations authorized by this policy, and shares in money market mutual funds, subject to the restrictions of California Government Code Section 53601(l). The purchase price of investments under this subdivision shall not exceed 20% of the District's investments under this policy. However, no more than 10% of the District's money may be invested in any one mutual fund.
- m. Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.
- n. Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by California Government Code Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by California Government Code Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and

the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.

- o. A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by an NRSRO and rated in a rating category of "AA" or its equivalent or better by an NRSRO. Purchase of securities authorized by this subdivision may not exceed 20% of the District's surplus moneys that may be invested pursuant to this policy.
- p. Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (o), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria: (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission. (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (o), inclusive. (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

The Treasurer shall be allowed to invest in securities that at the time of the investment have up to a maximum 10 year maturity date with a total not to exceed 50% of the total portfolio in instruments over a 5 year maturity.

9.0 COLLATERALIZATION

All certificates of deposit must be collateralized by United States Treasury Obligations. Collateral must be held by a third party trustee and valued on a monthly basis. The percentage of collateralizations on repurchase and reverse agreements will adhere to the amount required under California Government Code 53601(j)(2).

10.0 SAFEKEEPING AND CUSTODY

All security transactions entered into by the District shall be conducted on delivery-versus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the District by book entry, physical delivery or by third party custodial agreement.

11.0 DIVERSIFICATION

The District will diversify its investments by security type and institution. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities.

Diversification strategies shall be reviewed and revised by the Finance Committee periodically if determined necessary to meet District goals. In establishing specific diversification strategies, the following general policies and constraints shall apply:

- a. Portfolio maturity dates shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.
- b. Maturities selected shall provide for stability of income and liquidity.
- c. Disbursement and payroll dates shall be covered through maturities of investments, marketable United States Treasury bills or other cash equivalent instruments such as money market mutual funds.

12.0 REPORTING

The Treasurer shall submit to the Board of Directors an investment report at least quarterly. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed for District by third-party contracted managers. The report will also include the source of the portfolio valuation. For funds which are placed in LAIF, FDIC-insured accounts and/or in a county investment pool, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy and, (2) the District will meet its expenditure obligations for the next six months. The Treasurer shall maintain a complete and timely record of all investment transactions.

13.0 INVESTMENT POLICY ADOPTION

The Investment Policy shall be adopted by resolution of the District. Moreover, the Policy shall be reviewed on an annual basis, and modifications must be approved by the Board of Directors.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the Board of Directors of Crescenta Valley Water District held on December 10, 2013. Resolution No. 714 was adopted by the following vote:

AYES: Directors

NOES: Directors

ATTEST:

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

Secretary of the Board of Directors

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 4

December 10, 2013

To: Honorable President and Members of the Board of Directors

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

Subject: Purchase of Three (3) New Trucks as part of FY 2013/14 Capital Outlay,
Project C-935

ACTION ITEM:

1. **Purchase of Three (3) New District Vehicles, Project C-935** - Consideration and motion to authorize the General Manager to purchase two (2) new vehicles from Galpin Ford and one (1) new vehicle from Carmentia Truck Center at a total cost of \$85,200 as part of FY 2013/14 Capital Outlay.

BACKGROUND:

CVWD has 21 utility trucks which are utilized by personnel for various activities and range in age from 1995 to 2012. The District has seen an increase in vehicle maintenance costs for its older vehicles in the last few years. This is primarily due to the daily use of the utility trucks and the trucks nearing the end of their useful life.

One method to decrease the long term fleet maintenance costs would be to replace older vehicles to reduce future maintenance costs. Staff has reviewed the fleet maintenance costs from the past five (5) fiscal years and estimated that the District could save approximately \$8,000 in repairs expense for FY 2013-14, if three (3) older utility trucks were replaced.

Staff included in the FY 2013/14 Capital Outlay budget, the replacement of three (3) older utility trucks as listed below:

Unit No.	Year	Make	Model	Avg. Yearly Maintenance Costs from 2008 - 2013	Use
5	1999	Ford	F-350	\$1,200	Electrical/Telemetry Technician
7	2005	Ford	F-150	\$2,141	System Operators
12	1995	Ford	F-150	\$1,212	Construction Crews

Unit 5 - Ford F350: Unit 5 was purchased in 1999 and has been in the District's fleet for 14 years. This vehicle was used as an all-purpose truck by the water crews for field maintenance. In 2007, when



the position of Electrical/Telemetry Technician was created, Unit 5 was re-assigned. Unit 5 was outfitted with storage boxes and equipment, however, the vehicle does not have the proper cargo space or apparatuses to be efficient in the field for the Electrical/Telemetry Technician. Unit 5 also does not have the capacity to haul the emergency electrical generators. The new Unit 5, which will be an F-350, will have the capability to move the electrical generators in an emergency.

Since 2008, there has been an increase in maintenance costs for upkeep of this vehicle including replacement of the transmission, replacement of the engine electrical system, and the radiator. Staff anticipates about \$5,000 of repairs will be needed within the next 2 years.

Unit 7 - Ford F150: Unit 7 was purchased in 2005 and is used by the System Operators to inspect and maintain the District's twenty-three (23) reservoir, well, and sewer sites. The system operators travel to each site on a daily, weekly, and monthly basis to maintain the system. Unit 7 has logged over 99,000 miles within the last 8 years and has needed over \$10,000 in repairs over the last 5 years. The transmission system will need to be re-built in the coming year and the cost has been estimated at \$3,000.



Unit 12 - Ford F150: Unit 12 was purchased in 1995 and is the District's oldest vehicle. It is an all purpose vehicle that was used by the water crews. This vehicle is being under-utilized because of age and safety concerns. Staff believes that it is better to purchase a new vehicle than spend the additional costs to maintain an older vehicle which is at the end of its useful life.

DISCUSSION:

Staff prepared a request for quote (RFQ) for the purchase of three (3) utility trucks and sent them to three (3) Ford dealerships within the Southern California area (see attached).

On November 13, 2013, the District opened and read the following bids for the purchase of new vehicles:

FY 2013/14 Vehicle Replacement Bid Summary							
Unit	Make	Model	Budget	Galpin Ford	Ken Grody Ford	Carmentia Truck Center	Lowest Truck Bid
5	Ford	F-350	\$40,000	\$40,960	\$42,265	\$39,940	\$39,940
7	Ford	F-150	\$28,000	\$23,838	\$24,934	\$26,959	\$23,838
12	Ford	F-150	\$27,000	\$21,422	\$21,572	\$23,829	\$21,422
Total			\$95,000	\$86,220	\$88,771	\$90,728	\$85,200

Note: The following quotes include taxes or any applicable fees.

Galpin Ford of North Hills provided the lowest quote for Units 7 & 12 and Carmentia Truck Center provided the lowest quote for Unit 5. Staff contacted these dealerships to get the approximate costs for taxes or any applicable fees for these vehicles, which was included in the total cost.

The budget was \$95,000 and the combined lowest quote from the two dealerships was 10% lower than the budget.

Galpin Ford has been provided Unit 2 – F-550 last year and Carmentia Truck Center has supplied Unit 6 & 38 – Ford Rangers, Unit 36 - F-350, and Unit 13 – F-550 over the past few years. The District has received good service from both dealerships.

Units 5, 7 & 12 will be outfitted with additional gear such as utility storage boxes, directional lights and radio equipment for an additional cost of \$9,000.

Salvage Value

The old Units 5, 7, & 12 will be sold either through ads or auctions and we hope to get about \$8,000 for all three vehicles.

Unit No	Year	Salvage Value	
		High	Low
5	1999	\$5,000	\$4,000
7	2005	\$3,000	\$2,500
12	1995	\$2,200	\$1,500
Total		\$10,200	\$8,000

RECOMMENDATION:

It is staff's recommendation to authorize the General Manager to purchase three (3) new trucks as part of FY 2013/14 Capital Outlay program, two (2) trucks from Galpin Ford and one (1) truck from Carmentia Truck Center. CVWD has worked well in the past with these dealerships and they have provided good quotes.

ENVIRONMENTAL REVIEW:

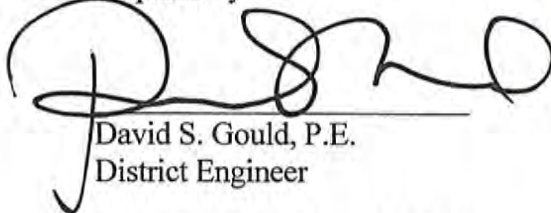
N/A

FUNDING AVAILABILITY:

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

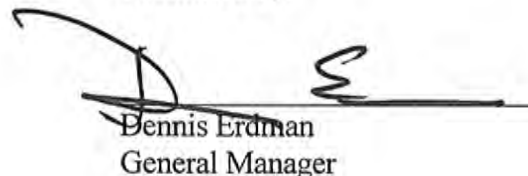
Account Description	Amount
FY 11/12 Water & Sewer – Capital Outlay - Equipment	\$95,000
Purchase – Three (3) Service Trucks	<\$85,200>
Retrofitting Units 5, 7, & 12	<\$9,000>
Total costs for C-935	<\$94,200>
Estimate Amount for Selling Trucks	\$8,000
Amount Remaining in FY 13/14 Water & Sewer – Capital Outlay - Equipment	\$8,800

Prepared by:



David S. Gould, P.E.
District Engineer

Submitted by:



Dennis Erdman
General Manager

Attachments: Request for Quote



Request for Quote

FY 2013-14 Vehicle Purchase

PROJECT C-935

QUOTE DUE DATE: November 13, 2013

Introduction:

Crescenta Valley Water District (CVWD) owns and operates a fleet of vehicles that are used for the installation and maintenance of CVWD's water and sewer system. The District has 42 vehicles that include service trucks, sewer combo trucks, backhoes, dump trucks and other equipment. As part of its fleet maintenance program, CVWD replaces vehicles that have reached the end of the useful life. This is a request for a quote from your company to replace three (3) vehicles as part of the FY 2013-14 Water and Sewer Capital Outlay budget. The following is a description of each vehicle and the required features for each:

Unit 5 – Electrical/Telemetry Technician Vehicle

Make:	Ford
Model:	F-350
Body Type:	Chasse Cab XL with 8 ft Service Bed
Features:	
Engine Type	6.2L V8
Drive Train	4x2
Transmission	Automatic
Torque	4.0 electronic Locking Axle Ratio
Emissions	Meets California Requirements
Fuel	Gasoline
Cooling	Air Conditioning
Brakes	Four-wheel disc Anti-locking Braking System (ABS)
Color	Painted Ford Motor Co -Oxford White
Towing	Able to tow a class 4 vehicle with GVW of 15,000 lbs
Options	Trailer tow package
	Factory Exterior Back-up Alarm

Unit 7 – System Operator Vehicle

Make:	Ford
Model:	F-150
Body Type:	XL Super Cab with Style Size Bed
Features:	
Engine Type	5.0L V8
Drive Train	4x2
Transmission	6-speed Automatic with Tow/Haul Mode
Torque	3.55 Electric Locking Axle Ratio
Emissions	Meets California Requirements
Fuel	Gasoline
Cooling	Air Conditioning

Brakes	Four-wheel disc Anti-locking Braking System (ABS)
Color	Painted Ford Motor Co -Oxford White
Options	Trailer tow package Factory Exterior Back-up Alarm Factor spray in liner Trailer Brake Controller Vinyl Bench Seat

Unit 12 – Supervisor Vehicle

Make:	Ford
Model:	F-150
Body Type:	XL Regular Cab with 6½' Style Size Bed
Features:	
Engine Type	5.0L V8
Drive Train	4x2
Transmission	6-speed Automatic with Tow/Haul Mode
Torque	3.55 Electric Locking Axle Ratio
Emissions	Meets California Requirements
Fuel	Gasoline
Cooling	Air Conditioning
Brakes	Four-wheel disc Anti-locking Braking System (ABS)
Color	Painted Ford Motor Co -Oxford White
Options	Trailer tow package Factory Exterior Back-up Alarm Factor spray in liner Trailer Brake Controller Vinyl Bench Seat 125" Wheel Base XL Decor Package

Additional Scope of Work:

1. CVWD reserves the right to choose to purchase one vehicle or more vehicles from any company providing a quote.
2. The vehicle shall be delivered or pick-up at company location within thirty (30) calendar days from the date of the purchase order issued by CVWD.
3. Final payment will be made at time CVWD receives the vehicle.
4. Provide Ford Standard 3-year or 36,000 mile Bumper to Bumper Warranty for each vehicle and five-year or 60,000 mile power train warranty.
5. No Service Contract

District's Responsibilities:

1. CVWD will be responsible for obtaining all permits and license from the California Department of Motor Vehicles.

PROPOSAL BID SHEET
FY 2013-14 Vehicle Purchase
PROJECT C-910

<u>Project</u>	<u>Bid Item</u>	<u>Total</u>
1.	Unit 5 – Ford F-350	\$ _____
2.	Unit 7 – Ford F-150	\$ _____
3.	Unit 12 – Ford F-150	\$ _____

TOTAL QUOTE \$ _____

CONTRACTOR INFORMATION

Contractor's Company Name: _____

Contact Person: _____

Contractor's Address: _____

Contractor's Telephone No.: _____

Contractor's License No.: _____

CRESCENTA VALLEY WATER DISTRICT
2013 Vehicle & Equipment List

Unit #	Description	Year	Model	Fuel*
1	SUPERINTENDENT	2003	F-150	G
2	SERVICE TRUCK	2013	F-550	D
3	CONSTRUCTION	1999	Hydro-Excavator	D
4	Not Used			
5	ELECTRICAL/TELEMETRY TECH	1995	F-350	G
6	SEWER CREW	2005	F-150	G
7	SYSTEM OPERATOR	2005	F-150	G
8	PLANT MAINTENANCE	2003	F-150	G
9	INSPECTOR	2007	F-150	G
10	SEWER CREW	1998	F-150	G
11	WELDING TRUCK	1996	F-350	G
12	SYSTEM OPERATOR	1995	F-250	G
13	SMALL DUMP TRUCK	1995	F-250	D
14	SYSTEM OPERATOR	2002	RANGER	G
15	BACKHOE	2007	JOHN DEERE	D
16	BOOM TRUCK	2000	F-650	D
17	GLENWOOD PLANT	1999	FORKLIFT	P
18	DUMP TRUCK	2008	F-650	D
19	BACKHOE	2000	NEW HOLLAND	D
20	Not Used	2003	F-550 1-1/2 TON	D
21	MINI EXCAVATOR	2005	KOMATSU	D
22	COMPRESSOR	1995	PORTABLE	G
23	MTR READER	2006	GO-4	G
23A	MTR READER	1996	GO-4	G
24	VALVE TRUCK	1997	F-250	G
25	DUMP TRUCK	2000	F-650	D
26	WELDING UNIT ON TRAILER	1996	PORTABLE	D
27	SERVICE TRUCK	2006	F-350	D
28	PORTABLE GENERATOR	2004	40KW	D
29	PORTABLE GENERATOR	1998	200 KW	D
30	PORTABLE GENERATOR	2007	150KW	D
31	SEWER CLEANING	2005	VACTOR	D
32	SEWER EMERGENCY RESPONSE	2006	TRAILER	G
33	SEWER VIDEO	1995	VAN	G
34	SYSTEM OPERATOR SUPERVISOR	2008	F-250	D
35	STANDBY GENERATOR	2007	500KW	D
36	SERVICE TRUCK	2008	F-350	D
37	ARROWBOARD	2002	Signal Arrowboard	D
38	CUSTOMER SERVICE	2011	Ford Ranger	G
39	UTILITY TRAILER	2010	Porta-Potty	
40	SEWER CREW	2011	Small Sewer Cleaner	
41	PORTABLE GENERATOR	2006	70 KW	D
42	UTILITY TRAILER	2000	Flush Out Trailer	

CRESCENTA VALLEY WATER DISTRICT
2013 Vehicle & Equipment List

Unit #	Description	Year	Model	Fuel*
Vehicles/Service Trucks				
1	SUPERINTENDENT	2003	F-150	G
2	SERVICE TRUCK	2013	F-550	D
3	CONSTRUCTION	1999	Hydro-Excavator	D
13	SMALL DUMP TRUCK	1995	F-250	D
16	BOOM TRUCK	2000	F-650	D
18	DUMP TRUCK	2008	F-650	D
25	DUMP TRUCK	2000	F-650	D
27	SERVICE TRUCK	2006	F-350	D
34	SYSTEM OPERATOR SUPERVISOR	2008	F-250	D
36	SERVICE TRUCK	2008	F-350	D
5	ELECTRICAL/TELEMETRY TECH	1995	F-350	G
6	SEWER CREW	2005	F-150	G
7	SYSTEM OPERATOR	2005	F-150	G
8	PLANT MAINTENANCE	2003	F-150	G
9	INSPECTOR	2007	F-150	G
10	SEWER CREW	1998	F-150	G
11	WELDING TRUCK	1996	F-350	G
12	SYSTEM OPERATOR	1995	F-250	G
14	SYSTEM OPERATOR	2002	RANGER	G
24	VALVE TRUCK	1997	F-250	G
38	CUSTOMER SERVICE	2011	Ford Ranger	G
Sewer Vehicles & Equipment				
31	SEWER CLEANING	2005	VACTOR	D
32	SEWER EMERGENCY RESPONSE	2006	TRAILER	G
33	SEWER VIDEO	1995	VAN	G
40	SEWER CREW	2011	Small Sewer Cleaner	
Construction Vehicles & Equipment				
15	BACKHOE	2007	JOHN DEERE	D
19	BACKHOE	2000	NEW HOLLAND	D
21	MINI EXCAVATOR	2005	KOMATSU	D
26	WELDING UNIT ON TRAILER	1996	PORTABLE	D
37	ARROWBOARD	2002	Signal Arrowboard	D
22	COMPRESSOR	1995	PORTABLE	G
17	GLENWOOD PLANT	1999	FORKLIFT	P
39	UTILITY TRAILER	2010	Porta-Potty	
42	UTILITY TRAILER	2000	Flush Out Trailer	
Meter Reading Vehicles				
23	MTR READER	2006	GO-4	G
23A	MTR READER	1996	GO-4	G
Emergency Electrical Generators				
28	PORTABLE GENERATOR	2004	40KW	D
29	PORTABLE GENERATOR	1998	200 KW	D
30	PORTABLE GENERATOR	2007	150KW	D
35	STANDBY GENERATOR	2007	500KW	D
41	PORTABLE GENERATOR	2006	70 KW	D

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

To: Honorable President and Members of the Board of Directors
From: David S. Gould, P.E. – District Engineer
Subject: Chlorination Station & Metering Vaults at Williams Reservoir, Project E-733CS:
Request to reject all bids and rebid the project

Agenda Item No. 5
December 10, 2013

AGENDA ITEM

1. **Chlorination Station & Metering Vaults at Williams Reservoir, Project E-733CS** – Consideration and motion to authorize the General Manager to reject all bids for the construction of a new chlorination station & metering vaults at Williams Reservoir.

BACKGROUND:

In 2008, CVWD received a \$606,925 Proposition 50 Grant from the State of California to construct an emergency water supply interconnection with the Los Angeles Department of Water and Power (LADWP). In an emergency, water from the interconnection would supply not only CVWD, but could be brought through CVWD's system to FWMD's system and ultimately provide water to the La Cañada Flintridge and Altadena areas. The Proposition 50 Grant is a 50/50 matching fund, where CVWD is matching the \$606,925 and the construction cost estimate for the entire project is \$1,213,850.

The project would provide a second source of water to the Crescenta Valley, La Cañada Flintridge and the Altadena areas in case the main water supply from MWD is interrupted due to a disaster event or planned shutdown at MWD's Weymouth Plant.

The portion of the project at the Williams Reservoir involves the construction of a chlorination station building, underground piping, and two (2) vaults.

In March, 2013, the Chlorination Station & Metering Vaults at Williams Reservoir Project was advertised for bids and only one (1) bid was received in May 2013. The bid was rejected and the project was re-advertised in July 2013 with a higher cost estimate and a longer bidding period.

DISCUSSION:

A mandatory pre-bid meeting was held and four (4) contractors were in attendance. Of the four that attended the pre-bid meeting, two (2) contractors submitted bids on September 11, 2013. The bid summary is provided below:

	<u>Bidder</u>	<u>Total Bid Amount</u>
Low	Fleming Environmental	\$828,997
2	Pacific Hydrotech	\$877,500
3	J. A. Salazar Construction	Declined to Bid
4	Fredrick Towers	Declined to Bid

Considering that the lowest responding bid was 64% higher than the Engineer's Estimate of \$505,000, staff met with the Engineering Committee to discuss the following possible options:

- **Option 1 – Negotiate with California Department of Public Health (CDPH):** CDPH may be open to allowing CVWD to resubmit the initial cost estimate for purposes of Prop 50 funding since the original cost estimate was completed in 2010. Staff can approach CDPH with this concrete bid number and attempt to negotiate a higher amount of matching funds. If successful, staff would then accept the lowest responsible bidder.

- **Option 2 – Reduce the Scope of Work of the Project:** This option involves reviewing the project to see if any element of the project could be eliminated or redesigned (i.e. one vault) or any portion of the project can be installed using CVWD's crews.
- **Option 3 – Break down the project into smaller phases with specialty contractors:** This option would involve staff separating the project into phases such that contractors only bid on portions of the project that their firm can handle with fewer subcontractors. This should reduce the amount of time required by the contractor to bid the project.
- **Option 4 – Proceed As-Is:** Staff would proceed with the bids as they are now and propose that the Board accept the lowest responsible bidder.

It was the recommendation of the Engineering Committee for staff to move forward with Option 1 and meet with CDPH regarding a request to increase funding for the project.

Meeting with CDPH:

Staff met with the CDPH in October, 2013 regarding an increase in the grant budget, time extension and possible change in scope of work. CDPH indicated that there is no additional grant funding available, but CVWD could make the request. CDPH did indicate that CVWD could get a time extension and change the scope of work, which included eliminating the re-piping at FMWD's main station and performing some of the tasks by CVWD's crews.

At the November 8, 2013 Engineering Committee meeting, staff gave a summary of their meeting with CDPH regarding additional funding and changing the scope of work.

The Engineering Committee recommended that staff send a letter to CDPH requesting additional funding, time extension, and changing the scope of work. The letter was sent to CDPH and staff is awaiting a response. The Committee also recommended that staff continue with the project and provide additional information at the next Engineering Committee meeting.

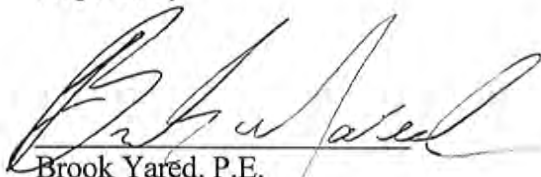
Contractor's Bids:

Staff conferred with Legal Counsel regarding discussing with the lowest responsible bidding contractor about the possibility of revising the scope of work. The concern was since this was a sealed bid process that a reduction in the scope of work may change the bidding results. In addition, the grant agreement states that the project must be competitively bid. Legal Counsel recommended that staff reject the September 11, 2013 bids and re-bid the project with the reduced scope of work.

RECOMMENDATION:

Staff is recommending that the Board reject all of the bids. Staff will revise the scope of work and advertise for bids for the project at the next Board meeting.

Prepared by:



Brook Yared, P.E.
Associate Engineer
Attachment: Bid Summary

Submitted by:



David S. Gould, P.E.
District Engineer

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No.6
December 10, 2013

To: Honorable President and Members of the Board of Directors
From: Dennis A. Erdman – General Manager
Subject: **Recycled Water Discussion** – Discussion regarding the District's interest in a recycled water project.

ACTION ITEM:

Recycled Water Discussion – Discussion regarding the District's interest in a recycled water project.

BACKGROUND:

Foothill Municipal Water District General Manager Nina Jazmadarian has contacted me to see if CVWD would have any interest in stepping in to take over the recycled water project and grant that has been offered to FMWD. As you are aware, the FMWD Board has decided that they do not wish to undertake this project at this time. The proposed project was to be a membrane bio-reactor treatment plant to treat sewage and an infiltration gallery to allow treated sewage to percolate into the ground.

I have invited Nina to attend the CVWD Board meeting to describe this opportunity and answer questions you may have.

RECOMMENDATION

Staff has no recommendation about the project at this time.

Prepared and submitted by:



Dennis A. Erdman
General Manager

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No.7
December 10, 2013

To: Honorable President and Members of the Board of Directors
From: Dennis A. Erdman – General Manager
Subject: Attorney Retainer Fees – Consideration and motion regarding a request from Lagerlof Senecal for an increase in monthly legal retainer fees.

ACTION ITEM:

Attorney Retainer Fees – Consideration and motion regarding a request from Lagerlof Senecal for an increase in monthly legal retainer fees.

BACKGROUND:

Lagerlof, Senecal, Gosney & Kruse (Lagerlof) have been the District's legal counsel since January 1993 with Mr. Bunn as our designated attorney for this entire period. Mr. Bunn has prepared a memorandum (enclosed) outlining a request to increase his monthly retainer fee to \$2,500 from the current amount of \$2,150 per month.

In the period of time that Lagerlof has represented the District, they have only asked for an increase in their original retainer fee once and that was in 2005. The impact of this request on the final six months of the current year budget is \$2,100 and would not have a significantly impact.

RECOMMENDATION

Staff feels that the level of service provided by Mr. Bunn has been exceptional and recommends the Board approve this request.

Prepared by:



Dennis A. Erdman
General Manager

Submitted by:



Ron L. Mitchell
Secretary-Treasurer

To: Board of Directors, Crescenta Valley Water District
From: Thomas S. Bunn III
Date: December 10, 2013
Subject: Attorney fees

The purpose of this memorandum is to request an increase in our fee for ordinary services from \$2,150 per month to \$2,500 per month, effective January 1, 2014. This fee was last increased in 2005.

Our fees are broken out into ordinary services and extraordinary services. Ordinary services are covered by a fixed monthly fee, and include preparation for and attendance at up to two board meetings a month, review and editing of agendas and minutes for those meetings, preparation of board resolutions, and responding to routine telephone and e-mail inquiries from board members and staff. Extraordinary services are billed by the hour, and include such matters as litigation, preparation and review of contracts and other district documents, and legal research.

Typically, it would be our practice to request an adjustment in the fixed monthly fee every few years. However, given the state of the economy and the fact that the district found it necessary to cut expenses to the bone and defer many necessary expenditures, we refrained from asking for any increases since 2005.

Even with the increase, the fixed monthly fee does not come near covering the value of our time. Over the last two years, we have spent an average of \$3,600 worth of time per month on ordinary services.

Thank you for your consideration of this request.

Dry winter ahead, state's experimental forecast warns

info item

By Matt Weiser

mweiser@sacbee.com

Published: Friday, Nov. 29, 2013 - 1:20 pm

Last Modified: Saturday, Nov. 30, 2013 - 12:31 pm

Despite a hint of rain and snow in the forecast next week, the Sacramento region and California as a whole can expect a third dry winter ahead.

That's according to an "experimental" long-range forecast released this week by the California Department of Water Resources. The forecast covers the 2014 water year, which runs from Oct. 1, 2013, through Sept. 30, 2014. It calls for "mostly dry conditions for most of California," with dry conditions being especially likely in the south state.

The forecast was done for the state by Klaus Wolter, a Ph.D. meteorologist and research associate at the Cooperative Institute for Research in Environmental Sciences, at the University of Colorado, Boulder.

Wolter made a similar dry prediction for the state last year, which at first appeared "destined for failure,"

he said. That was because December 2012 was extremely wet, partly due to the arrival of a series of atmospheric river storms. Such storms tap into tropical moisture in the far western Pacific Ocean and channel it into a narrow stream often aimed like a fire hose directly at California.

"However, the remainder of the season was record dry, producing an overall result of dry for the water year," Wolter said in a statement.

In a hint that suggests a similar outcome this year, the near-term forecast calls for a major change in the weather for Sacramento and Northern California on Monday. A storm is expected to drop out of the Pacific Northwest, bringing a chance of rain to the Valley through Wednesday and snow in the Sierra Nevada through Thursday.

But don't get too excited yet.

"It's a fairly dry system, so it doesn't look like a whole lot," said Craig Shoemaker, a meteorologist at the National Weather Service in Sacramento. "It doesn't have a really deep moisture plume."

Temperatures are also predicted to drop sharply with the storm. Overnight lows in Sacramento could get as cold as 34 degrees on Wednesday night.

Shoemaker said the storm could generate as much as 8 inches of new snow in the Sierra Nevada, where most ski resorts still have limited terrain open, if they are open at all. The snow level could drop as low as 2,000 feet on Tuesday night.

State officials intend the experimental forecast to help residents, business owners and policymakers prepare for winter.

The National Weather Service typically does not make a detailed long-range winter weather forecast. Its Climate Prediction Center, however, does offer a less specific three-month forecast. The most recent, issued Nov. 21, indicated neither wet nor dry conditions for California.

A third dry winter could have severe implications, since most of the state's water storage reservoirs are severely depleted after two drought years. California is heavily dependent on winter storms for the water supply it needs to survive summer. The state typically depends on just three months – December through February – for half its annual precipitation, although freak storms in other months can make a big difference,

As for the winter ahead, state officials caution the final outcome is difficult to predict, partly because neither El Niño nor La Niña conditions dominate in the Pacific Ocean this year. The former condition indicates the ocean is warmer than average, while the latter is cooler. A strong signal in either direction can make predictions easier.

This winter, forecasters say the ocean will be in a "neutral" condition, though Wolter said it could shift into an El Niño pattern by springtime.



● **Board of Directors**
Engineering and Operations Committee

12/10/2013 Board Meeting

8-5

Subject

Appropriate \$22 million; and authorize construction contract change order for Stage 2 of the Weymouth Oxidation Retrofit Program (Approp. 15392)

Executive Summary

The F.E. Weymouth Water Treatment Plant is Metropolitan's final facility to receive the ozone disinfection process. Construction of the initial stage of the Weymouth Oxidation Retrofit Program (ORP) is now underway and is approximately 35 percent complete. This action authorizes construction of the second stage of the ORP via a change order to the current construction contract. With this action, the ozone treatment capacity of the Weymouth plant will increase from 260 million gallons per day (mgd) to the full plant capacity of 520 mgd.

Timing and Urgency

Metropolitan's Board awarded a contract to Archer Western Contractors in June 2012 to construct Stage 1 of the Weymouth ORP. Principal components of the contract include an ozone generation building, ozone off-gas destruct system, liquid oxygen storage facility, and hydrogen peroxide storage and feed facility, all of which are sized for the Weymouth plant's rated treatment capacity of 520 mgd. The contract also includes two ozone contactors that will provide ozone disinfection at a design capacity of 260 mgd, along with two bypass contactors which would be equipped for ozonation at a later stage.

The decision to stage implementation of ozone was made for three primary reasons. First, staff had concerns with overloading the Weymouth plant site with too much construction given the age of the facilities. Second, with recent low demands in the service area, staging seemed to be a good approach. Finally, Metropolitan staff was looking to cut costs where possible given low financial reserves.

Those conditions have all changed. Construction has proceeded more smoothly than expected at the Weymouth plant and has not overly burdened the work site. Demands have increased recently and full use of the Weymouth plant would greatly enhance system flexibility. And lastly, the costs to develop ozone at the Weymouth plant have been significantly less than staff had projected.

When bids were opened for the Stage 1 construction contract in early 2012, Metropolitan benefitted from the extremely competitive bidding climate of that time. Due to the favorable low bid, the estimated cost to complete the Stage 1 ORP facilities was approximately \$105 million less than the amount budgeted within Metropolitan's Capital Investment Plan (CIP). The budget had been established based on historical costs to add ozonation to Metropolitan's four other treatment plants. Since the Stage 1 construction commenced, staff has monitored industry cost trends and has identified options for completion of the Stage 2 facilities.

Staff recommends moving forward at this time to increase the plant's ozonation capacity to 520 mgd. This action would take advantage of continued favorable pricing conditions and a window of opportunity with the Stage 1 construction contractor, would accommodate expected future Weymouth treated water demands, would eliminate blending restrictions associated with Metropolitan's source waters, and would provide flexibility within the Central Pool when PCCP feeders are removed from service for rehabilitation. The work would be completed most expeditiously and cost-effectively through a change order to the existing Stage 1 construction contract.

Metropolitan's Administrative Code explicitly exempts change orders from competitive procurement requirements.

The Weymouth ORP has been reviewed with Metropolitan's CIP prioritization criteria, and is categorized as a Water Quality project. Funds for this action are available within Metropolitan's capital expenditure plan for fiscal year 2013/14.

Details

Background

The Weymouth plant was placed into service in 1941 with an initial capacity of 100 mgd, and was expanded twice to its current capacity of 520 mgd. The plant delivers a blend of waters from the Colorado River Aqueduct (CRA) and State Water Project (SWP) to Metropolitan's Central Pool portion of the distribution system, and to an exclusive service area. The plant is located in the city of La Verne.

The addition of ozone as the primary disinfectant at each of Metropolitan's treatment plants substantially reduces the formation of disinfection by-products for compliance with the U.S. Environmental Protection Agency's Disinfectants/Disinfection By-Products Rule (DBPs). The use of ozone also enhances Metropolitan's ability to treat water with varying source-water quality, and provides critical operational flexibility to meet treatment challenges resulting from periodic water supply events such as drought or other source-water limitations. Further, ozonation is effective in controlling taste-and-odor causing compounds which may be present from time to time, as well as some pharmaceuticals/personal care products, endocrine disruptors, and algal toxins. In addition to these overall water quality benefits, the use of ozone provides important operational advantages, allowing Metropolitan to eliminate blend restrictions of SWP and CRA source waters.

The Weymouth plant is Metropolitan's final facility to receive the ozone disinfection process. Ozonation has been in use at the Mills plant since 2003, and was added more recently to the Jensen, Skinner, and Diemer plants.

Favorable Construction Climate

Many of Metropolitan's construction contracts have benefitted from the recent competitive bidding climate within the public works construction industry. When bids were opened for the Stage 1 ORP contract in early 2012, the favorable low bid resulted in a program savings of approximately \$105 million from the budgeted amount within Metropolitan's CIP. The budget had been established based on historical ORP costs for Metropolitan's four other treatment plants.

Since the Stage 1 construction commenced, staff has continued to monitor industry cost trends. While the bidding climate remains favorable, cost increases are being felt regionally and in specific construction materials, as reflected in industry cost indices such as those published by the Engineering News Record. As a result of the continuing gradual improvement in the overall economy, construction costs are likely to increase in the future. Staff believes there is a window of opportunity to complete the Stage 2 ORP facilities in the near-term which will produce both cost and schedule benefits to Metropolitan.

Approaches to Increasing the Weymouth Ozone Treatment Capacity

Staff investigated two project delivery approaches to increase the ozone treatment capacity of the Weymouth plant. The first approach would follow a traditional design/bid/build methodology for the Stage 2 facilities. Staff would prepare drawings and specifications for advertisement and competitive bidding. Construction would commence in 2017, following completion of the Stage 1 construction contract. Under this approach, the additional 260 mgd of ozone treatment capacity would be operational in 2019-2020. Similarly, a separate construction contract would be issued for the sulfuric acid facility. The estimated total cost for this project delivery approach, including design, construction, construction management, and Metropolitan's owner costs, would range from approximately \$25 million to \$28 million.

The second project delivery approach would utilize a change order to the existing Stage 1 construction contract to construct the additional 260 mgd of ozone capacity and the associated chemical facility. Under this second approach, completion of the additional 260 mgd of capacity would be accomplished for approximately

\$22 million, based on a lump-sum change order price negotiated with the Stage 1 ORP contractor, Archer Western Contractors. The additional ozone capacity would be brought on-line in early 2017, shortly after the initial Stage 1 capacity of 260 mgd. The additional work will not impact the Stage 1 completion date. The lump-sum amount negotiated for the change order is \$18.5 million, which is based on the cost factors contained within the Stage 1 contract. Staff has prepared an independent estimate of the cost to complete the Stage 2 work, and believes the change order amount is fair and reasonable. The total estimated cost to complete the Stage 2 work, including the amount of the change order plus construction management, technical support from design staff, and Metropolitan owner costs, would be \$22 million.

The cost differential of approximately \$3 million to \$6 million between the two project delivery approaches is due to several factors. First, use of the current construction contract would avoid the cost of additional mobilization that new contractors would incur when initiating the future separate construction contracts for the chemical systems and Stage 2 ozonation facilities. Some work including grading and paving could also be avoided. The cost to design, bid, manage, and inspect two stand-alone construction contracts would be avoided. The new sulfuric acid storage and feed facility is located in the Stage 1 ORP contractor's work area and must be in service prior to the conclusion of the major plant shutdown when water will begin flowing through the ozone contactors. Inclusion of the sulfuric acid tank farm in the ORP Stage 2 change order will minimize risks and inefficiencies associated with two contractors working in the same area. Additionally, use of the current contract would avoid the anticipated escalation in construction contract pricing that would occur by 2016, when the Stage 2 ORP contract would be advertised for bids. Use of the current contractor would also ensure that equipment and workmanship would remain identical across all of the Weymouth ozonation facilities.

Additional benefits to the second project delivery approach include avoidance of future plant shutdowns or flow restrictions in the 2019 timeframe, as all tie-in work would be accomplished with the already-planned shutdown in early 2016. This would be advantageous to Metropolitan member agencies that are in the Weymouth plant's exclusive service area. Since the second approach would be on-line three years sooner than with the traditional design/bid/build approach, rehabilitation of Metropolitan's PCCP feeders could also proceed with fewer flow constraints within the Central Pool or shutdown restrictions.

Based on the advantages associated with the second project delivery approach, staff recommends authorizing an increase in change order authority for Contract No. 1741 with Archer Western Contractors to increase the Weymouth plant ozone treatment capacity from 260 mgd to 520 mgd.

Two remaining construction contracts are planned for the Weymouth ORP. First, a hypochlorite storage and feed facility will be located on the north side of the plant. Since the hypochlorite does not need to be on-line until near the end of ozone system testing, this facility will be constructed under a separate construction contract with other Weymouth reliability improvements. Second, a completion project is planned which will address all remaining work under the ORP, such as control system integration and final site paving. Staff will return to the Board in May 2015 and September 2016 to award these two contracts.

Weymouth Oxidation Retrofit Program – Stage 2 Construction (\$22,000,000)

The Weymouth ORP Stage 2 work includes outfitting the two bypass contactors with the required piping, equipment, instrumentation, and electrical systems needed to become two fully functional ozone contactors. With four ozone contactors, the Weymouth plant will have a maximum ozonation capacity of 520 mgd. The scope for the planned change order to the existing Stage 1 construction contract includes the addition of ozone diffusers and ozone gas piping within the two bypass contactors, along with related piping, electrical equipment, vacuum and pressure relief valves, ozone suppression system, tracer injection system, foam abatement system, sample water lines, and instrumentation and control devices located in the piping gallery adjacent to the two contactors. The ozone off-gas treatment and discharge system will be expanded, the supervisory control and data acquisition (SCADA) system will be modified, and the related site utilities including electrical duct banks and chemical trenches will be constructed.

The scope for the planned change order also includes the addition of a sulfuric acid storage and feed facility located near the ozone contactors. This facility will consist of three storage tanks, a covered containment area and unloading facility, chemical feed pumps, instrumentation, and electrical and control systems.

Under Metropolitan's Administrative Code, the General Manager has the authority to execute change orders for the Weymouth ORP Stage 1 contract up to \$4,774,875 (5 percent of the original contract amount). To date, the change orders have totaled less than one percent of the contract. Construction is presently approximately 35 percent complete.

This action appropriates \$22 million and authorizes an increase of \$18.5 million in the General Manager's authority to execute change orders for Contract No. 1741 with Archer Western Contractors to construct the Weymouth ORP Stage 2 facilities. The new change order authority will be \$23,274,875. In addition to the amount of the change order, the requested funds include \$300,000 for preparation of change order drawings and specifications; \$345,000 for Metropolitan forces to perform control system integration; \$1,050,000 for construction inspection; \$495,000 for submittals review and record drawing preparation by Metropolitan staff; \$229,000 for project management; and \$1,081,000 for remaining budget.

Metropolitan staff will perform inspection of the Stage 2 ORP construction. The anticipated cost of inspection is approximately 5.6 percent of the change order cost. Engineering Services' goal for inspection of projects with construction cost greater than \$3 million is 9 to 12 percent. For this work, the total cost of construction is \$18,845,000.

This project has been evaluated and recommended by Metropolitan's CIP Evaluation Team, and funds for this work are available within the fiscal year 2013/14 capital expenditure plan. See [Attachment 1](#) for the Financial Statement and [Attachment 2](#) for the Location Map.

This project is included within capital Appropriation No. 15392, the Weymouth Oxidation Retrofit Program, which was initiated in fiscal year 2001/02. With the present action, the total funding for Appropriation No. 15392 will increase from \$216,012,000 to \$238,012,000.

The total estimated cost to complete the Weymouth ORP, including the amount authorized to date, current funds requested, and future completion activities, is \$263 million.

Status of Proposition 50 Grant Funding

In July 2007, Metropolitan's Board adopted a resolution to accept \$20 million of state Proposition 50 "The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002" grant funding for the Weymouth ORP. The California Department of Public Health (CDPH) and Metropolitan subsequently executed a Letter of Commitment to provide \$20 million for grant-eligible Weymouth ORP activities, including design, ozone generation equipment procurement, and inlet conduit construction costs, since relocation of the Weymouth inlet conduit was necessary in order to retrofit the plant with ozone contactors.

In January 2011, the CDPH executed the Weymouth ORP grant funding agreement. Through November 2013, Metropolitan has received Proposition 50 grant payments totaling \$19,916,864.72 for a portion of the design, ozone equipment fabrication, and inlet conduit/electrical facilities construction costs. Staff has submitted the final invoice to CDPH for reimbursement of the remaining \$83,135.28 to be provided by the grant.

Project Milestones

September 2016 – Completion of Stage 1 construction

November 2016 – Completion of Stage 2 construction

Policy

Metropolitan Water District Administrative Code Section 5108: Appropriations

Metropolitan Water District Administrative Code Section 8123: Authority of the General Manager to Amend Contracts

Metropolitan Water District Administrative Code Section 8140: Competitive Procurement

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The environmental effects from the Weymouth ORP were evaluated in the F. E. Weymouth Filtration Plant Ozonation Facilities and Site Improvements Program Final Environmental Impact Report (Final EIR), which was certified by the Board on April 12, 2005. The Board also approved the Findings of Fact (Findings), the Statement of Overriding Considerations, the Mitigation Monitoring and Reporting Program (MMRP), and the project itself. The current board action is solely based on award of a construction contract for the ORP, and not on any changes to the approved program itself. Hence, the previous environmental documentation acted on by the Board in conjunction with the proposed action fully complies with CEQA and the State CEQA Guidelines. Accordingly, no further CEQA documentation is necessary for the Board to act on the proposed action.

The CEQA determination is: Determine that the proposed action has been previously addressed in the certified 2005 Final EIR, Findings, SOC, and MMRP, and 2007 Addendum, and that no further environmental analysis or documentation is required.

CEQA determination for Option #2:

None required

Board Options

Option #1

Adopt the CEQA determination that the proposed action was considered in the previously certified 2005 Final EIR and other documents, and

- a. Appropriate \$22 million; and
- b. Authorize an increase in change order authority of \$18.5 million for the Weymouth ORP Stage 1 construction contract, for an aggregate authority not to exceed \$23,274,875.

Fiscal Impact: \$22 million of capital funds under Approp. 15392.

Business Analysis: This option will increase the ozone treatment capacity of the Weymouth plant in the most expeditious and cost-effective manner. This option will remove blending restrictions at the Weymouth plant associated with Metropolitan's source waters, and will provide near-term flexibility in meeting Central Pool treated water demands when PCCP feeders within the distribution system are removed from service for rehabilitation.

Option #2

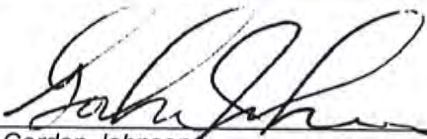
Do not authorize an increase in change order authority for the Weymouth ORP Stage 1 construction contract.

Fiscal Impact: The total cost to complete the Weymouth ORP Stage 2 facilities would be approximately \$3 million to \$6 million greater than under Option #1.

Business Analysis: Under this option, completion of the Weymouth ORP Stage 2 facilities would be accomplished through separate construction contracts. The full ozonation capacity of 520 mgd would be on-line in 2019-2020.

Staff Recommendation

Option #1


Gordon Johnson
Manager/Chief Engineer,
Engineering Services

11/25/2013

Date


Jeffrey Knightlinger
General Manager

11/27/2013

Date

Attachment 1 – Financial Statement

Attachment 2 – Location Map

Ref# es12626760

Financial Statement for Weymouth Oxidation Retrofit Program

A breakdown of Board Action No. 12 for Appropriation No. 15392 to construct Stage 2 of the Weymouth ORP¹ is as follows:

	Previous Total Appropriated Amount (Jan. 2013)	Current Board Action No. 12 (Dec. 2013)	New Total Appropriated Amount
Labor			
Studies & Investigations	\$ 1,464,000	\$ -	\$ 1,464,000
Final Design	17,357,000	300,000	17,657,000
Owner Costs (Program mgmt & permitting)	8,938,400	229,000	9,167,400
Submittals Review & Record Drwgs	7,072,600	495,000	7,567,600
Construction Inspection & Support	17,899,724	1,050,000	18,949,724
Metropolitan Force Construction	7,754,000	185,000	7,939,000
Materials & Supplies	9,437,650	150,000	9,587,650
Incidental Expenses	438,000	10,000	448,000
Professional/Technical Services	17,452,432	-	17,452,432
Contracts	116,822,189	18,500,000	135,322,189
Equipment Use	98,000	-	98,000
Remaining Budget	11,278,005 ²	1,081,000	12,359,005
Total	\$ 216,012,000	\$ 22,000,000	\$ 238,012,000

Funding Request

Program Name:	Weymouth Oxidation Retrofit Program		
Source of Funds:	Revenue Bonds, Replacement and Refurbishment or General Funds		
Appropriation No.:	15392	Board Action No.:	12
Requested Amount:	\$ 22,000,000	Budget Page No.:	341
Total Appropriated Amount:	\$ 238,012,000	Total Program Estimate:	\$ 338,510,000

¹ The total amount expended to date on the Weymouth ORP, including permitting, design, construction of the predecessor projects, ozone equipment procurement, and construction to date of the Stage 1 ozonation facilities, is approximately \$101,570,000. The total estimated cost to complete the Weymouth ORP, including the amount authorized to date, current funds requested, and future completion activities, is \$267 million.

² Includes previous reallocation from Remaining Budget of \$130,000 for the Weymouth Sodium Hypochlorite and Sulfuric Acid Facilities for additional grading and stormwater work on the north side of the plant.

Distribution System



written
communication

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NOV 20 2013

CRESCENTA VALLEY
WATER DISTRICT



CRESCENTA VALLEY CHAMBER OF COMMERCE

Serving the Foothill Communities Since 1925

3131 Foothill Boulevard, Suite D, La Crescenta, CA 91214

Phone (818) 248-4957 • Fax (818) 248-9625

E-mail CrescentaChamber@aol.com / Website www.lacrescenta.org

November 19, 2013

Dennis Erdman
Crescenta Valley Water District
2700 Foothill Blvd.
La Crescenta CA 91214

Dear Mr. Erdman,

The Crescenta Valley Chamber of Commerce wishes to thank the Crescenta Valley Water District for your generous support in providing a generator for our Taste of the Foothills event on Wednesday, November 13, 2013. The event helps the chamber and our local restaurants, as well as benefiting our local elementary schools. We could not hold this event without the support of businesses in the community, and we thank you for your help in making it possible.

Sincerely,

Michele Sierra
Executive Director

Written
Communication



Los Angeles County REGISTRAR-RECORDER/COUNTY CLERK

DEAN C. LOGAN
Registrar-Recorder/County Clerk

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DEC - 2 2013

CRESCENTA VALLEY
WATER DISTRICT

November 25, 2013

Mr. Ron L. Mitchell, Secretary/Treasurer
Crescenta Valley County Water District
2700 Foothill Boulevard
La Crescenta, California 91214

Dear Mr. Mitchell:

Enclosed are the Official Canvass Certificate and the Official Statement of Votes Cast by precinct for the Crescenta Valley County Water District Election that was held with the Local and Municipal Consolidated Elections on November 5, 2013.

For your information, pursuant to Section 15401 of the Elections Code, a Certificate of Election was prepared and sent to each successful candidate.

Please call the Election Planning Section at (562) 462-2317, if you have any questions.

Sincerely,

DEAN C. LOGAN
Registrar-Recorder/County Clerk

Francis Guijaro

FRANCIS GUIJARO, Head
Election Planning Section

Enclosures
Official Canvass Certificate
Official Statement of Votes Cast

Los Angeles County
Registrar-Recorder/County Clerk

Certificate of the Canvass of the Election Returns

I, DEAN C. LOGAN, Registrar-Recorder/County Clerk of the County of Los Angeles, of the State of California, DO HEREBY CERTIFY that pursuant to the provisions of Section 15300 et seq. of the California Elections Code, I did canvass the returns of the votes cast for each elective office and/or measure for

Crescenta Valley Water District

at the Local and Municipal Consolidated Elections, held on the 5th day of November 2013.

I FURTHER CERTIFY that the Statement of Votes Cast, to which this certificate is attached, shows the total number of ballots cast in said jurisdiction and the whole number of votes cast for each candidate and/or measure in said jurisdiction in each of the respective precincts therein, and that the totals of the respective columns and the totals as shown for each candidate and/or measure are full, true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal this 25th day of November 2013.



Dean Logan
DEAN C. LOGAN
Registrar-Recorder/County Clerk
County of Los Angeles

CRESCENTA VALLEY WATER
BOARD OF DIRECTORS

KERRY D
ERICKSON

JAMES
BODNAR

CHARLES K
BEATTY

KENNETH R
PUTNAM

FINAL OFFICIAL
STATEMENT OF VOTES CAST

CITY/PREC	REGISTRATION	BALLOTS CAST
-----------	--------------	-----------------

LA CANADA FLINTRIDG*3150064D	65	0
AV/VBM	0	13
TOTAL	65	13
LA CRESCENTA	3224	86
AV/VBM	0	229
TOTAL	3224	315
LA CRESCENTA	2422	88
AV/VBM	0	232
TOTAL	2422	320
LA CRESCENTA	2199	90
AV/VBM	0	189
TOTAL	2199	279
LA CRESCENTA	2420	47
AV/VBM	0	129
TOTAL	2420	176
MONTROSE	2503	26
AV/VBM	0	128
TOTAL	2503	154

PRECINCT TOTAL VOTE

VBM TOTAL VOTE

GRAND TOTAL VOTE

0	0	0	0
6	6	6	6
6	6	6	6
40	37	37	40
99	95	95	99
139	132	132	139
64	27	27	64
120	73	73	120
184	100	100	184
48	33	33	48
86	63	63	86
134	96	96	134
26	13	13	26
48	58	58	48
74	71	71	74
10	12	12	10
66	44	44	66
76	56	56	76
188	122	122	188
425	339	339	425
613	461	461	613

0	0	0
5	5	5
69	69	69
119	119	119
188	188	188
66	66	66
151	151	151
217	217	217
63	63	63
118	118	118
181	181	181
29	29	29
64	64	64
93	93	93
15	15	15
84	84	84
99	99	99
242	242	242
541	541	541
783	783	783

0	337	12768
920	0	0
1257	12768	12768



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CRESCENTA VALLEY
WATER DISTRICT

written communication

BOARD OF DIRECTORS

Brian Bowcock
David D. De Jesus
Carlos Goytia
Dan Horan
Bob Kuhn
Fred Lantz
Joseph T. Ruzicka

GENERAL MANAGER/CHIEF ENGINEER

Richard W. Hansen, P.E.

November 27, 2013

Mr. Dennis Erdman,
General Manager
Crescenta Valley County Water District
2700 Foothill Blvd.
La Crescenta, CA 91214

Re: **Consideration of Support for Joe Ruzicka as the Independent Special District LAFCO Representative—Alternate**

Dear General Manager:

During the first week in December, your agency will receive election materials and a ballot seeking your vote to fill the vacancy for **LAFCO Representative—Alternate Member** representing independent special districts. Three Valleys Municipal Water District has formally nominated me for this seat and I am asking your organization to concur by encouraging a vote in my support.

In supporting me, the LAFCO Board would receive the benefit of my many years of local and regional involvement along with proven problem-solving expertise. As the Three Valleys' Board's representative to LAFCO, I have attended nearly all of the meetings and am able to master the intricacies of the LAFCO process.

In both my public and professional activities I hope and strive to create positive influences and significant and important contributions.

For your convenience, I have again attached my candidate statement and resume. I encourage your district to select me as your candidate on the ballot once you have had the opportunity to review the LAFCO election materials.

If I may answer any questions, please feel free to contact me at (909) 861-7406.

Most Sincerely,
Three Valleys Municipal Water District

Joseph T. Ruzicka
Board Member, Division 5



Candidate Statement of Joseph T. Ruzicka
Nominee for LAFCO
Independent Special District Representative—Alternate Member

Joe Ruzicka, a 38-year Diamond Bar resident and retired Regional Manager for the U.S. Railroad Retirement Board, with operational and administrative responsibilities for all of Southern California, would bring many years of public and volunteer service experience to the LAFCO Board.

I have served on the various committees that led to the eventual incorporation of the City of Diamond Bar; where immediately after the incorporation I was appointed from 1989 to 1996 as an inaugural member of the Diamond Bar *Parks & Recreation Commission* and was instrumental in instituting several new programs that accommodated the needs of youth sports organizations and also helped to initiate the popular "Concerts in the Parks" series. I was then appointed as a *Planning Commissioner* for the City of Diamond Bar from 1997 to 2003, during which time there were many accomplishments including the successful development of some 425 acres in the heart of the City. I resigned from the Planning Commission to serve on the *Three Valleys MWD Board of Directors*.

As a member of the Three Valleys Board of Directors, among other appointments, I currently serve as the Three Valleys' representative to the LAFCO Commission; and in that capacity have attended nearly all meetings of the commission since my appointment.

I have also served the City of Diamond Bar as President of the local Little League, as a member of the Walnut Valley Rotary Club (past president) and as a Board Member of the Diamond Bar Improvement Association. I am an eight-year Marine Corp veteran in both active and reserve duty (1954-1962). For nine years I was the Executive Director of the San Gabriel Valley Mediation Center.

U.S. Railroad Retirement Board

Southern California District Manager: 1975-1991

Area of responsibility extended from San Luis Obispo to San Diego and also included Clark County Nevada (Las Vegas).

State of Indiana District Manager: 1973-1975

Responsible for 90% of state with satellite offices in Fort Wayne and Evansville.

Nation's Capitol District Manager: 1969-1973

Represented the agency in Washington, DC with heavy interaction with related federal government agencies and Capitol Hill.

Duties included but were not restricted to the following:

- Liaison and representative to groups, labor organizations and public
- Organized and directed all activities within the district
- Interacted with other districts to achieve goals and objectives
- Made oral presentations before a variety of public and private organizations
- Wrote articles on technical matters and public policy issues
- Served as authoritative information resource for government and public decision makers
- Served as contact person for the media
- Member, Federal Executive Board

Additional Community Experience

- Chairman, Government Affairs Committee, San Gabriel Valley Regional Chamber of Commerce
- President, Diamond Bar Little League
- Assistant District Administrator, District 20, Little League
- Board Member, Diamond Bar Improvement Association
- President, Walnut Valley Rotary Club
- Regular member of St. Denis Catholic Church

EDUCATION

Loyola University, Chicago, Illinois

University of Detroit, Detroit, Michigan

U.S. Merchant Marine Academy, Long Island, New York

Pepperdine University, Malibu, California



ELECTED OFFICIALS SUMMIT 2014

To Elected Leaders and General Managers,

I recognize that as industry leaders, your time is extremely valuable and there is no limit to the invitations you receive each day. I appreciate this opportunity to share more about CUEMA, the California Utility Executive Management Association, and provide you with information about what you can expect next spring when elected water leaders from across California gather in Indian Wells.

CUEMA's Elected Officials Summit will be held March 4-5, 2014 and is a specially designed event that will focus on issues you face as an elected leader in the water industry, or as a general manager. This first of its kind summit will focus on important topics, such as fostering consensus on your board, or encouraging new—problem solving—thinking amongst your staff. We will also examine how to build regional cooperation with other like-minded agencies, and how best to draw public attention to the successes your agency enjoys.

CUEMA's main mission is to provide a supportive, career-building network that bolsters productivity and strengthens leadership within its membership. Particularly, we strive to support executives through education and advocacy of the industry's best managerial practices. This specialized summit is geared toward building better leadership practices, and offering some keen insight for elected water leaders and their general managers.

The decision to be involved with CUEMA's events gives your organization unique recognition in an audience saturated with decision-makers. It is a great place to exchange ideas with industry peers, meet your agency counterparts, and bring home valuable insight that you can put to work within your organization.

I hope to see you in March. We are planning an informative, interactive and inspiring event that will yield immediate results for you and your organization. For more information please visit www.CUEMA.org.

Sincerely,

Rick Gilmore
President, CUEMA
General Manager, Byron Bethany Irrigation District

MARCH 4-5 | RENAISSANCE ESMERALDA HOTEL, INDIAN WELLS

CUEMA.ORG



ELECTED OFFICIALS SUMMIT 2014

Join us for a powerful seminar for water industry elected officials that will help bring your agency to the forefront. Specially designed sessions focus in on the leadership development tactics and key industry information needed to guide a thriving public agency.

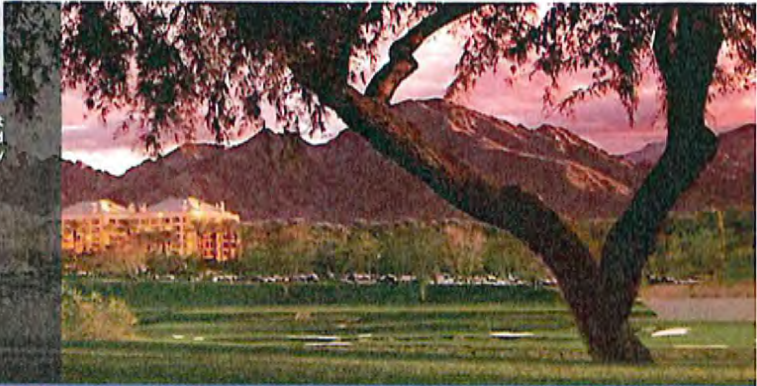
Reservations for the hotel can be made online at:
<https://resweb.passkey.com/go/cuema2014>

RESERVATION DEADLINE - DECEMBER 31, 2013

Attendee Cost: \$325.00 Spouse \$35.00

RECEPTION: March 4, 2014 | 6 p.m. – 7 p.m.

SUMMIT: March 5, 2014 | 8 a.m. – 3 p.m.



MARCH 4-5 | RENAISSANCE ESMERALDA HOTEL, INDIAN WELLS

CUEMA.ORG

CRESCENTA VALLEY WATER DISTRICT
FISCAL YEAR 2013-14
BUDGET VERSUS ACTUAL
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2013

	Description	Budget	Ending Balance	End Bal % of Revenue	Variance	End Bal % of Budget 25.00%
WATER FUND						
01-00-4010-000	Water Sales - Consumers	4,782,000	1,647,024	55.26%	3,134,976	34.44%
01-00-4010-005	FMWD Charge	2,648,000	821,151	27.55%	1,826,849	31.01%
01-00-4010-008	Water Sales- Service Charge	1,750,000	436,244	14.64%	1,313,756	24.93%
01-00-4010-009	Water Sales - Fire Service	32,000	7,998	0.27%	24,002	24.99%
01-00-4020-000	Water Sales - Others	52,000	16,106	0.54%	35,894	30.97%
01-00-4110-000	Meter Installation/Hydrant	35,000	27,423	0.92%	7,577	78.35%
01-00-4220-000	Water Systems Connect Fee	75,000	8,387	0.28%	66,613	11.18%
01-00-4230-000	Other Income	5,500	594	0.02%	4,906	10.80%
	Operating Revenues	9,379,500	2,964,927	99.48%	6,414,573	31.61%
01-00-4240-000	Interest Earned - Water	50,000	37,357	1.25%	12,643	74.71%
01-00-4245-000	Interest Earned-2007 COPS Proc	-	68	0.00%	(68)	
01-00-4265-000	Fair Value Adjustment	-	(27,762)	-0.93%	27,762	
01-00-4270-000	Gain/Loss on Sale of Assets	-	-	0.00%	-	
01-00-4271-000	Gain/Loss on Sale of Investments	-	1,609	0.05%	(1,609)	
01-00-4275-001	Rental Income	22,500	4,360	0.15%	18,140	
01-00-4280-000	Other - MTBE Settlement	-	238,356	NOT INCLUDED IN TOTAL		
	Non-Operating Revenue	72,500	15,631	0.52%	56,869	21.56%
	Revenue- excludes MTBE settlement	9,452,000	2,980,558	100.00%	6,471,442	31.53%
01-01-5000-000	Director Fees	8,100	1,575	0.05%	6,525	19.44%
01-01-5010-000	Officer Salaries	147,800	36,181	1.21%	111,619	24.48%
01-01-5015-000	Administrative Services-Labor	353,600	68,923	2.31%	284,677	19.49%
01-01-5015-100	Administrative Services-OT	5,700	2,213	0.07%	3,487	38.83%
01-01-5020-000	Engineering-Labor	410,700	80,520	2.70%	330,180	19.61%
01-01-5020-100	Engineering-OT	750	9	0.00%	741	1.21%
01-01-5045-000	Automobile Allowance	8,700	2,175	0.07%	6,525	25.00%
01-01-5050-000	Employer Portion of PERS	272,800	42,914	1.44%	229,886	15.73%
01-01-5060-000	Taxes-Payroll	130,900	29,174	0.98%	101,726	22.29%
01-01-5070-000	Sick Leave/Vacation-Office	129,400		0.00%	129,400	0.00%
01-01-5080-000	Health Dental Vision	123,200	28,077	0.94%	95,123	22.79%
01-01-5080-055	Retiree Health Care Expense	80,700	21,776	0.73%	58,924	26.98%
01-01-5082-000	Life and Disability Insurance	8,200	1,929	0.06%	6,271	23.53%
01-01-5083-000	Self Insurance	13,100	5,768	0.19%	7,332	44.03%
01-01-5085-000	Workers' Compensation Ins	16,500	3,343	0.11%	13,157	20.26%
01-02-5015-000	Administrative Services-Plant	233,900	55,327	1.86%	178,573	23.65%
01-02-5015-100	Administrative OT-Plant	-	64	0.00%	(64)	
01-02-5030-000	System Operations	320,900	69,645	2.34%	251,255	21.70%

	Description	Budget	Ending Balance	% of Revenue	Variance	% of Budget
01-02-5030-100	System Operations OT	17,900	4,956	0.17%	12,944	27.69%
01-02-5035-000	Maintenance - Labor	388,100	74,012	2.48%	314,088	19.07%
01-02-5035-100	Maintenance OT	18,100	5,742	0.19%	12,358	31.72%
01-02-5036-000	Standby Pay	46,000	11,384	0.38%	34,616	24.75%
01-02-5070-000	Sick Leave/Vacation-Plant	86,300	-	0.00%	86,300	0.00%
01-02-5080-000	Health Dental Vision	140,100	30,346	1.02%	109,754	21.66%
01-02-5085-000	Workers' Compensation Ins	74,500	13,680	0.46%	60,820	18.36%
	Labor Transfer to Capital	(150,000)	(22,316.82)	-0.75%	(127,683)	14.88%
	Compensation and Benefits	2,885,950	589,732	19.79%	2,318,535	20.43%
01-01-5090-000	GL, Property, Fidelity Ins	50,000	11,942	0.40%	38,058	23.88%
01-01-5100-000	Accounting	12,500	4,670	0.16%	7,830	37.36%
01-01-5125-000	Legal	48,500	4,116	0.14%	44,384	8.49%
01-01-5125-001	Legal - MTBE	-	-	0.00%	-	-
01-01-5130-000	Administrative Consultants	45,000	-	0.00%	45,000	0.00%
	IT Support		3,097	0.10%	(3,097)	
01-01-5140-000	Election Expense	40,000	-	0.00%	40,000	
01-01-5150-000	Building Maintenance-Office	10,000	2,048	0.07%	7,953	20.48%
01-01-5170-000	Landscaping Expense	6,000	1,187	0.04%	4,813	19.79%
01-01-5180-000	Office Supplies & Misc Expense	4,000	1,461	0.05%	2,539	36.52%
01-01-5190-000	Computers and Network	25,000	2,776	0.09%	22,224	11.10%
01-01-5195-000	Computer Software	37,500	1,123	0.04%	36,377	3.00%
01-01-5196-000	Software Maintenance/Licenses	18,000	9,635	0.32%	8,365	53.53%
01-01-5200-000	Utilities	18,000	4,931	0.17%	13,069	27.39%
01-01-5225-000	Land-Line Phones/Communication	29,000	5,914	0.20%	23,086	20.39%
01-01-5226-000	Cell Phones-Office	17,500	3,659	0.12%	13,841	20.91%
01-01-5230-000	Printing Postage Stationery	39,500	6,225	0.21%	33,275	15.76%
01-01-5240-000	Uncollectible Accounts	5,000	-	0.00%	5,000	0.00%
01-01-5250-000	Water System Fees	65,000	12,831	0.43%	52,169	19.74%
01-01-5260-000	Engineering Expense	13,000	2,823	0.09%	10,177	21.71%
01-01-5270-001	Water Conservation Expense	71,000	4,036	0.14%	66,964	5.68%
01-01-5270-002	Water Conservation Advertising	10,000	-	0.00%	10,000	0.00%
01-01-5270-003	Water Conservation Turf Rebate	25,000	16,763	0.56%	8,237	67.05%
01-01-5270-005	Water Conservation Rebates	13,000	(100)	0.00%	13,100	-0.77%
01-01-5300-000	Training-Office	13,000	2,708	0.09%	10,292	20.83%
01-01-5320-000	Conferences & Seminars	13,000	2,306	0.08%	10,694	17.74%
01-01-5320-005	Conferences & Seminars-Board	1,500	60	0.00%	1,440	4.00%
01-01-5325-000	Mileage Reimbursements	750	-	0.00%	750	0.00%
01-01-5350-000	Misc Administration	4,000	228	0.01%	3,772	5.70%
01-01-5350-005	Misc Administration-Board	1,500	308	0.01%	1,192	20.56%
01-01-5355-000	Memberships/Subscriptions	20,000	6,134	0.21%	13,866	30.67%
01-01-5365-000	Bank Charges	11,500	2,408	0.08%	9,092	20.94%
	Gen'l and Admin Expenses	667,750	113,287	3.80%	554,463	16.97%
01-01-5900-000	Amortization of Intangibles	15,000	3,775	0.13%	11,225	25.16%
01-01-5900-001	Amortization of Investment Premium		(87)	0.00%	87	
01-01-5910-000	Interest Expense - Notes	387,400	96,809	3.25%	290,591	24.99%

	Description	Budget	Ending Balance	% of Revenue	Variance	% of Budget
01-01-5920-001	Rental Expense - PA House	2,500		0.00%	2,500	
01-01-5920-002	Rental Expense - Sycamore House		525	0.02%	(525)	
	Non-Operating Expense	404,900	101,022	3.39%	303,878	24.95%
01-02-5145-000	Taxes-Property	11,500	-	0.00%	11,500	0.00%
01-02-5150-000	Building Maintenance-Plant	11,000	2,427	0.08%	8,573	22.06%
01-02-5170-000	Landscaping Expenses-Plant	6,000	1,170	0.04%	4,830	19.50%
01-02-5180-000	Office Supplies & Misc Expense	6,000	2,055	0.07%	3,945	34.25%
01-02-5200-000	Utilities-Plant	12,000	2,281	0.08%	9,719	19.01%
01-02-5225-000	Land-Line Phones/Communication	29,000	6,683	0.22%	22,317	23.05%
01-02-5226-000	Cell Phones-Plant	8,500	1,788	0.06%	6,712	21.04%
01-02-5300-000	Training-Plant	7,000	2,657	0.09%	4,343	37.96%
01-02-5310-000	Operator Certifications-Educ	4,000	374	0.01%	3,627	9.34%
01-02-5330-000	Safety & Security	15,000	4,603	0.15%	10,397	30.69%
01-02-5340-000	Uniforms	10,000	1,474	0.05%	8,526	14.74%
01-02-5360-000	Emergency Operations/Repairs	5,000	-	0.00%	5,000	0.00%
01-02-5370-000	Permit & Assessment Fees	2,000	-	0.00%	2,000	0.00%
01-02-5380-000	Tools and Equipment Maintenance	15,000	3,885	0.13%	11,115	25.90%
01-02-5390-000	Nitrate Plant	80,000	15,910	0.53%	64,090	19.89%
01-02-5445-000	Telemetry & Signal System	8,500	967	0.03%	7,533	11.37%
01-02-5445-001	SCADA Hardware	6,000	740	0.02%	5,260	12.33%
01-02-5445-002	SCADA Software	14,000	98	0.00%	13,902	0.70%
01-02-5445-003	SCADA Phone Lines	4,000	354	0.01%	3,646	8.85%
01-02-5450-000	Lab & Sampling Expense	92,000	8,484	0.28%	83,516	9.22%
01-02-5450-013	Lab & Sampling Expense - MTBE	-	15,735	0.53%	(15,735)	
01-02-5460-000	Chlorine & Treatment Expense	55,000	16,924	0.57%	38,076	30.77%
	Water Plant Operation Expense	401,500	88,608	2.97%	176,693	22.07%
01-02-5401-000	Purchased Water	2,109,395	885,661	29.71%	1,223,734	41.99%
01-02-5402-000	Power Purchased - Pumping	637,000	187,022	6.27%	449,978	29.36%
	Water System Expense	2,746,395	1,072,683	35.99%	1,673,712	39.06%
01-02-5410-000	Backflow Expense	1,000	-	0.00%	1,000	0.00%
01-02-5423-000	Pipelines - Maintenance	50,000	6,362	0.21%	43,638	12.72%
01-02-5423-007	Pipelines-Paving	27,000	1,908	0.06%	25,092	7.07%
01-02-5423-008	Fire Hydrant Repair/Replace	26,000	(1,737)	-0.06%	27,737	-6.68%
01-02-5423-009	Pipelines-Leak Detect/Repair	25,000	155	0.01%	24,845	0.62%
01-02-5423-010	Pipelines-Trench Plate Rentals	1,000	-	0.00%	1,000	0.00%
01-02-5423-011	Water Sampling Stations	-	316		(316)	
01-02-5423-012	Pipelines - Valves	20,000	-	0.00%	20,000	0.00%
01-02-5424-000	Reservoir Maintenance	94,000	5,091	0.17%	88,909	5.42%
01-02-5424-006	Reservoir Landscape	24,000	5,354	0.18%	18,646	22.31%
01-02-5425-000	Meter Maintenance	255,000	42,137	1.41%	212,863	16.52%
01-02-5425-007	Meters - Paving	190,000	73,770	2.48%	116,230	38.83%
01-02-5425-008	Meter Repair/Replace/Upgrade	32,000	1,348	0.05%	30,652	4.21%
01-02-5425-009	Lateral Leaks and Repairs	40,000	20,671	0.69%	19,329	51.68%
01-02-5425-010	Meters - Trench Plate Rentals	1,000	2,026	0.07%	(1,026)	202.55%
01-02-5425-011	Meters - D-Jobs		5,113	0.17%	(5,113)	

	Description	Budget	Ending Balance	% of Revenue	Variance	% of Budget
01-02-5432-000	Well Site - Maintenance	28,000	2,368	0.08%	25,632	8.46%
01-02-5432-006	Well Site - Landscape	13,000	2,006	0.07%	10,994	15.43%
01-02-5432-007	Well Site - Lease Payment	300	300	0.01%	-	100.00%
01-02-5433-000	Maintenance - Booster Pumps	60,000	15,532	0.52%	44,468	25.89%
01-02-5434-000	Emergency Power Generators	7,500	120	0.00%	7,380	1.60%
01-02-5440-000	Auto/Truck Maintenance	30,000	17,107	0.57%	12,893	57.02%
01-02-5440-015	Auto/Truck Maintenance-Gas	26,000	5,726	0.19%	20,274	22.02%
01-02-5440-016	Auto/Truck Maintenance-Diesel	16,000	1,556	0.05%	14,444	9.73%
01-02-5441-000	Inventory Shrinkage/Disposal		-	0.00%	-	
	Distribution System Expense	966,800	207,228	6.95%	759,572	21.43%
	Expense	8,073,295	2,172,560	72.89%	5,786,853	26.91%
		1,378,705	807,998			

Water CIP Projects and Capital Outlay/Equipment	2,472,000	48,449	2,423,551	1.96%
COPS Principal Payment	225,000	56,250	168,750	25.00%
OPEB Fund	100,000	25,000		
NET INCOME/(LOSS) ON BUDGET	(1,418,295)	678,299		

BOND COVENANT Revenue Less Operating Expenses from GL	909,020	(does not include deprec or OPEB)
Debt Service - Principal and Interest	153,059	
	5.94	

These items are not included in above expenses:

01-01-5080-055	Post Employment Medical Benefits	431,554	14.48%
01-01-5800-000	Depreciation - Office	19,369	0.65%
01-02-5805-000	Depreciation-Pumping	100,080	3.36%
01-02-5810-000	Depreciation-Distribution	147,700	4.96%
01-02-5815-000	Depreciation-Nitrate Plant	26,421	0.89%
	Non-Cash Expense Items	725,125	24.33%

	Description	Budget	Ending Balance	% of Revenue	Variance	% of Budget
WASTEWATER FUND						
00-4010-000	Sewage Disposal Sales	3,193,000	838,273	99.10%	2,354,727	26.25%
02-00-4220-000	Property Owner Assessments	9,000	6,167	0.73%	2,833	68.53%
02-00-4225-000	Sewer Permits	5,000		0.00%	5,000	0.00%
02-00-4230-000	Other Income - Wastewater	7,000		0.00%	7,000	0.00%
	Operating Revenues	3,214,000	844,440	99.83%	2,369,560	26.27%
02-00-4240-000	Interest Earned - Sewer	500	9	0.00%	491	1.75%
02-00-4270-000	Gain/Loss on Sale of Assets			0.00%		
02-00-4275-002	Rental Income	7,500	1,453	0.17%	6,047	19.38%
	Non-Operating Revenue	8,000	1,462	0.17%	6,538	18.28%
	Revenue	3,222,000	845,903	100.00%	2,376,097	26.25%
02-01-5000-000	Director Fees	8,100	1,575	0.19%	6,525	19.44%
02-01-5010-000	Officer Salaries	147,400	36,181	4.28%	111,219	24.55%
02-01-5015-000	Administrative Services-Labor	235,600	50,724	6.00%	184,876	21.53%
02-01-5015-100	Administrative Services-OT	3,850	2,213	0.26%	1,637	57.48%
02-01-5020-000	Engineering-Labor	133,200	26,910	3.18%	106,290	20.20%
02-01-5020-100	Engineering-OT	250	3	0.00%	247	1.21%
02-01-5045-000	Automobile Allowance	8,700	2,175	0.26%	6,525	25.00%
02-01-5050-000	Employer Portion of PERS	181,500	28,746	3.40%	152,754	15.84%
02-01-5060-000	Taxes - Payroll	86,600	19,449	2.30%	67,151	22.46%
02-01-5070-000	Sick Leave/Vacation-Office	42,900	-	0.00%	42,900	0.00%
01-5080-000	Health Dental Vision	82,100	18,687	2.21%	63,413	22.76%
02-01-5080-055	Retiree Health Care Expense	54,700	14,517	1.72%	40,183	26.54%
02-01-5082-000	Life and Disability Insurance	5,500	1,286	0.15%	4,214	23.38%
02-01-5083-000	Self Insurance	8,700	3,845	0.45%	4,855	44.20%
02-01-5085-000	Workers' Compensation Ins	11,000	2,229	0.26%	8,771	20.26%
02-02-5015-000	Administrative Services-Plant	77,800	15,893	1.88%	61,907	20.43%
02-02-5015-100	Administrative OT-Plant	167	21	0.00%	146	12.71%
02-02-5035-000	Maintenance-Plant Labor	204,700	26,700	3.16%	178,000	13.04%
02-02-5035-100	Maintenance- OT	11,300	2,714	0.32%	8,586	24.01%
02-02-5036-000	Standby Pay	15,300	3,795	0.45%	11,505	24.80%
02-02-5070-000	Sick Leave/Vacation-Plant	28,600		0.00%	28,600	0.00%
02-02-5080-000	Health Dental Vision	93,400	20,172	2.38%	73,228	21.60%
02-02-5085-000	Workers' Compensation Ins	49,100	9,120	1.08%	39,980	18.57%
	Transfer to Capital	(4,833)	(1,200)	-0.14%	(3,633)	24.84%
	Compensation and Benefits	1,485,634	286,954	33.92%	1,199,880	19.32%
02-01-5090-000	GL, Property, Fidelity Ins	50,000	11,942	1.41%	38,058	23.88%
02-01-5100-000	Accounting	12,500	4,670	0.55%	7,830	37.36%
02-01-5125-000	Legal	16,000	2,432	0.29%	13,568	15.20%
02-01-5130-000	Adminstrative Consultants	15,000		0.00%	15,000	0.00%
	IT Consultant		3,087	0.36%	(3,087)	
02-01-5140-000	Election Expense	40,000	-	0.00%	40,000	
02-01-5150-000	Building Maintenance-Office	3,250	683	0.08%	2,568	21.00%
02-01-5170-000	Landscaping Expense-Office	2,000	396	0.05%	1,604	19.79%
02-01-5180-000	Office Supplies & Misc Expense	4,000	1,446	0.17%	2,554	36.14%

	Description	Budget	Ending Balance	% of Revenue	Variance	% of Budget
02-01-5190-000	Computers and Network	8,500	925	0.11%	7,575	10.89%
02-01-5195-000	Computer Software	12,500	374	0.04%	12,126	3.00%
02-01-5196-000	Software Maintenance/Licenses	6,000	3,212	0.38%	2,788	53.53%
02-01-5200-000	Utilities	6,000	1,566	0.19%	4,434	26.10%
02-01-5225-000	Land-Line Phones/Communication	9,500	1,971	0.23%	7,529	20.75%
02-01-5226-000	Cell Phones-Office	5,750	1,220	0.14%	4,530	21.21%
02-01-5230-000	Printing Postage Stationery	39,500	6,225	0.74%	33,275	15.76%
02-01-5240-000	Uncollectible Accounts	1,700		0.00%	1,700	0.00%
02-01-5260-000	Engineering Expenses	4,250	941	0.11%	3,309	22.14%
02-01-5300-000	Training-Office	4,250	360	0.04%	3,890	8.47%
02-01-5320-000	Conferences & Seminars	4,250	620	0.07%	3,630	14.60%
02-01-5320-005	Conferences & Seminars-Board	500	20	0.00%	480	4.00%
02-01-5325-000	Mileage Reimbursements	250	-	0.00%	250	0.00%
02-01-5350-000	Misc Administration	1,350	51	0.01%	1,299	3.78%
02-01-5350-005	Misc Administration-Board	500	103	0.01%	397	20.56%
02-01-5355-000	Memberships/Subscriptions	6,500	1,430	0.17%	5,070	21.99%
02-01-5365-000	Bank Charges	11,500	2,357	0.28%	9,143	20.50%
	Gen'l and Admin Expenses	265,550	46,030	5.44%	219,520	17.33%
02-01-5920-001	Rental Expense - PA House	850			850	
02-01-5920-002	Rental Expense - Sycamore House		175		(175)	
	Non-Operating Expense	850	175		675	
02-5145-000	Taxes-Property	3,750		0.00%	3,750	0.00%
02-02-5150-000	Building Maintenance-Plant	3,750	804	0.10%	2,946	21.45%
02-02-5170-000	Landscaping Expense-Plant	2,000	390	0.05%	1,610	19.50%
02-02-5180-000	Office Supplies & Misc Expense	2,000	2,031			
02-02-5200-000	Utilities-Plant	4,000	570	0.07%	3,430	14.25%
02-02-5225-000	Land-Line Phones/Communication	9,500	2,228	0.26%	7,272	23.46%
02-02-5226-000	Cell Phones-Plant	2,800	596	0.07%	2,204	21.29%
02-02-5300-000	Training-Plant	2,350	207	0.02%	2,143	8.82%
02-02-5310-000	Operator Certifications-Educ	4,000	-	0.00%	4,000	0.00%
02-02-5330-000	Safety & Security	5,000	1,579	0.19%	3,421	31.59%
02-02-5340-000	Uniforms	3,300	491	0.06%	2,809	14.89%
02-02-5380-000	Tools and Equipment Maintenance	5,000	5,322	0.63%	(322)	106.44%
02-02-5402-000	Power Purchased	700	176	0.02%	524	25.21%
02-02-5445-000	Telemetry & Signal System	2,800	322	0.04%	2,478	11.51%
02-02-5445-001	SCADA Hardware	2,000	-	0.00%	2,000	0.00%
02-02-5445-002	SCADA Software	4,750	-	0.00%	4,750	0.00%
02-02-5445-003	SCADA Phone Lines	1,300	-	0.00%	1,300	0.00%
	Wastewater Operation Expense	59,000	14,719	1.74%	36,262	24.95%
02-02-5423-000	Pipeline Maintenance	8,000	6,596	0.78%	1,404	82.45%
02-02-5440-000	Autos/Truck Maintenance	20,000	11,043	1.31%	8,957	55.22%
02-02-5440-015	Auto/Truck Maintenance-Gas	8,500	1,909	0.23%	6,591	22.46%
02-02-5440-016	Auto/Truck Maintenance-Diesel	5,400	519	0.06%	4,881	9.61%
02-02-5441-000	Inventory Shrinkage/(Overage)		-	0.00%	-	
02-02-5621-000	Sewer Flow Monitoring Expense	20,000	1,580	0.19%	18,420	7.90%

	Description	Budget	Ending Balance	% of Revenue	Variance	% of Budget
02-02-5624-000	Sewer Camera Van Inspection	1,500	-	0.00%	1,500	0.00%
02-02-5625-000	Sewer Interceptor Maintenance	3,000	-	0.00%	3,000	0.00%
02-02-5628-000	Sewer Lift Station Maintenance	5,000	219	0.03%	4,781	4.39%
	Collection System Expense	71,400	21,866	2.58%	49,534	30.62%
02-02-5700-000	Wastewater System Expense	1,421,300	316,494	37.41%	1,104,806	22.27%
02-02-5705-000	Treatment Expense-Wastewater	35,000	-	0.00%	35,000	0.00%
	Wastewater System Expense	1,456,300	316,494	37.41%	1,139,806	21.73%
	Expense	3,338,734	686,237	81.12%	2,645,678	20.55%
	WASTEWATER INCOME/(LOSS) BEFORE NON-CASH	(116,734)	159,665			

Sewer CIP and Capital Outlay	251,200	11,300
Depreciation Reserve Fund	800,000	200,000
NET INCOME/(LOSS) ON BUDGET	(1,167,934)	(51,635)

These items are not included in above expenses:

02-01-5080-055	Post Employment Medical	287,703
02-01-5800-000	Depreciation-Office	105
02-02-5805-000	Depreciation-Pumping	3,063
02-02-5820-000	Depreciation-Collection System	191,366
	Non-Cash Expense Items	482,237

COMBINED WATER/WASTEWATER REVENUE	12,674,000	3,826,461
COMBINED EXPENSES BEFORE NON-CASH	11,412,029	2,858,797
INCOME/(LOSS) BEFORE NON-CASH EXPENSES	1,261,971	967,664
CIP, COPS, AND OPEB	3,048,200	140,999
CAPITALIZED D-JOBS	-	-
DEPRECIATION RESERVE FUND	800,000	200,000
COMBINED INCOME/(LOSS) FOR BUDGETING PURPOSE	(2,586,229)	626,664

Memorandum

DATE: December 5, 2013

TO: Board of Directors

FROM: Dennis A. Erdman 

RE: General Manager's Report

CC: Management Staff

On December 4, 2013 I met with CV Ready committee members to follow up on the discussions between CVWD and CV Ready regarding cooperative efforts in community preparedness. At this meeting CV Ready returned a signed copy of the "hold harmless agreement" CVWD asked for to enable CV Ready to store equipment at our facilities. I made a presentation on District emergency preparedness measures and gave examples of our responses to emergencies such as the Station Fire and 2011 wind-storm event. There was productive discussion on areas where CV Ready and CVWD can work cooperatively to be more effective during and after large scale emergencies that may occur in the community. It is my intention to continue to monitor the meetings of CV Ready and solidify the opportunities where cooperation can be useful.

The week of December 2-5, 2013, ACWA held their fall conference in Los Angeles. I attended six of the seven sessions presented by ACWA/JPIA and attended several sessions regarding financial management, reserve policy and rate structures. Thank you for authorizing my participation at this conference.

On employee matters, Dennis Maxwell and Rob Wood both have their 8 year anniversary with the District this month. I'm also glad to report that Rob Wood has returned to work after a recovery from an injury. As of December 5, we have worked 22 days without a lost time accident.