CRESCENTA VALLEY WATER DISTRICT

2700 Foothill Boulevard
La Crescenta, California

Agenda for the
Adjourned Regular Meeting of the Board of Directors
of the Crescenta Valley Water District
to be held on Tuesday, June 26, 2018 at 7:00 p.m.

Posted: June 22, 2018 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

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

Foothill Municipal Water District Report

1. Report on activities at Foothill Municipal Water District.

Consent Calendar

1. Consideration and approval of Minutes of the Regular Meeting on June 12, 2018.
2. Ratification of Disbursements for May 2018.

Action Calendar

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

1. **Fiscal Year 2018/19 Water & Wastewater Budgets** – Consideration and motion to adopt the Fiscal Year 2018/19 Water and Wastewater Budgets.
2. **Resolution No. 740** – Consideration and motion to adopt Resolution No. 740 amending Appendix E of the District's Rules & Regulations pertaining to Rates and Charges for Water service.

Information Items

Written Communications to District/Board

General Manager's Report

Attorney Report

Reports of Committees

- **Engineering Committee**
- **Finance Committee**
- **Employee Relations Committee**
- **Policy Committee**
- **Community Relations/Water Conservation Committee**
- **Emergency Planning Committee**

Director's Oral Reports

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

Closed Session

1. **Public Employee Discipline/Dismissal/Release**

Board Members' Request for Future Agenda Items

Adjournment

CRESCENTA VALLEY WATER DISTRICT

REGULAR MEETING, BOARD OF DIRECTORS

June 12, 2018

Pursuant to the order of the Board of Directors of the Crescenta Valley Water District, made at the Regular Meeting of May 15, 2018, a Regular Meeting was held on June 12, 2018 at 6:00 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** **Michael L. Claessens** **Kerry D. Erickson** **Kenneth R. Putnam** **Judy L. Tejeda**
Attorney:	**Thomas S. Bunn III**
General Manager:	
Secretary-Treasurer:	**Ron L. Mitchell**
District Engineer:	**David S. Gould**
Others Present:	**Christy Scott, Program Specialist** **Wendy Holloway, Customer Service Supervisor** **Dennis Maxwell, Operation & Maintenance Mgr.** **James Lee, Finance & Accounting Manager** **Brook Yared, Senior Engineer** **Kathy Ross, FMWD Director**

PLEDGE OF ALLEGIANCE

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

ADOPTION OF AGENDA

It was moved by Director Tejeda, seconded by Director Claessens and carried by a 5-0 vote that the Agenda for the Regular Meeting of June 12, 2018, be adopted as presented.

PUBLIC HEARING

Proposed Water Rate Increase – President Bodnar opened the meeting for the proposed water rate increase with a brief introduction, including the purpose of the hearing, and how the meeting would be conducted. Mr. James Lee gave a presentation discussing the District's goal to provide dependable water service and wasterwater collections to its customers. He talked about water service reliability, pressures that impact the bills, and rate comparison to other water districts in the area. He spoke of the aging infrastructure, the rehabilitation and replacement priorities. President Bodnar opened the floor for public comments. The Board heard questions and concerns from customers, including previous water rate increases, rates for large lots, fixed service charges, recycled water, and pipeline replacements. After hearing customer comments, President Bodnar closed the public hearing for the proposed water rate increase at 7:50 p.m.

PUBLIC COMMENT – None

FOOTHILL MUNICIPAL WATER DISTRICT REPORT – Kathy Ross reported that FMWD held a budget workshop on May 30, 2018 and all the managers from the FMWD agencies were able to review it. At the last Board meeting held at La Canada City Hall, they announced the winners for the art contest and they will now go to MWD for consideration for the 2019 calendars. The pilot program on water conservation by FMWD is now proceeding with La Canada. Also they discussed the Delta Fix and said there has been a 5-member Board put together, called the Delta Conveyance Design and Construction Joint Powers Authority that includes FMWD Board President Richard Atwater.

CONSENT CALENDAR

It was moved by Director Claessens, seconded by Director Erickson and carried by a 5-0 vote to approved the Minutes of the Regular Board meeting held on May 15, 2018, and for the Special Board meeting held on May 21, 2018.

ACTION CALENDAR

Appeal of a High Water Bill – Mr. Mitchell reported Steve and Anne Moser are the owners at 5445 La Crescenta Avenue. He presented a staff report that explained the details of staff discovering high water usage (166,000 gallons), conversations with Mr. Moser and what repairs his gardener had made, and information obtained via the download of his meter. Mr. Moser addressed the Board and said the District should complete the AMI project as this would have allowed staff to notify him sooner of the leak and he could have made repairs and not been charged so much for lost water. Mr. Mitchell explained that Mr. Moser had a previous leak adjustment for the August 31, 2017 billing with the maximum $300.00 credit already provided. In similar situations, the Board has charged only the tier 2 rate for the usage over the average consumption. With recalculating the tiers, his billing would have been $1,312.35 instead of $1,787.04 which is a difference of $424.72. Staff recommends granting the request to recalculate the excess water usage at tier 2 rates for this account to be consistent with recent Board actions and to place the remaining balance on an amortization schedule.

Following discussion:

It was moved by Director Tejeda, seconded by Director Claessens and carried by a 5-0 vote to approve staff's recommendation and arrange for up to three payments for the balance.

General Manager Goals – The Directors discussed some goals and objectives for the new General Manager. Some of them were lower expenses where possible, complete implementation of AMI from his perception with a fresh pair of eyes, strategic planning, community outreach, organizational assessment, and to meet with local authorities for District personnel to be able to have access to get to work during an emergency situation.

FY 2018-19 Water and Wastewater Budgets – The Directors would like staff to look at the MTBE fund and see if there is a way to utilize it more to soften some of the rate increase. Also look into the OPEB contributions.

INFORMATION ITEMS – None

WRITTEN COMMUNICATIONS TO DISTRICT – Protest letters and Risk Assessment letter from Lee Patton – ACWA-JPIA.

REPORTS OF PERSONNEL

GENERAL MANAGER- Mr. Gould reported water production was 100.00 MG last month which is 11.5% less than last year and 13.6% less than the 5-year average. We had .70" of rain for May and the total rainfall is 11.02" for the year, or 50% below average. Oak Creek Reservoir #1 is back in service and construction for Oak Creek Reservoir #2 has been moved to November 2018 to avoid the reservoir being out of service during the high summer demand period. The 3000 Block of Brookhill has been completed and the power has been turned on by GWP to Well 2. There is a meeting with DDW on June 13, 2018. The tentative date for the grand opening is July 11, 2018.

Mr. Mitchell reported as of June 13, 2018 the District has worked 4 years (1,463 days) without a lost time accident. The following employees have work anniversaries in June: David Gould – 21 years, and Jake Whittaker – 3 years. Also the there was a risk assessment letter from ACWA/JPIA, and there will be a Rain Barrel event at Descanso Gardens on September 22, 2018.

ATTORNEY- Mr. Bunn reported that he has a friend in New York that said he heard that California has made it illegal to shower and do your laundry on the same day, however that is not true. The Legislature passed, and the Governor signed, AB1668 and SB 606, bills that extend a regulatory scheme on water agencies in the name of water use efficiency. These bills require the State Board and DWR to adopt long term standards for what constitutes efficient use of water in a number of categories. They also have to develop performance measures that are defined as actions to be taken by urban retail water suppliers that will result in increased water use efficiency by commercial, industrial and intuitional water users by June 30^{th}. They say efficient indoor water use is 55 gallons per capita per day.

REPORTS OF COMMITTEES

Engineering Committee – Mr. Gould reported that the Committee will meet on June 21, 2018 at 9:00 a.m.

Finance Committee – Director Bodnar reported that the Committee will meet on June 15, 2018 at 8:00 a.m.

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

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

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

Emergency Planning Committee – Director Claessens reported that the Committee met on June 5, 2018 at 9:00 a.m. and discussed the CVWD Emergency Operations Protocol Handbook, Public Works Agency Group emergency management and assistance network, and the Status of the Emergency Response Plan.

Executive Committee – Director Bodnar reported that the Committee met on June 6, 2018 at 3:50 p.m. and discussed the Public Hearing presentation.

DIRECTORS ORAL REPORT

Director Bodnar reported that he has completed the California workplace harassment prevention training, and attended a Southern California Dialog and the topic was moving forward on funding for stormwater capture and treatment on May 23rd. The key thing from this is the County is looking at trying to get a tax on hardscape on your property. They want to do aerial imagery to determine how much hardscape the property has and have the stormwater tax effectively. The negative side is an increase in property taxes, but the positive side of this is maybe we can work with the county to get some grant funding.

Director Claessens – No Report

Director Tejeda – No Report

Director Putnam – No Report

Director Erickson reported on disease control and how during food preparation, you need to always wash cutting surfaces and cutting boards, but you should wash your hand with hot water and soap for 20 minutes. Also in Nevada they do not have Proposition 218 for rate increases to deal with.

CLOSED SESSION – No reportable action

ADJOURNMENT

There being no other business to come before the Board, at 9:25 p.m. it was moved by Director Tejeda, seconded by Director Claessens, and carried by a 5-0 vote that the meeting be adjourned to June 26, 2018 at 7:00 p.m.

APPROVED:

James D. Bodnar	Ron L. Mitchell
President	Secretary-Treasurer

CASH DISBURSEMENTS LIST
MAY 2018

Check#	Check Date	Payable To	Description	Water Amount	Wastewater Amount
0	5/25	CalPERS	Contributions for 05/2018	21,375.26	12,536.04
0	5/25	Southern California Edison	Electricity for 05/2018	21,643.21	281.67
0	5/2	Los Angeles County Public Works	Excavation permits for 5 locations	2,575.00	
0	5/16	Los Angeles County Public Works	Excavation permits for 2840 Sanborn & 2407 Rockdell	1,030.00	
37430	5/1	Ron Mitchell	Health Reimbursement	187.61	125.08
37431	5/3	ADS, LLC	Monthly sewer monitoring 04/2018		1,670.00
37432	5/3	Advanced Industrial Serv. Inc	E-970 Oak Creek Res. rehab - progress payment #2	168,150.00	
37433	5/3	Affordable Generator Services, Inc.	Generator rental for main office 04/2018	1,229.90	
37434	5/3	Allen Pipeline, Inc.	Welding @ 2762 Rockpine, 1941 Waltonia, and Plant	2,529.38	35.62
37435	5/3	Michael Barth	Refund Check	78.73	
37436	5/3	Best Drilling & Pump, Inc.	E-987 Well 10 Rehab - final payment	57,855.00	
37437	5/3	California Water Environment	Membership renewal Jim Halaszynski		180.00
37438	5/3	Campbell's Automotive Service	Brakes for Unit #51	423.75	141.25
37439	5/3	Cannon	E-956 Well 2 inspection services through 03/31/2018	35,150.65	
37440	5/3	Cargill, Inc - Salt Division	25 tons of salt	3,129.73	
37441	5/3	CCS Interactive, Inc.	Web hosting for 05/2018	78.75	26.25
37442	5/3	Cerdant, Inc.	Network security 05/2018	206.25	68.75
37443	5/3	Colonial Life & Accidents Ins.	Employee paid insurance 04/2018	183.61	
37444	5/3	Core & Main	Inventory - 1" Angle stops, couplings, ball valves, nipples, plugs, adapters	11,297.99	
37445	5/3	Crescenta Valley Tow Service	Tow unit 23A from Glenwood to Campbells auto	181.87	60.63
37446	5/3	Direct Connection	Business cards for various employees	202.66	67.56
37447	5/3	Employee Relations Network	Background employee check for Arturo Montes	34.39	11.46
37448	5/3	Norik Esmaeili	Refund Check	41.09	
37449	5/3	Foothill Car Wash, Lube & Oil	Oil change for Unit #48 and Unit #9	85.53	28.51
37450	5/3	Grainger	3" caps for new PH analyzer at Glenwood tower	39.15	
37451	5/3	Graybar Electric Co., Inc.	APC Smart UPS for Williams and Pickens Res	796.94	
37452	5/3	Sung Ha	Refund Check	12.92	

Check#	Check Date	Payable To	Description	Water Amount	Wastewater Amount
37453	5/3	Just Tires, Inc.	New tire for unit #43	146.92	48.98
37454	5/3	Legend Pump & Well Service, Inc.	E-990 Paschall Booster B replacement	15,249.00	
37455	5/3	Office Depot - Credit Plan	Misc supplies 04/2018	278.85	193.47
37456	5/3	Paper Cuts, Inc	Paper shredding 04/2018	2.50	2.50
37457	5/3	Pump Check	Pump efficiency testing for well #10	695.00	
37458	5/3	Robert Brkich Const. Corp	E-982 Pipeline replacement Brookhill progress payment 1	78,208.75	
37459	5/3	SA Associates	E-956 Well 2 design services through 03/31/2018	11,841.15	
37460	5/3	John Sim	Refund Check		486.41
37461	5/3	Simpler Systems	Monthly Maintenance 05/2018	375.00	125.00
37462	5/3	South Coast Air Quality	AQMD Fee - 07/2017 throught 06/2018	128.61	
37463	5/3	Spectrum Business	Data communication 04/2018 Office	2,142.56	714.19
37464	5/3	Spectrum Business	Data communication 04/2018 Glenwood	2,172.11	724.03
37465	5/3	St Water Resource Control Brd.	Grade D-1 fees for Darlene Telles	70.00	
37466	5/3	Staples Business Advantage	Misc supplies 04/2018	591.37	591.36
37467	5/3	Sully-Miller Contracting Co.	8 tons of cold patch - temp paving	807.48	
37468	5/3	Darlene Telles	Special Comp License Grade D-1	400.00	
37469	5/3	The Gas Company	Gas purchased at Glenwood and Mills - 04/2018	52.27	17.43
37470	5/3	Underground Service Alert/SC	Underground notifications for 04/2018	175.80	58.60
37471	5/3	Vision Service Plan Co-(CA)	Group Vision for 05/2018	278.46	185.64
37472	5/3	Waste Management - Sun Valley	Disposal service Glenwood & Office 05/2018	865.96	288.65
37473	5/3	West Coast Pipe	E-982 - 200' of 8" CMC&CML weld bell & spigot pipe	4,058.07	
37474	5/3	Western Water Works	3 meter boxes with reading lids	369.56	
37475	5/15	ABC Auto Electric	Repaired broken light wiring on Unit #36	187.50	62.50
37476	5/15	ACWA Joint Powers Ins Authority	Group Health Insurance 06/2018	35,685.93	23,108.54
37477	5/15	Aflac	Employee paid insurance 05/2018	1,854.23	
37478	5/15	Airgas USA, LLC	Monthly cylinder rental 04/2018	190.40	190.40
37479	5/15	All American Landscape Co.	Monthy landscape maintenance office 05/2018	217.50	72.50
37480	5/15	Ameripride Uniform Services, Inc	Uniform rentals 04/2018	707.75	235.91
37481	5/15	Anawalt Lumber & Materials Co.	Misc hardware 04/2018	32.95	10.98
37482	5/15	Kirk Anderson	Bee removal from 3100 Alabama and 3049 Orange	250.00	
37483	5/15	ARC	Monthly MPS Billing 04/2018	620.85	206.95
37484	5/15	AT&T	Voice communication 05/2018	183.53	61.18
37485	5/15	AT&T Mobility	Cell phone service 05/2018	839.66	279.88

Check#	Check Date	Payable To	Description	Water Amount	Wastewater Amount
37486	5/15	Automated Controls & Equipment, Inc.	Valve actuator for Well 5	1,758.91	
37487	5/15	Regino Avalos	Tree trimming at Oak Creek Res.	1,629.37	125.63
37488	5/15	AW Direct, Inc	LED Lightbar for Unit #2	837.74	279.24
37489	5/15	Blaine Tech Services	M-986 - MTBE water quality sampling	3,485.00	
37490	5/15	Bonners Equipment Rentals	Monthly rentals 04/2018	17.17	17.17
37491	5/15	California Water Environment	Membership renewal for Raymond Dodge		180.00
37492	5/15	Campbell's Automotive Service	Unit #23A, shift assembly	356.26	118.76
37493	5/15	Cash-Petty Cash	Reimburse petty cash 05/2018	355.50	83.22
37494	5/15	Choice Pest Control	Monthly service at Mills and Well 9 - 05/2018	90.50	12.50
37495	5/15	City of Glendale	Remittance of utility tax collected - 04/2018	22,759.93	
37496	5/15	City of LA Bureau Sanitation	Sewerage Facilities Charge Jan/Feb 2018		15,905.26
37497	5/15	City of Los Angeles	Capital and O & M portion of Asssc		233,260.00
37498	5/15	County Sanitation District #2	Inert loads	98.51	
37499	5/15	Crescenta Valley Tow Service	Unlocked unit #38	48.75	16.25
37500	5/15	Dangelo Company	Inventory - Gaskets, break-off bolts, and flanges	526.19	
37501	5/15	Dataprose LLC	Printing & Postage for Controls 1-4	1,491.10	1,491.10
37502	5/15	Dell Financial Services	Contract lease for 04/2018	727.71	242.57
37503	5/15	Do-it Center	Misc hardware 04/2018	14.27	20.17
37504	5/15	Empire Fleetwash, LLC	Fleet washing - 27 vehicles	213.00	71.00
37505	5/15	Eurofins Eaton Analytical Inc.	Water analysis - 04/2018	826.00	
37506	5/15	Eurofins Eaton Analytical Inc.	Water analysis - 04/2018	864.00	
37507	5/15	Foothill Municipal Water	Purchase water delivery 04/2018	253,060.80	
37508	5/15	Glendale Adeventist Occ Med	Physical exam for Arturo Montes	251.25	83.75
37509	5/15	Great America Leasing Corp.	Kyocera copiers lease	218.46	218.45
37510	5/15	Gsolutionz Professional Services	Land line support 05/2018	282.12	94.04
37511	5/15	Haaker Equipment Company	Manhole roller grate tool for unit #53		414.18
37512	5/15	Holly Healy	CPR Training for employees 05/2018	1,560.01	519.99
37513	5/15	Home Depot Credit Services	Misc supplies 04/2018	431.04	
37514	5/15	J's Maintenance	Janitorial service Office & Glenwood 04/2018	732.00	244.00
37515	5/15	Lagerlof, Senecal, Gosney & Kr	Legal service 04/2018	6,920.00	1,250.00
37516	5/15	Lagerlof, Senecal, Gosney & Kr	PWAG ERC - cost share	738.39	246.13
37517	5/15	Mail Finance	Postage machine lease	184.96	184.95
37518	5/15	O'Reilly Auto Parts	Misc supplies 04/2018	7.53	7.52

Check#	Check Date	Payable To	Description	Water Amount	Wastewater Amount
37519	5/15	Paveco Construction Inc	List 2017-18-11 paving in various locations	12,092.78	
37520	5/15	Ramco	Bobtail loads for 04/2018	1,800.00	
37521	5/15	Red Wing Shoe Store	Safety boots for Steve Dulay and David Inman	310.63	103.53
37522	5/15	Royal Industrial Solutions	2 Handle assemblies for MCC at Oak Creek Res.	391.27	
37523	5/15	Sawyer Petroleum	Turbo T32 well oil	1,052.27	
37524	5/15	Shannon Goldsmith & Daniel Sedlacko	Refund Check	48.51	
37525	5/15	Shell	Gas purchased 04/2018	1,710.91	570.30
37526	5/15	Spectrum Business	Data Communications 05/2018 Office	176.22	58.74
37527	5/15	Staples Business Advantage	Misc office supplies	27.67	27.67
37528	5/15	Star Ford	Parts for warranty work for unit #49	43.61	14.54
37529	5/15	T.T. Technologies, Inc	Repairs to boring machine	295.78	295.76
37530	5/15	Darlene Telles	Reimbursement for D-1 test fee	50.00	
37531	5/15	Univar USA Inc	2,000 gallons of liquid bleach for Glenwood and Mills	2,413.92	
37532	5/15	Water Environment Federation	Membership renewal DennisMaxwell #01792471	240.00	80.00
37533	5/15	Western Water Works	Inventory - 6 ring gaskets	12.05	
37534	5/24	So Cal Water Utilities Assoc.	Membership renewal for 2018	168.75	56.25
37535	5/24	Kirk Anderson	Remove bees out of meter box at 2501 Prospect	125.00	
37536	5/24	BC Laboratories, Inc	Water analysis 12/2017	1,780.40	
37537	5/24	BC Laboratories, Inc	Water analysis 01/2018	3,389.00	
37538	5/24	BC Laboratories, Inc	Water analysis 01/2018	4,521.25	
37539	5/24	BC Laboratories, Inc	Water analysis 01/2018	1,915.75	
37540	5/24	James Bodnar	Reimbursement for workplace harassment training	11.97	3.98
37541	5/24	Burke, Williams, & Sorensen, LLP	Legal services	980.65	326.87
37542	5/24	California Society of Municipal Finance	Governmental Accounting training for Arturo Montes & James Lee	225.00	75.00
37543	5/24	California Water Environment	Collection Grade 4 renewal - Dennis Maxwell		100.00
37544	5/24	Citibank	Misc supplies office and plant	420.34	420.32
37545	5/24	Cla-Val	Circuit Board for William Res Chlorination Station. Cla-Val part	262.13	
37546	5/24	Cypress Ancillary Benefits	Group Dental for 06/2018	2,170.97	1,447.31
37547	5/24	Downey Brand Attorneys LLP	ULARA services though 02/2018	1,759.59	
37548	5/24	Kerry Erickson	Reimbursment for expenses at ACWA Conference 05/08 - 05/11/18	588.08	196.03
37549	5/24	First Choice	Coffee service plant & office	165.36	165.35
37550	5/24	Foothill Municipal Water	Glendale/CVWD/FMWD agreement 04/2018	50.00	
37551	5/24	Grainger	Male & female connectors for hose to hose connections	144.96	69.41

Check#	Check Date	Payable To	Description	Water Amount	Wastewater Amount
37552	5/24	Graybar Electric Co., Inc.	Wall mounted enclosures with mounting kits	845.56	
37553	5/24	Itron, Inc	Annual software maintenance for reading handhelds 6/1/18 to 5/31/19	1,787.69	595.88
37554	5/24	K Star Vinyl Fencing	Install fencing at Ocean View Reservoir	3,995.00	
37555	5/24	L.A. County Dept. Public Works	Excavation permit for E-982	1,079.31	
37556	5/24	LA Dept Water and Power	Power purchased 05/2018	47.66	
37557	5/24	Lagerlof, Senecal, Gosney & Kr	PWAG - emergency preparedness - 05/2018	754.56	251.52
37558	5/24	Lincoln Financial Group	Life & Disability insurance for 06/2018	373.90	325.41
37559	5/24	Mimecast North America, Inc.	Email security 05/2018	262.50	87.50
37560	5/24	Reliable Road Service, Inc.	Unit #2-Service engine and replace oil, oil filter, fuel filter & seperator	321.10	107.04
37561	5/24	Alex Sandoval	Reimbursment for cost of water treatment Grade 1 course	99.99	
37562	5/24	Spectrum Business	Data Communication 05/2018 Glenwood	93.74	31.24
37563	5/24	Sully-Miller Contracting Co.	Minimum load charge	24.64	
37564	5/24	Judy Tejeda	Reimbursement for ACWA conference 05/08 - 05/11/18	629.68	209.90
37565	5/24	The Gas Company	Gas purchased 05/2018 Office	48.89	16.30
37566	5/24	Toro's Lawnmower & Garden	Miscellaneous shop supplies	24.09	24.08
37567	5/24	Wells Fargo Card Services	Gould: Reg. for AWWA groundwater workshop (K. Boyce), Engineering Dept lunch	276.26	27.08
37568	5/24	Wells Fargo Card Services	Hass: Monthly recurring charges, software, computer hardware, cellphone and supplies, SCADA meeting lunch	1,640.30	374.14
37569	5/24	Wells Fargo Card Services	Maxwell: Items for Engineering Dept bathroom remodel, replace windshield on Unit#34, parts for Unit #21 & #23, quarterly safety lunch for Plant	1,025.28	274.26
37570	5/24	Wells Fargo Card Services	Mitchell: Quarterly safety lunch for Office, Board meeting dinners, welcome lunch for new Accounting Clerk	365.31	121.75
37571	5/24	Wells Fargo Card Services	Scott: Items for Hometown Fair and Special Olympics, CVHS sponsorship ad, refreshments for Sexual Harrassment training class	1,120.29	46.05
37572	5/24	Wells Fargo Card Services	Annual Teamviewer software license subcription	891.00	297.00
37573	5/29	David Gould	Health reimbursement	122.40	81.60
37574	5/31	EmbroidMe	Blue CVWD T-shirts for field crews	1,195.84	398.57
			Total for Fund:01 Water	$ 845,055.37	$ 305,264.18
			Total Disbursements for May 2018		$ 1,150,319.55

Check#	Check Date	Payable To	Description	Water Amount	Wastewater Amount
			Payroll Report		
			Directors		$ 1,890.00
			Office Regular Payroll		$ 110,623.00
			Office OT		$ 495.00
			Plant Regular Payroll		$ 109,794.00
			Plant OT & Standby		$ 6,753.00
			Employer Payroll Taxes		$ 17,264.00
			Payroll Service Charges		$ 389.00
			Total Payroll for May 2018		$ 247,208.00

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 1
June 26, 2018

To: Honorable President and Members of the Board of Directors

From: Ron L. Mitchell – Secretary-Treasurer

Subject: **Fiscal Year 2018/19 - Water and Wastewater Budgets**

AGENDA ITEM:

Fiscal Year 2018/19 Water and Wastewater Budgets - Consideration and motion to adopt the Fiscal Year 2018/19 Water and Wastewater Budgets.

BACKGROUND:

The preliminary budgets for FY 2018/19 for the Water and Wastewater funds had previously been prepared by staff and presented to the Finance Committee, Engineering Committee and Board of Directors for review and discussion.

- A Public Workshop was held on March 27, 2018 to present a summary of the preliminary budgets to members of the public.
- A Public hearing was held on June 12, 2018 to receive input from the Community as part of the Proposition 218 process.

DISCUSSION:

Drafts of the water and wastewater cash flow models have previously been provided to the Board and discussed at various Board meetings. Earlier budget information provided to the Board was based on nine (9) months of FY 2017/18 information. The current proposed water and wastewater budgets presented here are based on eleven (11) months of information.

The proposed FY 2018/19 water budget is based on a 6.9% rate increase and the proposed FY 2018/19 wastewater budget is based on a 0% rate increase as recommended by staff.

Of note is the capital improvement project (CIP) budget. Staff had budgeted $3.84M for FY 2017/18, which included project carryover funds from FY 2016/17. The projected capital expense for this fiscal year is projected to exceed the budget by $89K. Staff shared this information with the Finance Committee on June 15, 2018, and the Engineering Committee on June 21, 2018. Staff discussed their recommendation to reduce the CIP budget to $1.4M from the proposed $2.5M. The proposed CIP budget includes the completion of the Well 2 re-activation and water treatment project, the reservoir rehabilitation at Oak Creek, the pipeline installation on Brookhill Ave, and rehabilitation of two groundwater wells.

It is Staff's goal to maintain a $1.8 million minimum reserve target based on regulatory guidelines and as discussed at previous Public Workshops.

RECOMMENDATION:

Staff recommends that the Board adopt the Fiscal Year 2018/19 Water and Wastewater Budgets as presented.

Prepared by: Submitted by:

James K. Lee
Finance & Accounting Manager

Ron L. Mitchell
Secretary-Treasurer

CVWD Sample Bill for Average Customer

Average customer uses 17 units of water (17,000 gallons) during a billing cycle
Two-month billing cycle

Water Service *(proposed 6.9% increase)*		
Service Charge	Current	Proposed
Two months	$47.92	$51.23
Usage		
Tier 1 (up to 10 units)	$45.80	$49.00
Tier 2 (11 to 26 units)	$50.47	$53.97
Tier 3 (27 units and above)	$0.00	$0.00
Total Water:	**$144.19**	**$154.20**

Sewer Service *(proposed 0.0% increase)*		
Service Charge		
Two months	$45.95	$45.95
Usage (based on Feb and March water usage of the prior year)		
Up to a maximum of 20 units	$31.62	$31.62
Total Sewer:	**$77.57**	**$77.57**

Total Water & Sewer for Two Months		
Total Two-Month Bill:	**$221.76**	**$231.77**
Total Bill Increase ($):		**$10.01**
Total Bill Increase (%):		**4.5%**

CVWD Ten-Year History of Rates

10-Year Average:	5.8%	2.1%

Fiscal Year	Water Increase	Sewer Increase
2009-10	2.0%	0.0%
2010-11	8.4%	0.0%
2011-12	8.2%	0.0%
2012-13	3.1%	8.0%
2013-14	5.5%	8.0%
2014-15	5.8%	5.0%
2015-16	5.7%	0.0%
2016-17	5.2%	0.0%
2017-18	7.2%	0.0%
2018-19 (Proposed)	6.9%	0.0%

Sources of Water Funds	Recorded	Recorded	Recorded	Recorded	Recorded	Budgeted	Projected	Budget	Projected	Projected	Projected
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Stable Sources of Funds											
Water Sales - Service Charge	1,633,352	1,731,323	1,828,481	1,949,220	2,246,625	2,650,000	2,555,171	2,944,320	3,192,838	3,415,028	3,652,680
Fire Service Meter Charge	29,785	31,667	33,300	36,773	58,379	40,000	68,621	71,249	76,927	82,280	88,006
Late Fees/Fire Hydrant Flow/Backflow Tests	70,322	70,271	71,455	62,897	65,374	68,374	99,798	68,374	68,374	68,374	68,374
Other Income - Water	-	-	-	54,024	45,000	5,000	20,712	5,000	5,000	5,000	5,000
Rental Property Income	22,500	21,573	22,200	21,263	22,590	23,000	23,891	23,000	23,000	23,000	23,000
Subtotal Stable Sources:	**1,755,959**	**1,854,834**	**1,955,436**	**2,124,176**	**2,437,968**	**2,786,374**	**2,768,192**	**3,111,943**	**3,366,139**	**3,593,682**	**3,837,059**
Variable Sources of Funds											
Water Sales - Consumers	6,659,371	7,263,415	6,394,471	5,752,066	6,432,864	7,678,000	7,318,656	8,346,871	8,922,805	9,449,251	10,006,757
Water Sales - Irrigation	200,000	200,000	200,000	200,000	200,000	200,000	520,497	371,226	396,841	420,254	445,050
Interest Earned - Water	76,308	125,914	91,782	188,668	143,259	181,000	232,500	105,000	105,000	105,000	105,000
Interest Earned - MTBE Fund	-	46,780	103,498	103,498	115,000	-	76,415	76,000	76,000	76,000	76,000
Gain/Loss on Sale of Investments	-	47,243	94,125	83,806	36,875	60,000	94	60,000	60,000	60,000	60,000
Subtotal Variable Sources:	**6,935,679**	**7,683,352**	**6,883,876**	**6,328,038**	**6,927,998**	**8,119,000**	**8,148,162**	**8,959,098**	**9,560,646**	**10,110,505**	**10,692,806**
CIP Sources of Funds											
Water Systems Connect Fee	92,717	62,660	40,212	36,551	202,500	45,000	142,101	45,000	45,000	45,000	45,000
Meter Installation/Hydrant Charges	64,019	24,883	148,150	40,690	43,440	43,400	102,000	43,440	43,440	43,440	43,440
Grant Revenue	39,938	78,772	49,273	574,983	560,300	1,013,000	553,186	580,148	300,000	300,000	300,000
Glendale Capital Contribution (GWP)	-	-	-	214,346	-			-	-	-	-
Gain/Loss on Sale of Assets	-	4,360	664	5,401	-	-	-	-	-	-	-
Interest Earned - COP Bonds	268	223	162	222	841	841	944	841	841	841	841
Subtotal CIP Sources:	**196,943**	**170,898**	**238,461**	**872,193**	**807,081**	**1,102,241**	**798,232**	**669,429**	**389,281**	**389,281**	**389,281**
TOTAL SOURCES OF FUNDS	**8,888,581**	**9,709,084**	**9,077,773**	**9,324,407**	**10,173,047**	**12,007,615**	**11,714,586**	**12,740,469**	**13,316,066**	**14,093,468**	**14,919,147**

Water O&M Expenses Summary	*Recorded*	*Recorded*	*Recorded*	*Recorded*	*Recorded*	*Budgeted*	*Projected*	*Budget*	*Projected*	*Projected*	*Projected*	*Projected*	*Projected*
	FY 2012-13	**FY 2013-14**	**FY 2014-15**	**FY 2015-16**	**FY 2016-17**	**FY 2017-18**	**FY 2017-18**	**FY 2018-19**	**FY 2019-20**	**FY 2020-21**	**FY 2021-22**	**FY 2022-23**	**FY 2023-24**
Compensation	1,630,110	1,704,538	1,719,720	1,681,232	1,853,289	1,895,800	1,779,639	1,988,603	1,993,402	1,998,324	2,003,373	2,008,551	2,013,863
Benefits	1,051,344	939,586	1,067,802	1,025,096	1,116,831	1,152,500	1,176,248	1,244,583	1,244,583	1,244,583	1,244,583	1,244,583	1,244,583
Purchased Water - FMWD	2,233,668	3,151,636	2,739,375	2,454,524	3,045,346	3,087,280	3,356,400	3,767,540	3,918,242	4,074,971	4,237,970	4,407,489	4,583,788
Purchased Water - GWP	-	-	-	49,036	150,944	155,200	154,600	154,000	157,850	161,796	165,841	169,987	174,237
Power	643,931	672,908	682,044	673,699	694,548	697,000	693,000	714,425	732,286	746,931	761,870	777,107	777,107
Plant Water Operations	332,205	279,609	368,963	319,034	337,806	381,485	467,842	524,000	537,624	551,602	565,944	580,658	595,756
Distribution System	749,752	1,088,266	1,008,921	947,366	814,401	1,064,526	802,224	1,084,800	1,113,005	1,141,943	1,171,633	1,202,096	1,233,350
General & Administrative	493,452	455,827	530,345	663,581	614,209	726,000	669,139	712,500	731,025	750,032	769,532	789,540	810,068
Emergency Operations	-	-	-	276	-	2,000	1,876	12,000	12,312	12,632	12,961	13,298	13,643
TOTAL WATER SYSTEM EXPENSES	**7,134,462**	**8,292,370**	**8,117,170**	**7,813,844**	**8,627,373**	**9,161,791**	**9,100,968**	**10,202,451**	**10,440,328**	**10,682,815**	**10,933,708**	**11,193,310**	**11,446,397**

CIP Summary - Conservative Scenario	Recorded FY 2012-13	Recorded FY 2013-14	Recorded FY 2014-15	Recorded FY 2015-16	Recorded FY 2016-17	Budgeted FY 2017-18	Projected FY 2017-18	Budget FY 2018-19	Projected FY 2019-20	Projected FY 2020-21	Projected FY 2021-22	Projected FY 2022-23	Projected FY 2023-24
Water Supply	221,186	352,370	545,588	1,644,306	660,000	1,425,000	1,425,000	535,000	150,000	200,000	200,000	200,000	375,000
Water Storage	-	350,043	172,335	-	-	900,000	900,000	514,800	175,000	600,000	600,000	600,000	810,000
Water Distribution	760,964	641,526	1,143,405	819,708	1,327,900	950,000	950,000	326,700	1,300,000	1,410,000	1,700,000	1,575,000	1,690,000
Water Treatment	-	-	-	380,203	-	-	-	100,000	160,000	125,000	500,000	200,000	-
Technology	16,000	21,847	25,524	96,879	200,000	-	-	-	-	-	-	-	-
Public Safety/Emergency Response	-	-	93,754	-	82,500	-	-	-	-	165,000	-	175,000	-
Facilities & Planning	14,331	-	-	-	65,000	-	-	-	315,000	-	-	250,000	125,000
Other	-	-	-	-	-	550,000	656,700	-	-	-	-	-	-
TOTAL CIP EXPENSES	**1,012,481**	**1,365,786**	**1,980,606**	**2,941,096**	**2,335,400**	**3,825,000**	**3,931,700**	**1,476,500**	**2,100,000**	**2,500,000**	**3,000,000**	**3,000,000**	**3,000,000**

Capital Outlays Summary - Conservative Scenario	Recorded FY 2012-13	Recorded FY 2013-14	Recorded FY 2014-15	Recorded FY 2015-16	Recorded FY 2016-17	Budgeted FY 2017-18	Projected FY 2017-18	Budget FY 2018-19	Projected FY 2019-20	Projected FY 2020-21	Projected FY 2021-22	Projected FY 2022-23	Projected FY 2023-24
Capital Outlays	36,011	45,735	-	-	7,500	60,000	60,000	132,375	65,345	72,067	63,114	47,507	49,170
Equipment	-	125,936	150,242	26,180	37,677	60,000	60,000	41,400	80,342	83,154	86,064	89,076	92,194
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL OUTLAY EXPENSES	**36,011**	**171,671**	**150,242**	**26,180**	**45,177**	**120,000**	**120,000**	**173,775**	**145,687**	**155,221**	**149,178**	**136,584**	**141,364**

Cash Flows - Water Fund

	Recorded FY 2015-16	Recorded FY 2016-17	Budgeted FY 2017-18	Projected FY 2017-18	Budget FY 2018-19	Projected FY 2019-20	Projected FY 2020-21	Projected FY 2021-22	Projected FY 2022-23	Projected FY 2023-24
Revenue										
Water Sales - Service, Fixed [1]	1,985,993	2,305,004	2,690,000	2,623,792	3,015,569	3,269,765	3,497,308	3,740,685	4,001,000	4,041,010
Water Sales - Metered, Variable [2]	5,952,066	6,632,864	7,878,000	7,839,153	8,718,098	9,319,646	9,869,505	10,451,806	11,068,463	11,068,463
Interest Income - Water Reserve [3]	272,474	180,134	241,000	232,594	165,000	165,000	165,000	165,000	165,000	165,000
Interest Income - MTBE Reserve	103,498	115,000	-	76,415	76,000	76,000	76,000	76,000	76,000	76,000
Other Income - Water [4]	138,183	132,964	96,374	144,400	96,374	96,374	96,374	96,374	96,374	96,374
Construction Revenues [5]	872,193	807,081	1,102,241	798,232	669,429	389,281	389,281	389,281	389,281	389,281
Total Revenue:	**9,324,407**	**10,173,047**	**12,007,615**	**11,714,586**	**12,740,469**	**13,316,066**	**14,093,468**	**14,919,147**	**15,796,118**	**15,836,128**
O&M Expense										
Labor & Benefits	2,706,328	2,970,119	3,048,300	2,955,887	3,233,186	3,237,985	3,242,907	3,247,956	3,253,135	3,258,446
Purchased Water (FMWD)	2,454,524	3,045,346	3,087,280	3,356,400	3,767,540	3,918,242	4,074,971	4,237,970	4,407,489	4,583,788
Purchased Water (GWP)	49,036	150,944	155,200	154,600	154,000	157,850	161,796	165,841	169,987	174,237
Power Purchases	673,699	694,548	697,000	693,000	714,425	732,286	746,931	761,870	777,107	777,107
Operating Expenses	1,930,258	1,766,416	2,174,011	1,941,081	2,333,300	2,393,966	2,456,209	2,520,070	2,585,592	2,652,818
Total O&M Expense:	**7,813,844**	**8,627,373**	**9,161,791**	**9,100,968**	**10,202,451**	**10,440,328**	**10,682,815**	**10,933,708**	**11,193,310**	**11,446,397**
Debt Service	**615,000**	**615,000**	**615,000**	**576,000**	**550,000**	**550,000**	**550,000**	**550,000**	**550,000**	**550,000**
Cash Available for Capital	**895,563**	**930,674**	**2,230,824**	**2,037,618**	**1,988,019**	**2,325,738**	**2,860,653**	**3,435,439**	**4,052,807**	**3,839,731**
Capital, OPEB & Other Commitments										
CIP - PayGo	2,941,096	2,335,400	3,825,000	3,931,700	1,476,500	2,100,000	2,500,000	3,000,000	3,000,000	3,000,000
Capital Outlays & Equipment	26,180	45,177	120,000	120,000	173,775	145,687	155,221	149,178	136,584	141,364
OPEB Commitment	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Capital, OPEB & Other Commitments:	**3,067,276**	**2,480,577**	**4,045,000**	**4,151,700**	**1,750,275**	**2,345,687**	**2,755,221**	**3,249,178**	**3,236,584**	**3,241,364**
Increase (Decrease) to Cash	**(2,171,713)**	**(1,549,903)**	**(1,814,176)**	**(2,114,082)**	**237,743**	**(19,948)**	**105,433**	**186,261**	**816,223**	**598,367**
Effective date of water rates	7/1/15	7/1/16	7/1/17	7/1/17	7/1/18	7/1/19	7/1/20	7/1/21	7/1/22	7/1/23
Historical/projected rate increase	5.7%	5.2%	7.2%	7.2%	6.9%	6.9%	5.9%	5.9%	5.9%	0.0%
Service rates ($/month for 3/4" meter)	$19.10	$20.53	$23.96	$23.96	$25.61	$27.38	$29.00	$30.71	$32.52	$32.52
Quantity Charge: ($/kgal for 1st 10,000 gallons)	$4.61	$4.39	$4.58	$4.58	$4.90	$5.23	$5.54	$5.87	$6.22	$6.22
Reserve Fund Balances										
Beginning Balance	4,048,384	3,719,947	3,170,820	3,170,820	1,556,738	1,794,481	1,774,532	1,879,965	2,066,227	2,882,450
From MTBE Fund (Transfer In)	2,000,000	1,000,000	500,000	500,000	-	-	-	-	-	-
Re-Payment of MTBE Fund (Transfer Out)			-	-	-	-	-	-	-	-
Ending Balance	3,719,947	3,170,820	1,856,644	1,556,738	1,794,481	1,774,532	1,879,965	2,066,227	2,882,450	3,480,817
Target	3,130,000	3,313,000	3,707,000	3,707,000	3,977,000	4,141,000	4,291,000	4,451,000	4,620,000	4,632,000
Above (Below) Target	**589,947**	**(142,180)**	**(1,850,356)**	**(2,150,262)**	**(2,182,519)**	**(2,366,468)**	**(2,411,035)**	**(2,384,773)**	**(1,737,550)**	**(1,151,183)**

Wastewater Budget Table WWB-1 Projected Wastewater Accounts - FY 18/19 - Draft V.1

	2	1	1			1	2	3	4	5
Wastewater Accounts	Recorded FY 2014-15	Recorded FY 2015-16	Recorded FY 2016-17	Budget FY 2017-18	Projected FY 2017-18	Budget FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22	Forecast FY 2022-23
Residential Units - EDU[(1)]										
Single Family	5,273	5,247	5,252	5,254	5,254	5,289	5,324	5,326	5,328	5,330
Multi-family	2,548	*2,548*	*2,587*	2,627	2,627	2,667	2,669	2,671	2,673	2,675
Total Residential Units - EDU[(1)]	7,821	7,795	7,839	7,881	7,881	7,956	7,993	7,997	8,001	8,005
Total No. of Accounts - Commercial	166	168	170	170	170	170	170	170	170	170
Total No. of Accounts - School	6	6	6	6	6	6	6	6	6	6

Total EDUs	7,993	7,969	8,015	8,057	8,057	8,132	8,169	8,173	8,177	8,181
Projected No. of Account Annual Increase	4	(24)	46	88	88	75	37	4	4	4
Projected Percent of Account Annual Increase	0.05%	-0.30%	0.58%	1.10%	1.10%	0.93%	0.45%	0.05%	0.05%	0.05%

Note:
1. EDU = Equivalent Dwelling Units

Wastewater Budget Table WWB-2 Revenues - FY 18/19 - Draft V.1

	Recorded FY 2014-15	Recorded FY 2015-16	Recorded FY 2016-17	Budget FY 2017-18	Projected FY 2017-18	Budget FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22	Forecast FY 2022-23
	2	1	1			1	2	3	4	5
Wastewater User and Standby Charge Revenues										
Single family dwelling unit	$ 3,341,597	$ 2,126,359	$ 2,136,131	$ 2,241,203	$ 2,014,433	$ 2,276,353	$ 2,276,905	$ 2,277,456	$ 2,278,008	$ 2,278,560
Multiple family dwelling		$ 1,040,190	$ 728,777	$ 766,881	$ 713,805	$ 768,755	$ 481,581	$ 769,477	$ 482,303	$ 770,198
Total School charges		$ 94,835	$ 119,208	$ 61,126	$ 119,208	$ 119,462	$ 119,462	$ 119,462	$ 119,462	$ 119,462
Total Commercial user charges		$ 208,491	$ 153,963	$ 195,460	$ 170,630	$ 192,351	$ 192,351	$ 192,351	$ 192,351	$ 192,351
Sewer Service Discount		$ (194,016)	$ (150,000)	$ (150,000)	$ (150,000)	$ (150,000)	$ (150,000)	$ (150,000)	$ (150,000)	$ (150,000)
Total user charge revenues	$ 3,341,597	$ 3,275,859	$ 2,988,079	$ 3,114,670	$ 2,868,076	$ 3,206,922	$ 2,920,300	$ 3,208,746	$ 2,922,124	$ 3,210,571
Permit/Connection Fees/Misc.										
Sewer Permits	$ 6,000	$ -	$ 1,500	$ 4,000	$ 1,000	$ 4,000	$ 4,000	$ 3,000	$ 2,000	$ 1,500
Late Fees				$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sewer Connection Fee (CVWD)	$ 31,523	$ 21,463	$ 20,000	$ 20,000	$ 65,123	$ 20,000	$ 20,000	$ 20,000	$ 15,000	$ 15,000
Misc. Revenue	$ 27,577	$ 20,405	$ 5,000	$ 5,000	$ 1,500	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Rental Properties Income	$ 7,400	$ 7,088	$ 7,500	$ 7,500	$ 7,113	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500
Total Permit/Connection Fees/Misc.	$ 72,500	$ 48,956	$ 34,000	$ 36,500	$ 74,735	$ 36,500	$ 36,500	$ 35,500	$ 29,500	$ 29,000
Interest Earned	$ 103	$ 196	$ 196	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500
Total Revenue	$ 3,414,200	$ 3,325,011	$ 3,022,275	$ 3,151,670	$ 2,943,311	$ 3,243,922	$ 2,957,300	$ 3,244,746	$ 2,952,124	$ 3,240,071

Wastewater Budget Table WWB-3 City of Los Angeles O & M and Capital Expense - FY 18/19 - Draft V.1

	2	1	1			1	2	3	4	5	6
Description	**Recorded FY 2014-15**	**Recorded FY 2015-16**	**Recorded FY 2016-17**	*Budget FY 2017-18*	**Projected FY 2017-18**	**Budget FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**	**Forecast FY 2022-23**	**Forecast FY 2023-24**
City of Los Angeles Projection O & M	$ 346,710	$ 542,477	$ 513,708	$ 831,520	$ 562,235	$ 787,380	$ 787,380	$ 787,380	$ 787,380	$ 787,380	
City of Los Angeles Projection Capital	$ 328,303	$ 819,713	$ 436,829	$ 384,360	$ 462,726	$ 465,960	$ 465,960	$ 465,960	$ 465,960	$ 465,960	
City of Los Angeles Projection Total	$ 675,013	$ 1,362,190	$ 950,537	$ 1,215,880	$ 1,024,961	$ 1,253,340	$ 1,253,340	$ 1,253,340	$ 1,253,340	$ 1,253,340	
City of Los Angeles Projections - March 2018[1]						*FY 2018-19*	*FY 2019-20*	*FY 2020-21*	*FY 2021-22*	*FY 2022-23*	***5 - Yr Avg***
City of Los Angeles Projection O & M						$ 768,400	$ 763,000	$ 785,900	$ 809,500	$ 810,100	*$ 787,380*
City of Los Angeles Projection Capital						$ 558,500	$ 729,700	$ 373,900	$ 371,800	$ 295,900	*$ 465,960*
City of Los Angeles Projection Total						*$ 1,326,900*	*$ 1,492,700*	*$ 1,159,800*	*$ 1,181,300*	*$ 1,106,000*	*$ 1,253,340*

Notes:

1. Source: FY 2018-19 City of Los Angeles - Amalgamated System Sewer Service Charges (ASSSC) include both capital and O&M charges estimated as of 3/2/17
2. Budget 18/19 - 22/23 - Based on Average Cost from City of LA from 2019-2023

Wastewater Budget Table WWB - 4 Operation and Maintenance Expenses - FY 18/19 - Draft V.1

	2	1	1			1	2	3	4	5
Description	Recorded FY 2014-15	Recorded FY 2015-16	Recorded FY 2016-17	*Budget FY 2017-18*	Projected FY 2017-18	Budget FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22	Forecast FY 2022-23
TREATMENT AND DISPOSAL CHARGES										
Los Angeles ASSSC	$ 675,013	$ 1,362,190	$ 950,537	*$ 1,215,880*	$ 1,024,961	$ 1,253,000	$ 1,253,000	$ 1,253,000	$ 1,253,000	$ 1,253,000
TOTAL TREATMENT AND DISPOSAL CHARGES	$ 675,013	$ 1,362,190	$ 950,537	*$ 1,215,880*	$ 1,024,961	$ 1,253,000	$ 1,253,000	$ 1,253,000	$ 1,253,000	$ 1,253,000
Compensation Total	$ 788,369	$ 795,863	$ 808,274	*$ 898,200*	$ 711,978	$ 920,542	$ 864,725	$ 877,750	$ 889,200	$ 906,500
Benefits Total	$ 640,280	$ 627,244	$ 662,012	*$ 682,646*	$ 696,036	$ 765,239	$ 697,925	$ 712,950	$ 726,200	$ 740,300
TOTAL PLANT OPERATING EXPENSES	$ 72,878	$ 53,774	$ 72,263	*$ 65,525*	$ 54,222	$ 74,212	$ 70,550	$ 74,700	$ 78,000	$ 81,700
TOTAL COLLECTION SYSTEM EXPENSE	$ 74,200	$ 89,983	$ 58,297	*$ 60,771*	$ 72,156	$ 93,773	$ 79,691	$ 82,691	$ 80,055	$ 81,455
GENERAL AND ADMINISTRATIVE EXPENSES	$ 225,562	$ 298,854	$ 239,685	*$ 284,400*	$ 251,500	$ 281,159	$ 331,400	$ 294,800	$ 357,500	$ 307,850
TOTAL WASTEWATER SYSTEM EXPENSE (w/o LA Treatment Costs)	$ 1,801,288	$ 1,865,718	$ 1,840,531	*$ 1,991,542*	$ 1,785,892	$ 2,134,925	$ 2,044,291	$ 2,042,891	$ 2,130,955	$ 2,117,805
TOTAL WASTEWATER SYSTEM EXPENSE (w/o LA Treatment & Labor Costs)	$ 372,639	$ 442,611	$ 370,245	*$ 410,696*	$ 377,878	$ 449,144	$ 481,641	$ 452,191	$ 515,555	$ 471,005

Wastewater Budget Table WWB - 5 Reserve Targets - FY 18/19 - Draft V.1

	2	1	1			1	2	3	4	5
Description	Recorded FY 2014-15	Recorded FY 2015-16	Recorded FY 2016-17	*Budget FY 2017-18*	Projected FY 2017-18	Budget FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22	Forecast FY 2022-23
Rate stabilization (a)	$ 512,100	$ 498,750	$ 453,300	$ 472,800	$ 441,450	$ 486,600	$ 443,550	$ 486,750	$ 442,800	$ 486,000
Emergency reserves (b)	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000
Depreciation (reserves for replacements)	$ 850,000	$ 850,000	$ 850,000	$ 900,000	$ 900,000	$ 950,000	$ 1,000,000	$ 1,050,000	$ 1,100,000	$ 1,150,000
Working cash (c)	$ 300,000	$ 310,000	$ 310,000	$ 330,000	$ 300,000	$ 360,000	$ 340,000	$ 340,000	$ 360,000	$ 350,000
Total Target WW Reserves	$ 2,412,100	$ 2,408,750	$ 2,363,300	$ 2,452,800	$ 2,391,450	$ 2,546,600	$ 2,533,550	$ 2,626,750	$ 2,652,800	$ 2,736,000

Note:

Cash reserves target is per 6/30/03 policy in Annual Financial Statement.

a. Rate stabilization reserve target equals .15 percent of sewer sales.

b. The emergency reserve is set at 750,000.

c. The working cash level is set at two months of O&M expenses.

Wastewater Budget Table WWB-6 CIP & Capital Outlay - FY 18/19 - Draft V.1

	2	1	1			1	2	3	4	5
Description	**Recorded FY 2014-15**	**Recorded FY 2015-16**	**Recorded FY 2016-17**	*Budget FY 2017-18*	**Projected FY 2017-18**	**Budget FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**	**Forecast FY 2022-23**
1. Collections Systems	$ 8,112	$ 8,112	$ -	*$ 75,000*	$ 17,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000
2. Interceptor System	$ 1,109	$ 1,109	$ -	*$ 2,000*	$ -	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
3. Lift Station				*$ 40,000*	$ 25,000	$ 75,000	$ -	$ -	$ -	$ -
4. Technology (Sewer Projects Only)				*$ 5,000*	$ -	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
5. Public Safety/Emergency Response				*$ -*	$ -	$ -	$ -	$ -	$ -	$ -
6. Facilities & Planning				*$ 20,000*	$ -	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
7. Misc. Sewer Projects				*$ 5,000*	$ -	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
Total CIP Projects	$ 9,221	$ 9,221	$ -	*$ 147,000*	$ 42,000	$ 175,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000
Capital Outlay										
Software (Spring Brook) - Fixed Assets				*$ 3,750*						
Spring Brook Software - Payroll Module						$ 6,250				
Spring Brook Software - Work Order Module							$ 8,750			
Spring Brook Software - Project Management Module								$ 5,000		
Spring Brook Software - Extend Budget Module									$ 5,000	
Upgrade Computer Hardware & Security			$ 8,000	*$ 10,000*	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 6,600	$ 6,600
Main Office - Upgrades			$ 3,000	*$ 3,000*		$ 17,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000
Misc	$ 8,593	$ 8,593	$ 1,000	*$ 3,250*		$ 2,750	$ 2,750	$ 2,250	$ 2,400	$ 2,400
Equipment Outlay										
Sewer Cover Transmitter					$ -					
Sewer Vactor Truck			$ 300,000							
Annual Vehicle Replacement (1 vehicle)	$ 24,208	$ 24,208	$ 50,388	*$ 55,000*		$ 44,000	$ 40,000	$ 40,000	$ 40,000	$ 40,000
Total CO Projects	$ 32,801	$ 32,801	$ 362,388	*$ 75,000*	$ 10,000	$ 80,000	$ 64,500	$ 60,250	$ 57,000	$ 52,000
Total CIP & CO Projects	$ 42,022	$ 42,022	$ 362,388	*$ 222,000*	$ 52,000	$ 255,000	$ 164,500	$ 160,250	$ 157,000	$ 152,000

Wastewater Budget Table WWB - 7 Sources and Applications of Funds - FY 18/19 - Draft V.1

	2	1	1			1	2	3	4	5
Budget	**Recorded FY 2014-15**	**Recorded FY 2015-16**	**Recorded FY 2016-17**	*Budget FY 2017-18*	**Projected FY 2017-18**	**Budget FY 2018-19**	**Forecast FY 2019-20**	**Forecast FY 2020-21**	**Forecast FY 2021-22**	**Forecast FY 2022-23**
REVENUE										
Projected user charges	$ 3,341,597	$ 3,275,859	$ 2,988,079	*$ 3,114,670*	$ 2,868,076	$ 3,207,000	$ 2,920,300	$ 3,208,746	$ 2,922,124	$ 3,210,571
Total permit/connection fee	$ 72,500	$ 48,956	$ 34,000	*$ 36,500*	$ 74,735	$ 36,500	$ 36,500	$ 35,500	$ 29,500	$ 29,000
Interest earnings	$ 103	$ 196	$ 196	*$ 500*	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500
TOTAL REVENUE	$ 3,414,000	$ 3,325,000	$ 3,022,000	*$ 3,152,000*	$ 2,943,000	$ 3,244,000	$ 2,957,000	$ 3,245,000	$ 2,952,000	$ 3,240,000
EXPENSE										
City of LA Sewer Service Charges	$ 675,013	$ 1,362,190	$ 950,537	*$ 1,215,880*	$ 1,024,961	$ 1,253,000	$ 1,253,000	$ 1,253,000	$ 1,253,000	$ 1,253,000
Sewer Labor & Benefits	$ 1,428,649	$ 1,423,107	$ 1,470,286	*$ 1,580,846*	$ 1,408,014	$ 1,685,781	$ 1,562,650	$ 1,590,700	$ 1,615,400	$ 1,646,800
Sewer O & M Expense	$ 372,639	$ 442,611	$ 370,245	*$ 410,696*	$ 377,878	$ 449,000	$ 482,000	$ 452,000	$ 516,000	$ 471,000
Sewer CIP & CO Expense	$ 42,022	$ 42,022	$ 362,388	*$ 222,000*	$ 52,000	$ 255,000	$ 164,500	$ 160,250	$ 157,000	$ 152,000
Transfer to Fund OPEB	$ -	$ -	$ -	*$ -*	$ -	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000
TOTAL EXPENSE	$ 2,518,323	$ 3,269,930	$ 3,153,456	*$ 3,429,422*	$ 2,862,853	$ 3,842,781	$ 3,662,150	$ 3,655,950	$ 3,741,400	$ 3,722,800
Additions (reductions) to cash	$ 895,677	$ 55,070	$ (131,456)	*$ (277,422)*	$ 80,147	$ (598,781)	$ (705,150)	$ (410,950)	$ (789,400)	$ (482,800)
Effective date of Wastewater rates	7/1/14	7/1/15	7/1/16	*7/1/17*	7/1/17	7/1/18	7/1/19	7/1/20	7/1/21	7/1/22
Rate increase	4.7%	0.0%	0.0%	*0.0%*	0.0%	0.0%	0.0%	1.0%	1.0%	1.0%
FY beginning Wastewater Reserves	$ 4,504,530	$ 4,823,229	$ 4,301,320	*$ 4,878,298*	$ 4,878,298	$ 4,958,445	$ 4,359,664	$ 3,654,514	$ 3,243,564	$ 2,454,164
Additions (reductions)	$ 895,677	$ 55,070	$ (131,456)	*$ (277,422)*	$ 80,147	$ (598,781)	$ (705,150)	$ (410,950)	$ (789,400)	$ (482,800)
FY ending Wastewater Reserves	$ 5,400,207	$ 4,878,298	$ 4,169,864	*$ 4,600,876*	$ 4,958,445	$ 4,359,664	$ 3,654,514	$ 3,243,564	$ 2,454,164	$ 1,971,364
Reconciliation	$ (576,978)	$ (576,978)	$ (576,978)	*$ -*	$ -	$ -	$ -	$ -	$ -	$ -
FY ending Wastewater Reserves	$ 4,823,229	$ 4,301,320	$ 3,592,886	*$ 4,482,896*	$ 4,958,445	$ 4,359,664	$ 3,654,514	$ 3,243,564	$ 2,454,164	$ 1,971,364
TOTAL TARGET WASTERWATER CASH RESERVES	$ 2,152,251	$ 2,272,087	$ 2,342,000	*$ 2,456,350*	$ 2,391,450	$ 2,546,600	$ 2,533,550	$ 2,626,750	$ 2,652,800	$ 2,736,000
Above (below) target	$ 3,247,956	$ 2,606,211	$ 1,827,864	*$ 2,144,526*	$ 2,566,995	$ 1,813,064	$ 1,120,964	$ 616,814	$ (198,636)	$ (764,636)

Legend

Blue - Recorded Revenues & Expenses

Brown - Previous Year Budget & Projected Revenues & Expenses

Black - Budget Revenues & Expenses

Green - Forcast Revenues & Expenses

Capital Improvement Project Program FY 18-19 Budget - Update 6/19/18	Budget FY 16/17	Recorded FY 16/17	Carryover from FY 16/17 to FY 17/18	Budget FY 17/18	Total Project Budget FY 17/18 with FY 16/17 Carryover	Projected FY 17/18	Project Budget FY 18/19	Forecast FY 19/20	Forecast FY 20/21	Forecast FY 21/22	Forecast FY 22/23	Forecast FY 23/24
1. Water Supply												
A. Groundwater												
i. Well Rehabilitation												
Well 7 Rehabilitation	$ 60,000	$ -	$ -									
Well 8 Rehabilitation	$ -	$ 44,385	$ -									
Well 5 Rehabilitation				$ 60,000	$ 60,000	$ 69,388						
Well 10 Rehabilitation				$ 85,000	$ 85,000	$ 77,800						
Well 7 Rehabilitation							$ 75,000					
Well 14 Rehabilitation							$ 75,000					
Well Rehabilitation (2 Wells per year)								$ 150,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000
ii. New Wells												
Re-Activate Well 2 - Design	$ 70,895	$ 92,891		$ 160,300	$ 160,300	$ 99,746	$ -					
Re-Activate Well 2 - Construction	$ 720,000	$ 224,776	$ 495,224	$ 880,000	$ 1,375,224	$ 2,037,020	$ 385,000					
Well 18 (Sycamore House) - Design												$ 175,000
iii. Studies												
Update Water Well Replacement Study												
B. Imported Water												
Ocean View Chlorination St (Grant - Matching Funds)	$ 50,000	$ 4,464										
Ocean View - Equip. (Grant - Matching Funds)	$ 40,000	$ 40,567										
Ocean View - Elect (Grant - Matching Funds)	$ 35,000	$ 30,356										
Ocean View - Final		$ 58,073	$ -	$ -	$ -	$ 51,200						
C. Groundwater Basin Recharge												
Storm Water Recharge Study (Grant - Matching Funds)	$ 151,015	$ 54,286										
Stormwater Recharge Project - Design												
D. Recycled Water System												
i. Recycled Water												
ii. Membrane Bioreactor Technology												
WS Total	$ 1,126,910	$ 549,798	$ 495,224	$ 1,185,300	$ 1,680,524	$ 2,335,155	$ 535,000	$ 150,000	$ 200,000	$ 200,000	$ 200,000	$ 375,000

Capital Improvement Project Program FY 18-19 Budget - Update 6/19/18	Budget FY 16/17	Recorded FY 16/17	Carryover from FY 16/17 to FY 17/18	Budget FY 17/18	Total Project Budget FY 17/18 with FY 16/17 Carryover	Projected FY 17/18	Project Budget FY 18/19	Forecast FY 19/20	Forecast FY 20/21	Forecast FY 21/22	Forecast FY 22/23	Forecast FY 23/24
2. Water Storage												
A. Reservoir Rehabilitation												
i. Steel Reservoir Re-Coating/Roof/Vents Rehabilitation												
Oak Creek #1 & #2 - Roof/Air Vents/Recoat	$ 320,000	$ 13,689	$ -	$ 900,000	$ 900,000	$ 503,898	$ 514,800					
Markridge - Roof/Air Vents/Recoat									$ 600,000			
Rosemont - Roof/Air Vents/Recoat											$ 600,000	
Eagle Canyon - Roof/Air Vents/Recoat												$ 600,000
ii. Concrete Reservoir Rehabilitation												
Encinal Reservoir - Concrete Rehabilitation								$ 175,000				
iii. Corrosion Protection												
iv. Overflow & Drain System Upgrade												
Overflow/Drain System Assessment Study												$ 85,000
B. Reservoir Water Quality												
i. Water Mixing System												
Reservoir Water Quality & Mixing System Study												$ 125,000
C. New Reservoir Water Storage												
Ocean View #2 Reservoir (Top of Ocean View) - Feasibility Study												$ 75,000
WS Total	$ 320,000	$ 13,689	$ -	$ 900,000	$ 900,000	$ 503,898	$ 514,800	$ 175,000	$ 600,000	$ -	$ 600,000	$ 810,000
3. Water Distribution												
A. Pipeline Replacement												
2600 Block - Harmony Place - 450 LF	$ 151,800	$ 47,080	$ -									
3900 Block - Park Place - 450 LF	$ 151,800	$ 47,080	$ -									
3900 Block - Glenwood - 650 LF	$ 151,800	$ 47,080	$ -									
2800 Block - Prospect & 4400 Block - Glenwood - 800 LF	$ 76,435	$ 121,259	$ -									
Lower Pickens Canyon Crossing & Slope - 600 LF	$ 500,000	$ 534,110	$ 60,000	$ -	$ 60,000	$ 92,784						
4200 - 4400 Block - Penn - 1,450 LF	$ 600,000	$ 176,460	$ 80,000	$ 145,000	$ 225,000	$ 236,896						
2700 Block - Brookhill - 800 LF				$ 220,000	$ 220,000	$ 198,412	$ 94,600					
5100 Block of La Crescenta - 400 LF				$ 100,000	$ 100,000	$ 90,190	$ 42,900					
3000 Block of Brookhill - 800 LF				$ 220,000	$ 220,000	$ 198,412	$ 94,600					
3100 Block of Brookhill - 800 LF				$ 220,000	$ 220,000	$ 198,412	$ 94,600					
3200 & 3300 Blocks of Brookhill - 1,600 LF								$ 640,000				
2400 & 2500 Block of Janet Lee - 1,200 LF								$ 485,000				
Annual Pipeline Replacement - 3,000 LF									$1,250,000	$1,500,000	$1,500,000	$1,600,000
C. Booster Pump System												
i. Annual Pump /Motor Replacement												
Booster 12 at Markridge	$ 50,000	$ 31,086	$ -									
Boosters - Encinal B & C				$ 45,000	$ 45,000	$ 28,000						
Boosters - Glenwood 32 & 33							$ 75,000					
Boosters - Paschall B								$ 75,000				
Boosters - Booster 26 at CH									$ 75,000			
Boosters - Ocean View B & Booster 25 at Markridge										$ 85,000		
Annual Booster Replacement - 2 Boosters											$ 75,000	$ 90,000
ii. Pump Station Upgrade												
Upgrade Paschall Booster Station - Design & Construction	$ 75,000								$ 85,000	$ 450,000		
iv. MCC Replacement												
MCC upgrade at Paschall - - Design & Construction	$ 75,000								$ 85,000	$ 450,000		
D. Pressure Reducing Stations												
E. Miscellaneous Projects												
i. Water Surge Control												
Rehabilitation Surge Tank at Glenwood	$ 65,000	$ -						$ 65,000				
Rehabilitation Surge Tank at Mills Plant								$ 75,000				
iii. Misc.												
Repairs to Ramsdell Mixing Station		$ 34,288	$ 51,000	$ -	$ 51,000	$ 20,000	$ 205,000					
Mills Plant - Aeration Tower Rehabilitation								$ 75,000				
WD Total	$ 1,896,835	$ 1,038,443	$ 191,000	$ 950,000	$ 1,141,000	$ 1,063,106	$ 606,700	$ 1,415,000	$ 1,495,000	$ 2,485,000	$ 1,575,000	$ 1,690,000

Capital Improvement Project Program FY 18-19 Budget - Update 6/19/18	Budget FY 16/17	Recorded FY 16/17	Carryover from FY 16/17 to FY 17/18	Budget FY 17/18	Total Project Budget FY 17/18 with FY 16/17 Carryover	Projected FY 17/18	Project Budget FY 18/19	Forecast FY 19/20	Forecast FY 20/21	Forecast FY 21/22	Forecast FY 22/23	Forecast FY 23/24
4. Water Treatment												
A. Nitrate Removal												
i. Glenwood												
ii. Mills												
iii. Ordunio												
Replace Bio Remediation AroNite Media at Ordunio											$ 200,000	
B. Chlorine Disinfection												
New Chlorination Station at Pickens Canyon Reservoir							$ 75,000					
Paschall - New Chlorine Analyzer								$ 40,000				
New Chlorination Station at Markridge Reservoir								$ 70,000				
C. Convert to Chloramines												
Conversion to Chloramination Disinfection Feasibility										$ 85,000		
D. Federal and State Regulations												
TTHM Removal - In-Tank Aeration - Shields & Edmund 2 Reservoirs							$ 150,000					
WT Total	$ -	$ -	$ -	$ -	$ -	$ -	$ 225,000	$ 110,000	$ -	$ 85,000	$ 200,000	$ -
5. Technology												
B. Supervisory Control and Data Acquisition (SCADA) System												
SCADA RTU Replace - Equipment & Integration	$ 200,000	$ 140,054	$ 61,000	$ -	$ 61,000	$ 21,600	$ 200,000					
TECH Total	$ 200,000	$ 140,054	$ 61,000	$ -	$ 61,000	$ 21,600	$ 200,000	$ -	$ -	$ -	$ -	$ -
6. Public Safety/Emergency Response												
A. Emergency Electrical Generators												
New Emergency Electrical Generator - Mills Plant									$ 100,000			
New Emergency Electrical Generator - Field											$ 50,000	
B. Water Storage												
Dunsmore/Pickens - Seismic Sensors & Valve Actuators	$ 75,000	$ 71,886	$ 25,000	$ -	$ 25,000	$ 1,000						
Ordunio - Seismic Sensors & Valve Actuators								$ 100,000				
Oak Creek #1 & #2 - Seismic Sensors & Valve Actuators									$ 105,000			
Encinal & Ocean View - Seismic Sensors & Valve Actuators											$ 125,000	
SF/ER Total	$ 75,000	$ 71,886	$ 25,000	$ -	$ 25,000	$ 1,000	$ -	$ 100,000	$ 205,000	$ -	$ 175,000	$ -

Capital Improvement Project Program FY 18-19 Budget - Update 6/19/18	Budget FY 16/17	Recorded FY 16/17	Carryover from FY 16/17 to FY 17/18	Budget FY 17/18	Total Project Budget FY 17/18 with FY 16/17 Carryover	Projected FY 17/18	Project Budget FY 18/19	Forecast FY 19/20	Forecast FY 20/21	Forecast FY 21/22	Forecast FY 22/23	Forecast FY 23/24
7. Facilities & Planning												
A. Main Office												
Expansion with New Roof with Solar Panels										$ 125,000		
D. Reservoir Site Improvements												
Ocean View - Site Improvements										$ 105,000		
Roof for Old Encinal - Storage Bldg								$ 150,000			$ 250,000	
Pickens - Access Road Improvements											$ -	$ 125,000
6. District Planning												
F & P Total	$ -	$ 68,368	$ -	$ -	$ -	$ -	$ -	$ 150,000	$ -	$ 230,000	$ 250,000	$ 125,000
Capital Improvement Projects - Total	$ 3,618,745	$ 1,882,238	$ 772,224	$ 3,035,300	$ 3,807,524	$ 3,924,758	$ 2,081,500	$ 2,100,000	$ 2,500,000	$ 3,000,000	$ 3,000,000	$ 3,000,000

FY 18/19 Capital Improvement Project Summary

	Budget FY 16/17	Recorded FY 16/17	Carryover from FY 16/17 to FY 17/18	Budget FY 17/18	Total Project Budget FY 17/18 with FY 16/17 Carryover	Projected FY 17/18	Project Budget FY 18/19	Forecast FY 19/20	Forecast FY 20/21	Forecast FY 21/22	Forecast FY 22/23	Forecast FY 23/24
1. Water Supply	$ 1,126,910	$ 549,798	$ 495,224	$ 1,185,300	$ 1,680,524	$ 2,335,155	$ 535,000	$ 150,000	$ 200,000	$ 200,000	$ 200,000	$ 375,000
2. Water Storage	$ 320,000	$ 13,689	$ -	$ 900,000	$ 900,000	$ 503,898	$ 514,800	$ 175,000	$ 600,000	$ -	$ 600,000	$ 810,000
3. Water Distribution	$ 1,896,835	$ 1,038,443	$ 191,000	$ 950,000	$ 1,141,000	$ 1,063,106	$ 606,700	$ 1,415,000	$ 1,495,000	$ 2,485,000	$ 1,575,000	$ 1,690,000
4. Water Treatment	$ -	$ -	$ -	$ -	$ -	$ -	$ 225,000	$ 110,000	$ -	$ 85,000	$ 200,000	$ -
5. Technology	$ 200,000	$ 140,054	$ 61,000	$ -	$ 61,000	$ 21,600	$ 200,000	$ -	$ -	$ -	$ -	$ -
6. Public Safety/Emergency Response	$ 75,000	$ 71,886	$ 25,000	$ -	$ 25,000	$ 1,000	$ -	$ 100,000	$ 205,000	$ -	$ 175,000	$ -
7. Facilities & Planning	$ -	$ 68,368	$ -	$ -	$ -	$ -	$ -	$ 150,000	$ -	$ 230,000	$ 250,000	$ 125,000
Capital Improvement Projects - Total	$ 3,618,745	$ 1,882,238	$ 772,224	$ 3,035,300	$ 3,807,524	$ 3,924,758	$ 2,081,500	$ 2,100,000	$ 2,500,000	$ 3,000,000	$ 3,000,000	$ 3,000,000

Crescenta Valley Water District

FY 18/19 Capital Improvement Project Program Cost Estimate and Funding Levels

Capital Improvement Project Program	Budget FY 18/19	Category	Priority A, B, & C	Priority Level	Cumulative Costs	Project Description
Well 7 & 14 Rehabilitation	$ 150,000	Water Supply	A	1	$ 150,000	**Remove & Inspect Well Pump & Casing, Chemical Treatment Well Casing, Pump Test, New Pump & Motor** Increase Well Capacity for 2 wells
Re-Activate Well 2 - Construction	$ 385,000	Water Supply	A	2	$ 535,000	**Re-activate Well 2 with Nitrate Removal Treatment System** - Costs to complete final phase of project
Oak Creek #2 - Roof/Air Vents/Recoat	$ 514,800	Water Storage	A	3	$ 1,049,800	**Reservoir Rehabilitation** - Revised costs to complete Oak Creek #2 during low demand (Winter) season
2700, 3000, 3100 Blocks of Brookhill	$ 326,700	Water Distribution	A	4	$ 1,376,500	**Water Main Replacement** - Revised costs to complete the pipeline project
FY 18/19 - Preliminary Budget - Projects 1 - 4 - 6.9%						
Repairs to Ramsdell Mixing Station	$ 205,000	Water Distribution	A	5	$ 1,581,500	**Install a New Pressure Control Valve and Vault** - improve water quality and chlorination
New Chlorination Station at Pickens Canyon Reservoir	$ 75,000	Water Quality	A	6	$ 1,656,500	**Install new Sodium Hypochlorite disinfection system**for Pickens Canyon Tunnel with chlorine analyzer
Boosters - Glenwood Booster 32 & 33	$ 75,000	Water Distribution	A	7	$ 1,731,500	**Replace Glenwood Booster 32 & 33** with a new 800 gpm pump assembly and 40 HP motor
Water Aeration System - Shields and Edmund 2 Reservoirs	$ 150,000	Water Quality	A	8	$ 1,881,500	**Install In-Tank Aeration System** for TTHM Removal at Shields & Edmund 2 Reservoirs
SCADA RTU Replace - Equipment & Integration	$ 200,000	Technology	A	9	$ 2,081,500	**Replacement of SCADA System** - Replacement of RTU/PLC Equipment
FY 18/19 - Preliminary Budget - Projects 1 - 9						
Rehabilitation Surge Tank at Glenwood Plant	$ 65,000	Water Distribution	B	10	$ 2,146,500	**Rehabilitation surge tank** including replacement of piping & appurtenances and recoating of interior
Paschall - New Chlorine Analyzer	$ 40,000	Water Quality	B	11	$ 2,186,500	**Install New Chlorine Analyzer at Paschall**to aid in monitoring breakpoint chlorination
3200 & 3300 Blocks of Brookhill - 1,600 LF	$ 640,000	Water Distribution	B	12	$ 2,826,500	**Replace 71 year old 4" pipeline** with 8 leaks in the last 7 years with a new 8-inch water main with new fire hydrants - 1,600 LF
2400 & 2500 Block of Janet Lee - 1,200 LF	$ 485,000	Water Distribution	B	13	$ 3,311,500	**Replace 67 year old 6" pipeline** with new 8-inch water main and replace water services with yoke assemblies (part of water meter replacement program) - 1,150 LF
Installation of New Surge Tank at Mills Plant	$ 75,000	Water Distribution	B	14	$ 3,386,500	**Installation of new surge tank** including piping & appurtenances
Ordunio - Seismic Sensors & Valve Actuators	$ 100,000	Public Safety/ Emerg. Resp.	B	15	$ 3,411,500	**Install New Seismic Sensor & Valve Actuator**on Ordunio Reservoir Inlet/Outlet Valves
Encinal Reservoir - Concrete Rehabilitation	$ 175,000	Water Storage	B	16	$ 3,561,500	**Inspection and rehabilitation of Concrete Reservoir** - Work during winter season. Last rehabilitation - 1983
Upgrade Paschall Booster Station & MCC upgrade - Design	$ 170,000	Water Distribution	C	17	$ 3,731,500	**Design Services for upgrading the Paschall Booster Station** and replacement/upgrade of Motor Control Center
Stormwater Recharge Project - Design	$ 150,000	Water Supply	C	18	$ 3,881,500	**Preliminary Design, Grant Application and Coordination**with stakeholders for Proposed Stormwater Recharge Project at CVC Park
Ocean View - Site Improvements - Design	$ 105,000	Facilities & Planning	C	19	$ 3,986,500	**Design services for improvements** for site drainage, street accessibility and use for storage
Roof for Old Encinal - Storage Bldg - Design & Construction	$ 150,000	Facilities & Planning	C	20	$ 4,136,500	**Design and construction of new roof and appurtenances** to convert old reservoir to storage facility.
Projects Postponed until FY 19/20 or Later						

RESOLUTION NO. 740

RESOLUTION OF THE BOARD OF DIRECTORS OF CRESCENTA VALLEY WATER DISTRICT ADOPTING RATES AND CHARGES FOR WATER SERVICE

WHEREAS, the Crescenta Valley Water District is a county water district empowered under the Water Code to fix rates and charges for its water service;

WHEREAS, a water and sewer cost of service study has been prepared and presented to the Board of Directors of the District;

WHEREAS, based on the cost of service study, a proposed change in water rates and charges has been presented to the Board of Directors of the District for bills rendered after July 1, 2018;

WHEREAS, notice of the proposed rates and charges was published in advance, and a public hearing was held on the proposed rates and charges;

WHEREAS, pursuant to section 15273 of the District's CEQA guidelines, the Board of Directors hereby finds that the proposed rates and charges are for the purpose of meeting operating expenses, including employee wage rates and fringe benefits, purchasing or leasing supplies, equipment, or material, meeting financial reserve needs and requirements, and obtaining funds for capital projects, necessary to maintain service within existing service areas, and therefore the California Environmental Quality Act does not apply to the approval of the rates and charges;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Crescenta Valley Water District authorize that Appendix E of the District's Rules and Regulations, Rates and Charges for Water Service, is amended to read as attached.

PASSED, APPROVED, AND ADOPTED at an Adjourned Meeting of the Board of Directors of Crescenta Valley Water District held on June 22, 2018. Resolution No. 740 was adopted by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

____

President, Board of Directors
Crescenta Valley Water District

____

Secretary of the Board of Directors of
Crescenta Valley Water District

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

I, RON MITCHELL, Secretary of the Crescenta Valley Water District, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy of Resolution No. 740 of the Board of Directors of Crescenta Valley Water District adopted at an Adjourned Meeting held on June 22, 2018, and that the same has not been amended or repealed.

Secretary of the Board of Directors of
Crescenta Valley Water District

DATED: June 22, 2018 (S E A L)

APPENDIX E
CRESCENTA VALLEY WATER DISTRICT
RATES AND CHARGES FOR WATER SERVICE

CRESCENTA VALLEY WATER DISTRICT

APPENDIX E

RATES AND CHARGES FOR WATER SERVICE

Quantity rate charge for single family residential usage: Quantity charges are applicable to all water consumption in addition to the bi-monthly service charge. The rates charged by the District for water consumption, per 1,000 gallons (Unit) of water consumed per bi-monthly billing period, are as follows:

For Bills Rendered After: 7/1/18 Water Use Range		Rate per 1,000 Gallons
Tier I	1-10 Units	$ 4.90
Tier II	11-26 Units	$ 7.71
Tier III	27 Units and above	$11.64

Quantity rate charge for multi-family units, commercial, institutions, & schools usage: The rates charged by the District for water consumption, per 1000 gallons (Unit) of water consumed per bi-monthly billing period, are as follows:

For Bills Rendered After: 7/1/18	Rate per 1,000 Gallons
Base Rate	$ 6.94

Quantity rate charge for irrigation usage: The rates charged by the District for water consumption, per 1000 gallons (Unit) of water consumed per bi-monthly billing period, are as follows:

For Bills Rendered After: 7/1/18 Water Use Range		Rate per 1000 Gallons (Unit)
Tier I	1-80 Units	$ 5.36
Tier II	81 Units and above	$ 10.26

Service Charge: The bi-monthly service charge is a fixed charge per meter size and does not provide for any minimum water consumption allowance are as follows:

Commencing the First Billing Period Following:

Meter Size	7/1/18 Within District	7/1/18 Outside District
3/4"	$51.23	$51.63
1"	$76.41	$76.81
1½"	$139.39	$139.79
2"	$214.98	$215.38
3"	$454.29	$454.69
4"	$806.99	$807.39

Minimum Monthly Charge for Temporary Service per Article 9.02: $35.00

One-Time Service Charge for Temporary Service per Article 9.02: $25.00

Private Fire Protection Charge: The bi-monthly service charge for fire protection services per meter size and does not provide for any minimum water consumption allowance are as follows:

Meter Size	7/1/18 Within District	7/1/18 Outside District
1"	$15.01	$15.41
2"	$23.17	$23.57
3"	$41.71	$42.11
4"	$73.71	$74.11
6"	$188.50	$188.90
8"	$386.51	$386.91
10"	$684.35	$684.75

Glendale Utility Tax Administration Fee – Effective 1/1/11 for customers within the City of Glendale - $0.40 per bi-monthly bill.

WATER SYSTEM CONNECTION FEE:

1. The basic fee is **$3,875** per equivalent dwelling unit for fiscal year **2018-2019**. On July first of each year, the fee shall be revised according to the following equation.

$$\text{Fee} = \frac{BV + CIP_5}{\Sigma\ EDU}$$

Where: Fee = Current year's connection fee per equivalent dwelling unit.

BV = Current value of all District water system property and equipment minus the depreciation of water system assets as published in the District's independently audited financial statements.

CIP_5 = The average annual cost of water system projects in the District's most recent Capital Improvement Program attributed to the need for increased water system capacity multiplied by 5 years.

Σ EDU = The sum of equivalent dwelling units in the District's water system as calculated at the end of the prior year based on the meter conversion method in the November 2003 report entitled "Establishment of a New Water System Connection Fee Structure for Crescenta Valley Water District".

2. **Exception**: For the installation of a new fire service line, where no other construction is proposed, the water system connection fee shall only include the CIP component as follows:

$$\text{Fee} = CIP_5 / \Sigma\ EDU$$

FOOTHILL MUNICIPAL WATER DISTRICT

ALTADENA • La CAÑADA FLINTRIDGE • La CRESCENTA

June 19, 2018

Dear Editor:

The Board of Directors at Crescenta Valley Water District (CVWD) will consider a water rate increase during its June 26, 2018 meeting. As a customer of CVWD and as a member of the Board of Directors of Foothill Municipal Water District (FMWD) and the Metropolitan Water District of Southern California (MWD), I want to voice my support for the recommended 6.9% increase as a prudent investment to ensure reliable drinking water for the Crescenta Valley.

Access to groundwater supplies in Crescenta Valley is limited due to geography, adjudicated groundwater rights, water quality, and hydrology. Without sufficient rainfall, groundwater levels are too low to meet more than half of our water needs. To meet these demands, CVWD has always depended on imported water from MWD and distributed by FMWD.

Pumping and distributing water from the Colorado River and State Water Project to Crescenta Valley incur large energy costs. The amount of energy required to pump water from the FMWD connection near the Rose Bowl to homes in the higher elevations of Crescenta Valley is comparable to pumping required on the 242-mile Colorado River Aqueduct. Therefore, CVWD has much higher electrical costs for pumping imported water than other comparable cities (e.g., Glendale, Pasadena and Burbank). In addition, MWD and FMWD have adopted their budgets with rate increases that are passed to CVWD.

Just recently, the Legislature and the Governor passed water conservation laws requiring new water conservation standards because we do not have adequate water supplies statewide. We should all recognize the significant *investments in water reliability needed throughout southern California to ensure reliable drought proof supplies!* These investments range from replacing aging infrastructure on the State Water Project with the Delta Tunnels and developing new supplies such as recycled water throughout southern California and the LA County's effort to capture more stormwater to use locally in its proposed ballot measure in November.

I support the efforts of CVWD in investing in our future so we have sufficient and reliable water supplies.

Sincerely,

Richard Atwater

Richard Atwater
Board President
Foothill Municipal Water District

4536 Hampton Road • P.O. Box 686 • La Cañada Flintridge, CA 91012-0686 (818) 790-4036 FAX (818) 790-9418

CRESCENTA VALLEY WATER DISTRICT
General Manager Report

GM Report
June 26, 2018

To: Honorable President and Members of the Board of Directors
From: Ron Mitchell and David Gould
Subject: **General Manager Report**

June 2018 General Managers Report Topics:

- Staffing
- GM Activities
- Engineering and Operations Report

The following are some highlights in this Month's Report:

- Water Demand in June 2018 is down 6.7% from June 2017
- Rainfall for June – 0.00"; total for year 11.02"; 50% below average rainfall
- Brookhill Pipeline – Working on 2700 Block of Brookhill & 5000 Block of La Crescenta
- Well 2 Project – Final work & clean up – Punch list by 6/29/18

Staffing:

- The 2018 fiscal year budget includes 33 full time employees, current staffing is 32 including one temporary employee.
- General Manager - Nem Ochoa – Started on June 18, 2018
- The District has gone 1,473 Days without a lost time accident, as of June 22nd.

General Manager Activities:

Meetings:

Management staff meetings	June 18th & June 25th
Operations meetings	June 19th & June 26th
Engineering Committee	June 21st

Submitted by:

Ron L. Mitchell	David S. Gould, P.E.
Secretary-Treasurer	District Engineer

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CRESCENTA VALLEY WATER DISTRICT
INVESTMENT PORTFOLIO SUMMARY
June 22, 2018

INVESTMENT TYPE	ACCT/CUSIP I.D. NO.	PURCHASE DATE	*FACE VALUE	INVESTMENT COST	% OF TOTAL	**MARKET VALUE	MATURITY DATE	DATE CALLABLE	EARNED TO DATE	YIELD TO MATURITY	
GENERAL FUNDS											
GENERAL FUND-SWEEP ACCOUNT	0631-525246		$ 549,085	$ 549,085	3.94%	$ 549,085	none	n/a	$ 524	0.09%	
GREAT PACIFIC SECURITIES	GPC-804452		$ -	$ -	0.00%	$ -	none	n/a	$ 40	0.61%	
BOND DEBT SERVICE FUND	6948-331525		$ 3,263	$ 3,263	0.02%	$ 3,263	none	n/a	$ 188	0.09%	
LOCAL AGENCY INVESTMENT FUND	90-19-007		$ 1,321,160	$ 1,321,160	9.48%	$ 1,321,160	none	n/a	$ 16,009	1.51%	Mar 2018
FEDERAL FARM CREDIT (101)	31331VY26	6/14/2016	$ 1,000,000	$ 1,211,530	8.69%	$ 1,085,810	8/16/2021	n/a	$ 50,479	1.26%	
FEDERAL FARM CREDIT (103)	31331VQG4	8/2/2016	$ 1,000,000	$ 1,287,830	9.24%	$ 1,145,420	2/6/2026	n/a	$ 47,726	1.88%	
US TREASURY (107)	9128282W9	9/29/2017	$ 1,000,000	$ 995,742	7.14%	$ 968,830	9/30/2022	n/a	$ 12,280	1.84%	
US TREASURY (108)	9128283C2	10/27/2017	$ 500,000	$ 500,000	3.59%	$ 486,680	10/31/2022	n/a	$ 5,918	2.00%	
			$ 5,373,509	**$ 5,868,611**		**$ 5,560,249**			**$ 133,165**		
CONSTRUCTION FUNDS											
COPS RESERVE FUND	108614000		$ -	$ -	0.00%	$ -	none	n/a	$ -	0.00%	
			$ -	**$ -**		**$ -**			**$ -**		
MTBE CONTINGENCY FUNDS											
LOCAL AGENCY INVESTMENT FUND	90-19-007		$ -	$ -	0.00%	$ -	none	n/a	$ -	1.51%	Mar 2018
GREAT PACIFIC SECURITIES	GPC-003670		$ -	$ -	0.00%	$ -	none	n/a	$ -	0.41%	
FEDERAL FARM CREDIT (M-48)	3133ED4U3	5/11/2016	$ 500,000	$ 518,915	3.72%	$ 498,570	10/11/2019	n/a	$ 9,752	0.99%	
FEDERAL FARM CREDIT (M-49)	3133EA5N4	5/11/2016	$ 1,250,000	$ 1,260,763	9.06%	$ 1,231,137	10/22/2019	n/a	$ 14,341	0.99%	
US TREASURY (M-53)	912828R36	7/12/2016	$ 1,000,000	$ 1,013,212	7.28%	$ 915,590	5/15/2026	n/a	$ 14,914	1.48%	
US TREASURY (M-54)	912828S76	8/5/2016	$ 1,000,000	$ 1,002,175	7.19%	$ 956,450	7/31/2021	n/a	$ 10,225	1.08%	
US TREASURY (M-55)	912828R36	8/25/2016	$ 1,000,000	$ 1,004,930	7.21%	$ 915,590	5/15/2026	n/a	$ 14,914	1.57%	
US TREASURY (M-56)	912828R36	10/4/2016	$ 1,000,000	$ 997,540	7.16%	$ 915,590	5/15/2026	n/a	$ 15,144	1.65%	
FEDERAL FARM CREDIT (M-57)	3133EGWX9	10/5/2016	$ 1,000,000	$ 987,148	7.08%	$ 912,520	4/6/2026	n/a	$ 16,704	1.96%	
FEDERAL FARM CREDIT (M-58)	31331VWN2	11/9/2016	$ 1,000,000	$ 1,266,700	9.09%	$ 1,160,480	4/13/2026	n/a	$ 49,562	2.24%	
			$ 7,750,000	**$ 8,051,382**		**$ 7,505,927**			**$ 145,556**		
TOTAL INVESTMENTS			$ 13,123,509	$ 13,919,993		$ 13,066,176			$ 278,721		
CASH- PAYROLL ACCOUNT	0948-024724		$ 18,730	$ 18,730	0.13%	$ 18,730					
TOTAL CASH AND INVESTMENTS			**$ 13,142,238**	**$ 13,938,723**	**100%**	**$ 13,084,905**			**$ 278,721**	**1.29%**	
						$ (826,905)	***Unrealized Gain/(Loss) on Investments				

Yield on investments including LAIF but not cash accounts	1.57%
Yield on investments not including LAIF or cash accounts	1.58%

I certify that this report accurately reflects all pooled investments and is in compliance with California Government Code Sections 5922 & 53601 as amended on 1/1/97; are currently in conformity with the investment policy as stated in Resolution No. 739 adopted on December 12, 2017.
As Treasurer of the Crescenta Valley Water District, I, Ron L. Mitchell hereby certify that sufficient investment liquidity and anticipated revenues are available to meet one year of estimated expenditures for the operations of Crescenta Valley Water District.

*Value at investment maturity date.

***Reported in compliance with GASB Standard No. 31, effective July 1, 1997, the "fair value" adjustment necessary between cost and market value.

	June 30, 2017	**May 31, 2017**	**April 30, 2017**
Water	$ 9,273,362.94	$ 9,731,338.12	$ 10,154,604.65
Wastewater	$ 5,350,379.04	$ 5,110,769.58	$ 5,269,552.99
	$ 14,623,741.98	$ 14,842,107.70	$ 15,424,157.64

Ron L. Mitchell, Secretary-Treasurer, CVWD

June 22, 2018
Date

Director Compensation Expense Report
June 2018

Name	Meeting Date	Meeting/ Event	Items Discussed	Meeting Compensation	Expense Reimbursement
Director Bodnar	06/06/18	Executive Committee	Public hearing presentation, setting goals & objectives for new GM	$ 90.00	
	06/12/18	Board Meeting	Public hearing & regular board meeting	$ 90.00	
	06/15/18	Finance Committee	Q3 review, FY 2018/19 review	$ 90.00	
	06/26/18	Board Meeting		$ 90.00	
Director Claessens	06/05/18	Emergency Planning Com	Emergency Operations Protocol, PWAG Emergency Mgmt & Assistance network, Emergency Response Plan	$ 90.00	
	06/06/18	Executive Committee	Public hearing presentation, setting goals & objectives for new GM	$ 90.00	
	06/12/18	Board Meeting	Public hearing & regular board meeting	$ 90.00	
	06/26/18	Board Meeting		$ 90.00	
Director Erickson	06/12/18	Board meeting	Public hearing & regular board meeting	$ 90.00	
	06/21/18	Engineering Committee	Well levels and CIP	$ 90.00	
Director Putnam	06/12/18	Board Meeting	Public hearing & regular board meeting	$ 90.00	
	06/15/18	Finance Committee	Q3 review, FY 2018/19 review	$ 90.00	
	06/21/18	Engineering Committee	Well levels and CIP	$ 90.00	
	06/26/18	Board Meeting		$ 90.00	
Director Tejeda	06/05/18	Emergency Planning Com	Emergency Operations Protocol, PWAG Emergency Mgmt & Assistance network, Emergency Response Plan	$ 90.00	
	06/12/18	Board Meeting	Public hearing & regular board meeting	$ 90.00	
	06/26/18	Board Meeting		$ 90.00	

CRESCENTA VALLEY WATER DISTRICT
M E M O R A N D U M

DATE: June 21, 2018

TO: Engineering Committee

FROM: David S. Gould, District Engineer

SUBJECT: CVWD Engineering Committee Meeting No. 311

Following is a summary of Engineering Committee Meeting No. 311, held at 9:00 AM on June 21, 2018, at the CVWD main office, and was attended by the following:

Director Ken Putnam - Committee Chairperson	CVWD
Director Kerry Erickson	CVWD
David Gould – District Engineer	CVWD
Brook Yared – Senior Engineer	CVWD
Dennis Maxwell – Operations & Maintenance Manager	CVWD

1. Status of Groundwater Wells and Well Capacity

Mr. Gould presented an updated Water Production Chart showing the status of the daily water production and the breakdown between groundwater and FMWD production for 2016 – 2018 which showed groundwater production remaining fairly steady over the last 2 years. Mr. Gould also presented a chart that showed the well capacity from 2010 – 2018. The chart showed higher well production in 2012 & 2013 and a decrease in well production from 2014 to 2018. Mr. Gould compared well production chart with the annual rainfall chart which indicated that below average rainfall has an effect on well production. Mr. Gould provided another chart which showed the decrease in water levels within the Verdugo Basin from 2000 to 2018 which also directly affects water production. Finally, Mr. Gould discussed the project water demand over the next 5 years, which showed increased water purchases from FMWD and slight increase in well production. Director Putnam requested that staff prepare additional water projection scenarios with decreased well production and increased purchased water to be reviewed at the next Engineering Committee. Both directors requested that the storm water recharge project be brought back to the Board of Directors considering the severity of the drought.

Director Putnam and Director Erickson also requested that staff report back to the Board with a likelihood of failure for each well due to declining well levels. Director Erickson also recommended that a graphic be added to the website to help better explain local drought conditions.

2. FY 17/18 CIP - Project Status

Mr. Gould provided an updated cost summary of the FY 17/18 CIP program. Mr. Gould indicated that the majority of the projects are either under construction or completed. Mr. Gould also provided an updated cost summary showing that the FY 17/18 CIP program is slightly over budget by $67,000. There was a brief discussion regarding a recent issue with CVWD's LA County Inspector at the job site for Project E-982. Staff will be following up with management at LA County to resolve this issue moving forward.

3. FY 18/19 CIP – Budget Update

Mr. Gould provided an updated FY 18/19 CIP budget and priority list based on the proposed water rate increase and the goal to keep the reserve balance at $1.8. Mr. Gould indicated that the FY 18/19 CIP budget was reduced to $1.4M and that the major projects will be well rehabilitation, completion of the Well 2 project, rehabilitation of Oak Creek#2 Reservoir and completion of the pipeline project on Brookhill Ave. Directors Putnam and Erickson advised staff to request additional grant funding for Well 2 to help increase the amount of money available for Capital Projects in FY 18/19. Mr. Gould indicated that additional projects could be added during the year by utilizing the MTBE reserve fund.

The next Engineering Committee meeting was scheduled for July 19, 2018 at 9:00AM

Adjournment - The Engineering Committee meeting was adjourned at 10:22 am on July 21, 2018.

See CVWD Website www.cvwd.com for the Engineering Committee Packet

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CRESCENTA VALLEY WATER DISTRICT

2700 FOOTHILL BOULEVARD
LA CRESCENTA, CALIFORNIA

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

To be held on

June 21, 2018 at 9:00 AM

Posted June 20, 2018 at 9:00 AM

Call to Order

Adoption of Agenda

Information Items

1. Status of Groundwater Wells and Well Capacity
    - Well Levels
    - Well Capacity
    - Water Production
2. FY 17/18 CIP - Project Status:
3. FY 18/19 CIP - Budget

Public Comments

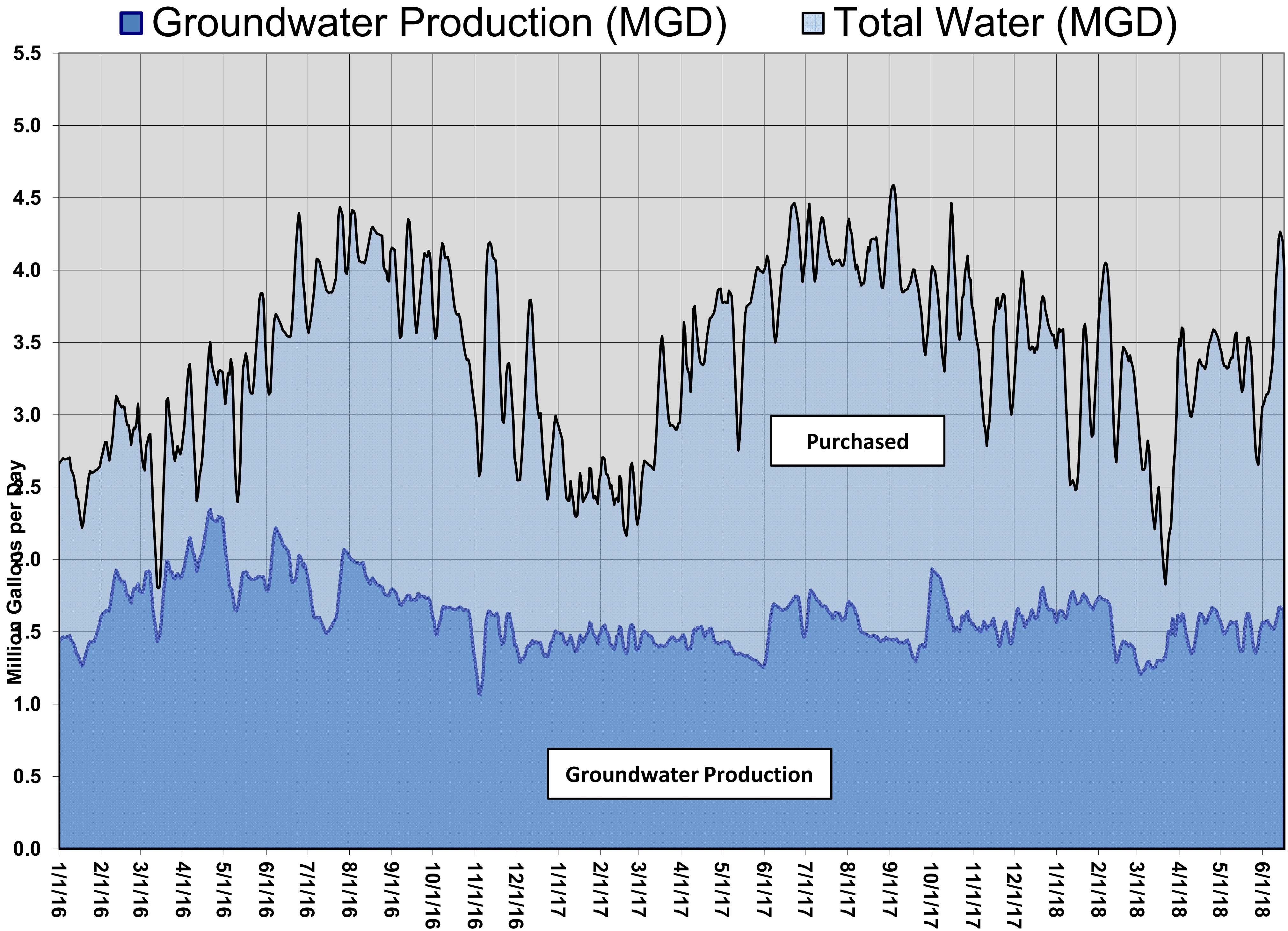
At this time, members of the public shall have an opportunity to address the Committee on items of interest that are within the subject matter jurisdiction of this Committee. This opportunity is non-transferable and speakers are limited to three (3) minutes each.

Committee Member's Request for Future Agenda Items

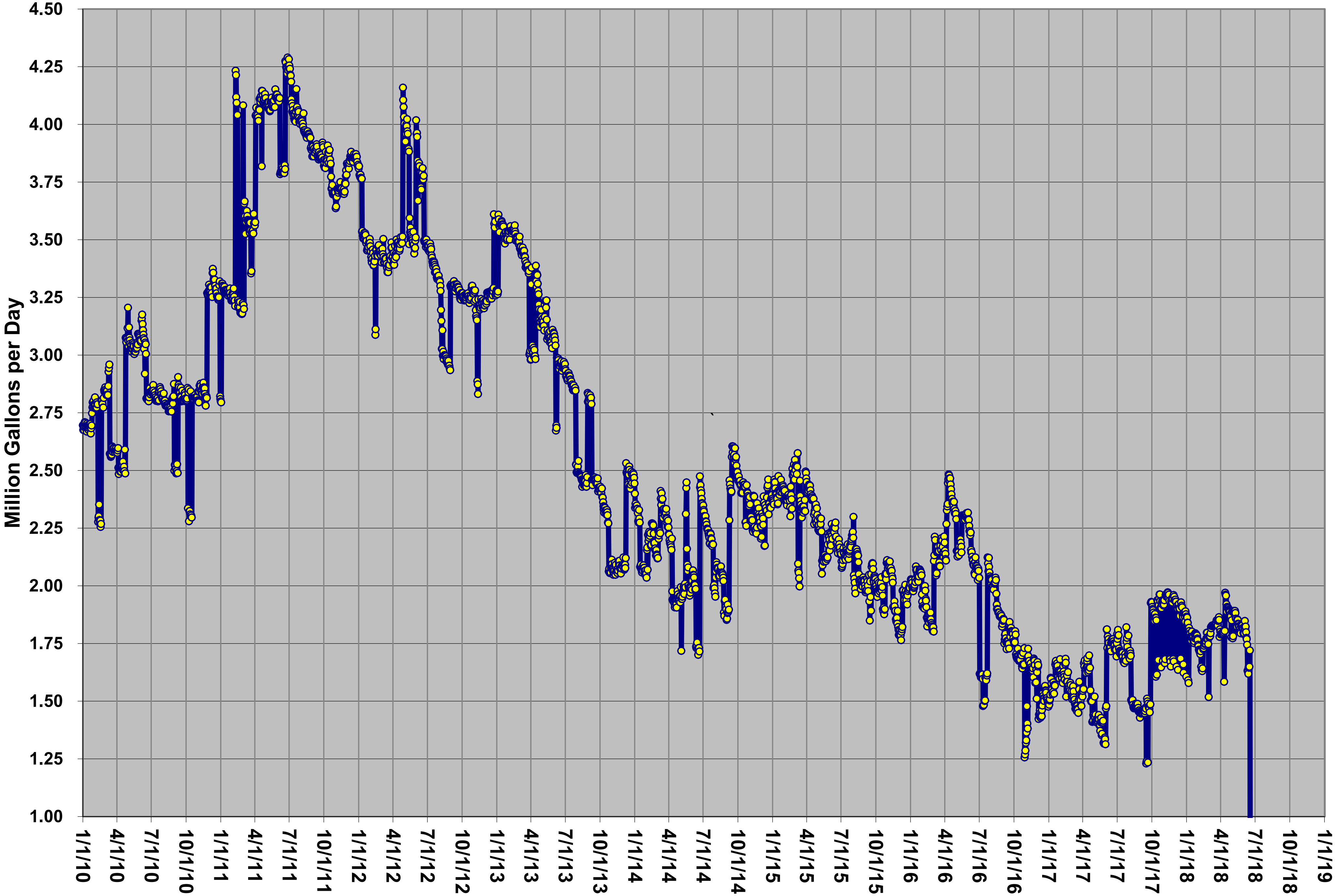
Next Engineering Committee Meeting – July 19, 2018

Adjournment

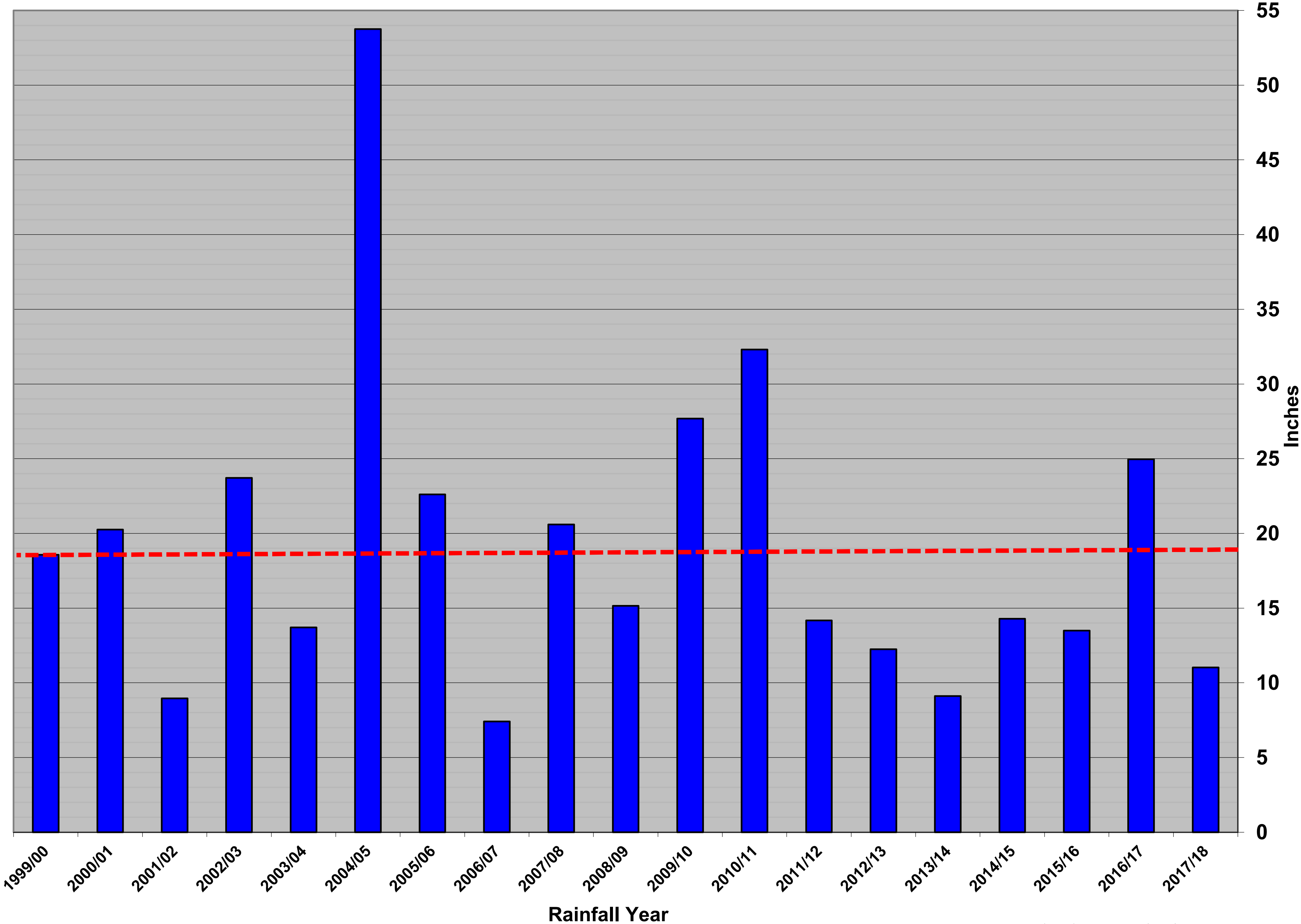
Water Production Chart 2016 - 2018



Crescenta Valley Water District
2010-18 Well Capacity Status (MGD)

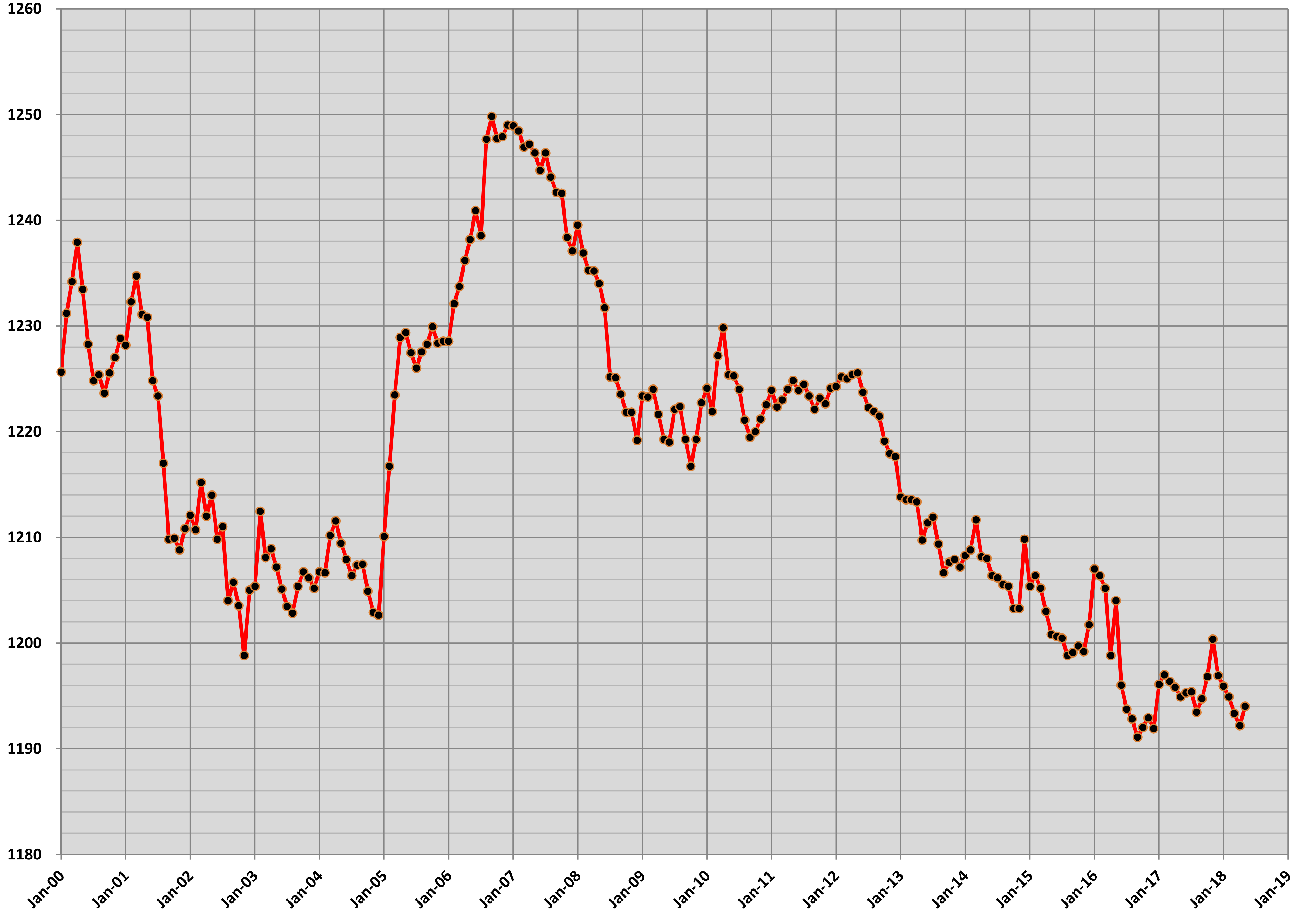


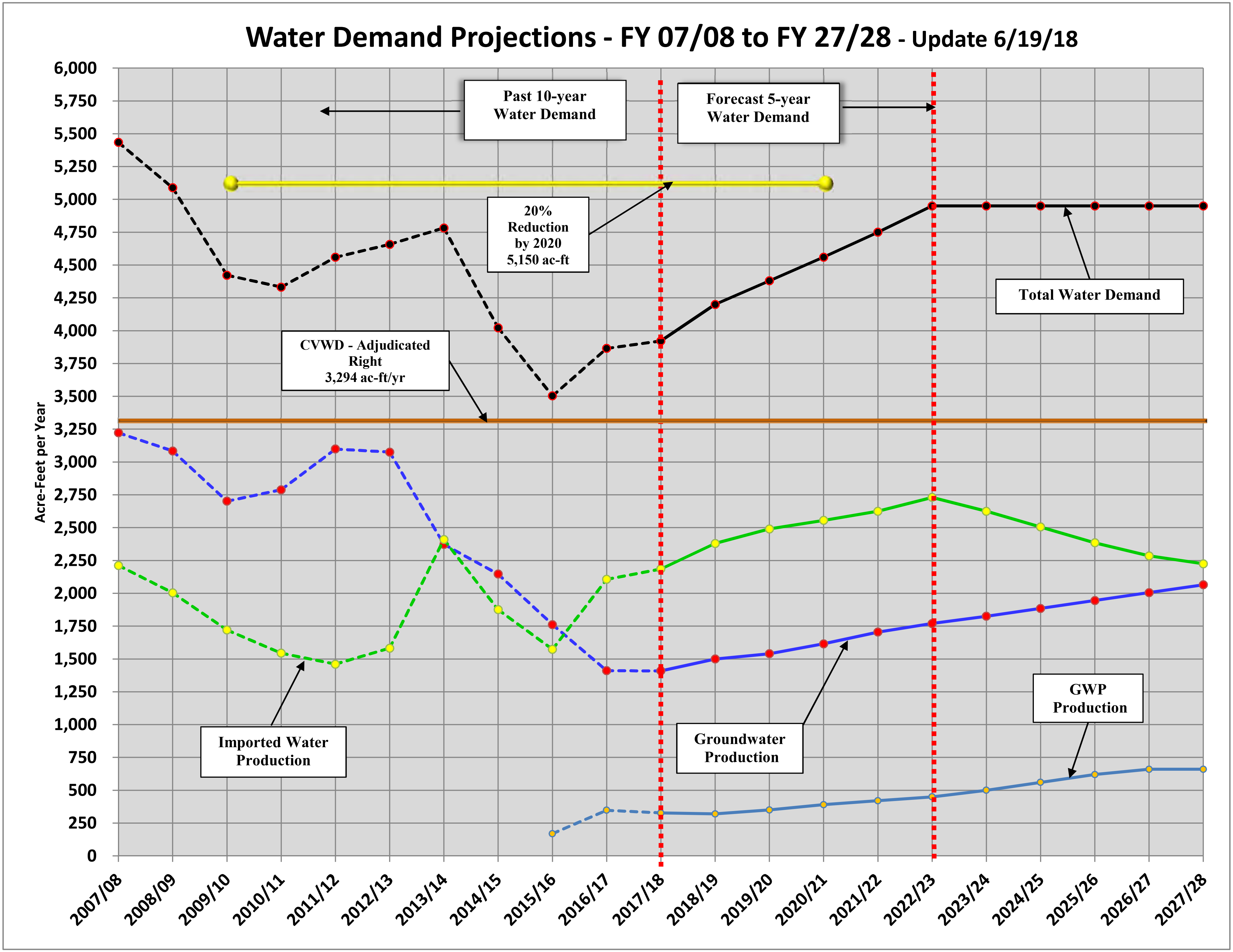
Crescenta Valley Water District
Annual Average Rainfall - 1999/00 to 2016/17 = 19.16"



Revised Date: 6/19/2018

CVWD - Groundwater Wells - Average Static Water Elevation
2000 - 2018




Water Demand Projections - FY 07/08 to FY 27/28 - Update 6/19/18
Past 10-year Water Demand
Forecast 5-year Water Demand
20% Reduction by 2020 5,150 ac-ft
Total Water Demand
CVWD - Adjudicated Right 3,294 ac-ft/yr
Imported Water Production
Groundwater Production
GWP Production
Acre-Feet per Year
0
250
500
750
1,000
1,250
1,500
1,750
2,000
2,250
2,500
2,750
3,000
3,250
3,500
3,750
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2026/27
2027/28

Capital Improvement Project Program FY 18-19 Budget - Update 6/19/18	Budget FY 16/17	Recorded FY 16/17	Carryover from FY 16/17 to FY 17/18	Budget FY 17/18	Total Project Budget FY 17/18 with FY 16/17 Carryover	Projected FY 17/18	Project Budget FY 18/19	Forecast FY 19/20	Forecast FY 20/21	Forecast FY 21/22	Forecast FY 22/23	Forecast FY 23/24
1. Water Supply												
A. Groundwater												
i. Well Rehabilitation												
Well 7 Rehabilitation	$ 60,000	$ -	$ -									
Well 8 Rehabilitation	$ -	$ 44,385	$ -									
Well 5 Rehabilitation				$ 60,000	$ 60,000	$ 69,388						
Well 10 Rehabilitation				$ 85,000	$ 85,000	$ 77,800						
Well 7 Rehabilitation							$ 75,000					
Well 14 Rehabilitation							$ 75,000					
Well Rehabilitation (2 Wells per year)								$ 150,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000
ii. New Wells												
Re-Activate Well 2 - Design	$ 70,895	$ 92,891		$ 160,300	$ 160,300	$ 99,746	$ -					
Re-Activate Well 2 - Construction	$ 720,000	$ 224,776	$ 495,224	$ 880,000	$ 1,375,224	$ 2,037,020	$ 385,000					
Well 18 (Sycamore House) - Design												$ 175,000
iii. Studies												
Update Water Well Replacement Study												
B. Imported Water												
Ocean View Chlorination St (Grant - Matching Funds)	$ 50,000	$ 4,464										
Ocean View - Equip. (Grant - Matching Funds)	$ 40,000	$ 40,567										
Ocean View - Elect (Grant - Matching Funds)	$ 35,000	$ 30,356										
Ocean View - Final		$ 58,073	$ -	$ -	$ -	$ 51,200						
C. Groundwater Basin Recharge												
Storm Water Recharge Study (Grant - Matching Funds)	$ 151,015	$ 54,286										
Stormwater Recharge Project - Design												
D. Recycled Water System												
i. Recycled Water												
ii. Membrane Bioreactor Technology												
WS Total	$ 1,126,910	$ 549,798	$ 495,224	$ 1,185,300	$ 1,680,524	$ 2,335,155	$ 535,000	$ 150,000	$ 200,000	$ 200,000	$ 200,000	$ 375,000

Capital Improvement Project Program FY 18-19 Budget - Update 6/19/18	Budget FY 16/17	Recorded FY 16/17	Carryover from FY 16/17 to FY 17/18	Budget FY 17/18	Total Project Budget FY 17/18 with FY 16/17 Carryover	Projected FY 17/18	Project Budget FY 18/19	Forecast FY 19/20	Forecast FY 20/21	Forecast FY 21/22	Forecast FY 22/23	Forecast FY 23/24
2. Water Storage												
A. Reservoir Rehabilitation												
i. Steel Reservoir Re-Coating/Roof/Vents Rehabilitation												
Oak Creek #1 & #2 - Roof/Air Vents/Recoat	$ 320,000	$ 13,689	$ -	$ 900,000	$ 900,000	$ 503,898	$ 514,800					
Markridge - Roof/Air Vents/Recoat									$ 600,000			
Rosemont - Roof/Air Vents/Recoat											$ 600,000	
Eagle Canyon - Roof/Air Vents/Recoat												$ 600,000
ii. Concrete Reservoir Rehabilitation												
Encinal Reservoir - Concrete Rehabilitation								$ 175,000				
iii. Corrosion Protection												
iv. Overflow & Drain System Upgrade												
Overflow/Drain System Assessment Study												$ 85,000
B. Reservoir Water Quality												
i. Water Mixing System												
Reservoir Water Quality & Mixing System Study												$ 125,000
C. New Reservoir Water Storage												
Ocean View #2 Reservoir (Top of Ocean View) - Feasibility Study												$ 75,000
WS Total	$ 320,000	$ 13,689	$ -	$ 900,000	$ 900,000	$ 503,898	$ 514,800	$ 175,000	$ 600,000	$ -	$ 600,000	$ 810,000
3. Water Distribution												
A. Pipeline Replacement												
2600 Block - Harmony Place - 450 LF	$ 151,800	$ 47,080	$ -									
3900 Block - Park Place - 450 LF	$ 151,800	$ 47,080	$ -									
3900 Block - Glenwood - 650 LF	$ 151,800	$ 47,080	$ -									
2800 Block - Prospect & 4400 Block - Glenwood - 800 LF	$ 76,435	$ 121,259	$ -									
Lower Pickens Canyon Crossing & Slope - 600 LF	$ 500,000	$ 534,110	$ 60,000	$ -	$ 60,000	$ 92,784						
4200 - 4400 Block - Penn - 1,450 LF	$ 600,000	$ 176,460	$ 80,000	$ 145,000	$ 225,000	$ 236,896						
2700 Block - Brookhill - 800 LF				$ 220,000	$ 220,000	$ 198,412	$ 94,600					
5100 Block of La Crescenta - 400 LF				$ 100,000	$ 100,000	$ 90,190	$ 42,900					
3000 Block of Brookhill - 800 LF				$ 220,000	$ 220,000	$ 198,412	$ 94,600					
3100 Block of Brookhill - 800 LF				$ 220,000	$ 220,000	$ 198,412	$ 94,600					
3200 & 3300 Blocks of Brookhill - 1,600 LF								$ 640,000				
2400 & 2500 Block of Janet Lee - 1,200 LF								$ 485,000				
Annual Pipeline Replacement - 3,000 LF									$1,250,000	$1,500,000	$1,500,000	$1,600,000

Capital Improvement Project Program FY 18-19 Budget - Update 6/19/18	Budget FY 16/17	Recorded FY 16/17	Carryover from FY 16/17 to FY 17/18	Budget FY 17/18	Total Project Budget FY 17/18 with FY 16/17 Carryover	Projected FY 17/18	Project Budget FY 18/19	Forecast FY 19/20	Forecast FY 20/21	Forecast FY 21/22	Forecast FY 22/23	Forecast FY 23/24
C. Booster Pump System												
i. Annual Pump /Motor Replacement												
Booster 12 at Markridge	$ 50,000	$ 31,086	$ -									
Boosters - Encinal B & C				$ 45,000	$ 45,000	$ 28,000						
Boosters - Glenwood 32 & 33							$ 75,000					
Boosters - Paschall B								$ 75,000				
Boosters - Booster 26 at CH									$ 75,000			
Boosters - Ocean View B & Booster 25 at Markridge										$ 85,000		
Annual Booster Replacement - 2 Boosters											$ 75,000	$ 90,000
ii. Pump Station Upgrade												
Upgrade Paschall Booster Station - Design & Construction	$ 75,000								$ 85,000	$ 450,000		
iv. MCC Replacement												
MCC upgrade at Paschall - - Design & Construction	$ 75,000								$ 85,000	$ 450,000		
D. Pressure Reducing Stations												
E. Miscellaneous Projects												
i. Water Surge Control												
Rehabilitation Surge Tank at Glenwood	$ 65,000	$ -						$ 65,000				
Rehabilitation Surge Tank at Mills Plant								$ 75,000				
iii. Misc.												
Repairs to Ramsdell Mixing Station		$ 34,288	$ 51,000	$ -	$ 51,000	$ 20,000	$ 205,000					
Mills Plant - Aeration Tower Rehabilitation								$ 75,000				
WD Total	$ 1,896,835	$ 1,038,443	$ 191,000	$ 950,000	$ 1,141,000	$ 1,063,106	$ 606,700	$ 1,415,000	$ 1,495,000	$ 2,485,000	$ 1,575,000	$ 1,690,000

Capital Improvement Project Program FY 18-19 Budget - Update 6/19/18	Budget FY 16/17	Recorded FY 16/17	Carryover from FY 16/17 to FY 17/18	Budget FY 17/18	Total Project Budget FY 17/18 with FY 16/17 Carryover	Projected FY 17/18	Project Budget FY 18/19	Forecast FY 19/20	Forecast FY 20/21	Forecast FY 21/22	Forecast FY 22/23	Forecast FY 23/24
4. Water Treatment												
A. Nitrate Removal												
i. Glenwood												
ii. Mills												
iii. Ordunio												
Replace Bio Remediation AroNite Media at Ordunio											$ 200,000	
B. Chlorine Disinfection												
New Chlorination Station at Pickens Canyon Reservoir							$ 75,000					
Paschall - New Chlorine Analyzer								$ 40,000				
New Chlorination Station at Markridge Reservoir								$ 70,000				
C. Convert to Chloramines												
Conversion to Chloramination Disinfection Feasibility										$ 85,000		
D. Federal and State Regulations												
TTHM Removal - In-Tank Aeration - Shields & Edmund 2 Reservoirs							$ 150,000					
WT Total	$ -	$ -	$ -	$ -	$ -	$ -	$ 225,000	$ 110,000	$ -	$ 85,000	$ 200,000	$ -
5. Technology												
B. Supervisory Control and Data Acquisition (SCADA) System												
SCADA RTU Replace - Equipment & Integration	$ 200,000	$ 140,054	$ 61,000	$ -	$ 61,000	$ 21,600	$ 200,000					
TECH Total	$ 200,000	$ 140,054	$ 61,000	$ -	$ 61,000	$ 21,600	$ 200,000	$ -	$ -	$ -	$ -	$ -
6. Public Safety/Emergency Response												
A. Emergency Electrical Generators												
New Emergency Electrical Generator - Mills Plant									$ 100,000			
New Emergency Electrical Generator - Field											$ 50,000	
B. Water Storage												
Dunsmore/Pickens - Seismic Sensors & Valve Actuators	$ 75,000	$ 71,886	$ 25,000	$ -	$ 25,000	$ 1,000						
Ordunio - Seismic Sensors & Valve Actuators								$ 100,000				
Oak Creek #1 & #2 - Seismic Sensors & Valve Actuators									$ 105,000			
Encinal & Ocean View - Seismic Sensors & Valve Actuators											$ 125,000	
SF/ER Total	$ 75,000	$ 71,886	$ 25,000	$ -	$ 25,000	$ 1,000	$ -	$ 100,000	$ 205,000	$ -	$ 175,000	$ -

Capital Improvement Project Program FY 18-19 Budget - Update 6/19/18	Budget FY 16/17	Recorded FY 16/17	Carryover from FY 16/17 to FY 17/18	Budget FY 17/18	Total Project Budget FY 17/18 with FY 16/17 Carryover	Projected FY 17/18	Project Budget FY 18/19	Forecast FY 19/20	Forecast FY 20/21	Forecast FY 21/22	Forecast FY 22/23	Forecast FY 23/24
7. Facilities & Planning												
A. Main Office												
Expansion with New Roof with Solar Panels										$ 125,000		
D. Reservoir Site Improvements												
Ocean View - Site Improvements										$ 105,000		
Roof for Old Encinal - Storage Bldg								$ 150,000			$ 250,000	
Pickens - Access Road Improvements											$ -	$ 125,000
6. District Planning												
F & P Total	$ -	$ 68,368	$ -	$ -	$ -	$ -	$ -	$ 150,000	$ -	$ 230,000	$ 250,000	$ 125,000
Capital Improvement Projects - Total	$ 3,618,745	$ 1,882,238	$ 772,224	$ 3,035,300	$ 3,807,524	$ 3,924,758	$ 2,081,500	$ 2,100,000	$ 2,500,000	$ 3,000,000	$ 3,000,000	$ 3,000,000

FY 18/19 Capital Improvement Project Summary

	Budget FY 16/17	Recorded FY 16/17	Carryover from FY 16/17 to FY 17/18	Budget FY 17/18	Total Project Budget FY 17/18 with FY 16/17 Carryover	Projected FY 17/18	Project Budget FY 18/19	Forecast FY 19/20	Forecast FY 20/21	Forecast FY 21/22	Forecast FY 22/23	Forecast FY 23/24
1. Water Supply	$ 1,126,910	$ 549,798	$ 495,224	$ 1,185,300	$ 1,680,524	$ 2,335,155	$ 535,000	$ 150,000	$ 200,000	$ 200,000	$ 200,000	$ 375,000
2. Water Storage	$ 320,000	$ 13,689	$ -	$ 900,000	$ 900,000	$ 503,898	$ 514,800	$ 175,000	$ 600,000	$ -	$ 600,000	$ 810,000
3. Water Distribution	$ 1,896,835	$ 1,038,443	$ 191,000	$ 950,000	$ 1,141,000	$ 1,063,106	$ 606,700	$ 1,415,000	$ 1,495,000	$ 2,485,000	$ 1,575,000	$ 1,690,000
4. Water Treatment	$ -	$ -	$ -	$ -	$ -	$ -	$ 225,000	$ 110,000	$ -	$ 85,000	$ 200,000	$ -
5. Technology	$ 200,000	$ 140,054	$ 61,000	$ -	$ 61,000	$ 21,600	$ 200,000	$ -	$ -	$ -	$ -	$ -
6. Public Safety/Emergency Response	$ 75,000	$ 71,886	$ 25,000	$ -	$ 25,000	$ 1,000	$ -	$ 100,000	$ 205,000	$ -	$ 175,000	$ -
7. Facilities & Planning	$ -	$ 68,368	$ -	$ -	$ -	$ -	$ -	$ 150,000	$ -	$ 230,000	$ 250,000	$ 125,000
Capital Improvement Projects - Total	$ 3,618,745	$ 1,882,238	$ 772,224	$ 3,035,300	$ 3,807,524	$ 3,924,758	$ 2,081,500	$ 2,100,000	$ 2,500,000	$ 3,000,000	$ 3,000,000	$ 3,000,000

Revised Date: 6/20/2018

Account Description	Grant Cost Breakdown	Updated Cost Breakdown	Amount Over/Under Budget
Greater Los Angeles County IRWM 2015	**$1,825,000**	**$1,825,000**	
Amount reimbursed from Grant (39%)	*$705,775*	*$705,775*	
CVWD Costs (61%)	*$1,119,225*	*$1,119,225*	
Breakdown of Project Costs			
Approved Contract – Engineering Services - SA Associates	$197,000	$276,500	($79,500)
Approved Contract – APTwater for ARoNite Nitrate Treatment System	$625,000	$691,821	($66,821)
Approved Contract – Royal Wholesale Electric for MCC & Switch Board	$98,547	$102,737	($4,190)
Approved Contract - Construction - CBEC	$1,245,501	$1,245,501	$0
Approved Contract - Construction - 10% Contingency	$124,550	$194,997	($70,447)
Approved Contract - Quality Control Inspection Services - Cannon	$141,475	$141,475	$0
Quality Control Inspection Services (Additional Services)	$82,000	$132,000	($50,000)
Approved Contract - SCADA system upgrades - Tesco Controls	$32,920	$32,920	$0
Soil inspection, permitting fees, construction staking, & miscellaneous costs	$10,007	$118,992	($108,985)
Total Estimated Cost for Design & Construction	***$2,557,000***	*$2,936,943*	*($379,943)*
Amount Remaining for Well 2 Project	**($732,000)**	**($1,111,943)**	
Transfer of funds from Pipeline Replacement	**$235,000**	**$235,000**	
Transfer of Funds from CVWD's MTBE Reserves	**$500,000**	**$500,000**	
FY 18/19 - Well 2 Project Funding		**$385,000**	
Remaining Funds	**$3,000**	**$8,057**	

E-970 - Oak Creek Reservoir - Cost Breakdown					
Account Description	**Original Amount**	**FY 16/17**	**FY 17/18**	**FY 18/19**	**Total**
FY 16/17 Water CIP– Water Storage - Original Budget	**$900,000.00**				
Construction Cost includes Contingency Cost for Alternative Bid	**($869,600.00)**	$0.00	$392,207.50	$432,392.50	$824,600.00
Specialty Quality Control Inspection Services	**($80,000.00)**	$0.00	$76,455.00	$68,845.00	$145,300.00
CVWD Construction Administration costs	**($10,000.00)**	$5,709.42	$21,415.00	$13,500.00	$40,624.42
Engineering Design Services	**($21,800.00)**	$7,980.00	$13,820.00	$0.00	$21,800.00
Total Cost Estimate	**($981,400.00)**	**$13,689.42**	**$503,897.50**	**$514,737.50**	**$1,032,324.42**
Transfer from Water Fund Reserves	**$90,000.00**				
Amount Remaining in Water CIP – Water Storage	**$8,600.00**			5.2%	($50,924.42)

E-982 - 2700, 3000 & 3100 Blocks of Brookhill - Breakdown

ID No.	Location	Total Budget	Percent of Project	FY 17/18 - Cost		ID No.	Location	Percent of Project	FY 18/19 - Cost	Total Cost
1	2700 Brook	$270,657.89	29%	$198,411.88		1	2700 Brook	29%	$94,577	$292,989
2	5000 La Cres	$123,026.32	13%	$90,187.22		2	5000 La Cres	13%	$42,989	$133,177
3	3000 Brook	$270,657.89	29%	$198,411.88		3	3000 Brook	29%	$94,577	$292,989
4	3100 Brook	$270,657.89	29%	$198,411.88		4	3100 Brook	29%	$94,577	$292,989
Total		$935,000.00	100%	$685,422.87					$326,720	$1,012,143
Budget Breakdown		$760,000.00								
Water Reserves		$175,000.00								
Total Budget		$935,000.00					Percent over budget	8%		$1,012,143

Crescenta Valley Water District

FY 18/19 Capital Improvement Project Program Cost Estimate and Funding Levels

Capital Improvement Project Program	Budget FY 18/19	Category	Priority A, B, & C	Priority Level	Cumulative Costs	Project Description
Well 7 & 14 Rehabilitation	$ 150,000	Water Supply	A	1	$ 150,000	**Remove & Inspect Well Pump & Casing, Chemical Treatment Well Casing, Pump Test, New Pump & Motor** Increase Well Capacity for 2 wells
Re-Activate Well 2 - Construction	$ 385,000	Water Supply	A	2	$ 535,000	**Re-activate Well 2 with Nitrate Removal Treatment System** - Costs to complete final phase of project
Oak Creek #2 - Roof/Air Vents/Recoat	$ 514,800	Water Storage	A	3	$ 1,049,800	**Reservoir Rehabilitation** - Revised costs to complete Oak Creek #2 during low demand (Winter) season
2700, 3000, 3100 Blocks of Brookhill	$ 326,700	Water Distribution	A	4	$ 1,376,500	**Water Main Replacement** - Revised costs to complete the pipeline project
FY 18/19 - Preliminary Budget - Projects 1 - 4 - 6.9%						
Repairs to Ramsdell Mixing Station	$ 205,000	Water Distribution	A	5	$ 1,581,500	**Install a New Pressure Control Valve and Vault** - improve water quality and chlorination
New Chlorination Station at Pickens Canyon Reservoir	$ 75,000	Water Quality	A	6	$ 1,656,500	**Install new Sodium Hypochlorite disinfection system** for Pickens Canyon Tunnel with chlorine analyzer
Boosters - Glenwood Booster 32 & 33	$ 75,000	Water Distribution	A	7	$ 1,731,500	**Replace Glenwood Booster 32 & 33** with a new 800 gpm pump assembly and 40 HP motor
Water Aeration System - Shields and Edmund 2 Reservoirs	$ 150,000	Water Quality	A	8	$ 1,881,500	**Install In-Tank Aeration System** for TTHM Removal at Shields & Edmund 2 Reservoirs
SCADA RTU Replace - Equipment & Integration	$ 200,000	Technology	A	9	$ 2,081,500	**Replacement of SCADA System** - Replacement of RTU/PLC Equipment
FY 18/19 - Preliminary Budget - Projects 1 - 9						
Rehabilitation Surge Tank at Glenwood Plant	$ 65,000	Water Distribution	B	10	$ 2,146,500	**Rehabilitation surge tank** including replacement of piping & appurtenances and recoating of interior
Paschall - New Chlorine Analyzer	$ 40,000	Water Quality	B	11	$ 2,186,500	**Install New Chlorine Analyzer at Paschall** to aid in monitoring breakpoint chlorination
3200 & 3300 Blocks of Brookhill - 1,600 LF	$ 640,000	Water Distribution	B	12	$ 2,826,500	**Replace 71 year old 4" pipeline** with 8 leaks in the last 7 years with a new 8-inch water main with new fire hydrants - 1,600 LF
2400 & 2500 Block of Janet Lee - 1,200 LF	$ 485,000	Water Distribution	B	13	$ 3,311,500	**Replace 67 year old 6" pipeline** with new 8-inch water main and replace water services with yoke assemblies (part of water meter replacement program) - 1,150 LF
Installation of New Surge Tank at Mills Plant	$ 75,000	Water Distribution	B	14	$ 3,386,500	**Installation of new surge tank** including piping & appurtenances
Ordunio - Seismic Sensors & Valve Actuators	$ 100,000	Public Safety/ Emerg. Resp.	B	15	$ 3,411,500	**Install New Seismic Sensor & Valve Actuator** on Ordunio Reservoir Inlet/Outlet Valves
Encinal Reservoir - Concrete Rehabilitation	$ 175,000	Water Storage	B	16	$ 3,561,500	**Inspection and rehabilitation of Concrete Reservoir** - Work during winter season. Last rehabilitation - 1983
Upgrade Paschall Booster Station & MCC upgrade - Design	$ 170,000	Water Distribution	C	17	$ 3,731,500	**Design Services for upgrading the Paschall Booster Station** and replacement/upgrade of Motor Control Center
Stormwater Recharge Project - Design	$ 150,000	Water Supply	C	18	$ 3,881,500	**Preliminary Design, Grant Application and Coordination** with stakeholders for Proposed Stormwater Recharge Project at CVC Park
Ocean View - Site Improvements - Design	$ 105,000	Facilities & Planning	C	19	$ 3,986,500	**Design services for improvements** for site drainage, street accessibility and use for storage
Roof for Old Encinal - Storage Bldg - Design & Construction	$ 150,000	Facilities & Planning	C	20	$ 4,136,500	**Design and construction of new roof and appurtenances** to convert old reservoir to storage facility.
Projects Postponed until FY 19/20 or Later						

Cash Flows - Water Fund	*Recorded* FY 2015-16	*Recorded* FY 2016-17	*Budgeted* FY 2017-18	*Projected* FY 2017-18	*Budget* FY 2018-19	*Projected* FY 2019-20	*Projected* FY 2020-21	*Projected* FY 2021-22	*Projected* FY 2022-23	*Projected* FY 2023-24
Revenue										
Water Sales - Service, Fixed [1]	1,985,993	2,305,004	2,690,000	2,730,955	3,015,569	3,269,765	3,530,332	3,811,664	4,115,416	4,443,373
Water Sales - Metered, Variable [2]	5,952,066	6,632,864	7,878,000	8,198,000	8,718,098	9,319,646	9,962,702	10,650,128	11,384,987	12,170,551
Interest Income - Water Reserve [3]	272,474	180,134	241,000	245,000	165,000	165,000	165,000	165,000	165,000	165,000
Interest Income - MTBE Reserve	103,498	115,000	-	6,575	76,000	76,000	76,000	76,000	76,000	76,000
Other Income - Water [4]	138,183	132,964	96,374	128,600	96,374	96,374	96,374	96,374	96,374	96,374
Construction Revenues [5]	872,193	807,081	1,102,241	370,800	849,281	389,281	389,281	389,281	389,281	389,281
Total Revenue:	**9,324,407**	**10,173,047**	**12,007,615**	**11,679,930**	**12,920,321**	**13,316,066**	**14,219,689**	**15,188,448**	**16,227,058**	**17,340,580**
O&M Expense										
Labor & Benefits	2,706,328	2,970,119	3,048,300	**2,987,334**	3,233,186	3,237,985	3,242,907	3,247,956	3,253,135	3,258,446
Purchased Water (FMWD)	2,454,524	3,045,346	3,090,000	**3,356,400**	3,700,900	3,834,600	4,011,350	4,226,250	4,504,500	4,528,125
Purchased Water (GWP)	49,036	150,944	156,000	**154,600**	160,000	179,375	204,872	226,147	248,358	282,852
Power Purchases	673,699	694,548	697,000	**693,000**	710,325	728,083	742,645	757,498	772,648	772,648
Operating Expenses	1,930,258	1,766,416	2,174,011	**2,122,011**	2,333,300	2,393,966	2,456,209	2,520,070	2,585,592	2,652,818
Total O&M Expense:	**7,813,844**	**8,627,373**	**9,165,311**	**9,313,345**	**10,137,711**	**10,374,009**	**10,657,983**	**10,977,921**	**11,364,232**	**11,494,889**
Debt Service	**615,000**	**615,000**	**615,000**	**576,000**	**550,000**	**550,000**	**550,000**	**550,000**	**550,000**	**550,000**
Cash Available for Capital	**895,563**	**930,674**	**2,227,304**	**1,790,585**	**2,232,611**	**2,392,058**	**3,011,707**	**3,660,527**	**4,312,826**	**5,295,691**
Capital, OPEB & Other Commitments										
CIP - PayGo	2,941,096	2,335,400	3,842,500	**3,931,700**	**1,376,500**	2,100,000	2,500,000	3,000,000	3,000,000	3,000,000
Capital Outlays & Equipment	26,180	45,177	120,000	120,000	173,800	145,687	155,221	149,178	136,584	141,364
OPEB Commitment	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Capital, OPEB & Other Commitments:	**3,067,276**	**2,480,577**	**4,062,500**	**4,151,700**	**1,650,300**	**2,345,687**	**2,755,221**	**3,249,178**	**3,236,584**	**3,241,364**
Increase (Decrease) to Cash	**(2,171,713)**	**(1,549,903)**	**(1,835,196)**	**(2,361,115)**	**582,310**	**46,371**	**256,486**	**411,349**	**1,076,242**	**2,054,327**
Effective date of water rates	7/1/15	7/1/16	7/1/17	7/1/17	7/1/18	7/1/19	7/1/20	7/1/21	7/1/22	7/1/23
Historical/projected rate increase	5.7%	5.2%	7.2%	7.2%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%
Service rates ($/month for 3/4" meter)	$19.10	$20.53	$23.96	$23.96	$25.61	$27.38	$29.27	$31.29	$33.45	$35.76
Quantity Charge: ($/kgal for 1st 10,000 gallons)	$4.61	$4.39	$4.58	$4.58	$4.90	$5.23	$5.59	$5.98	$6.39	$6.83
Reserve Fund Balances										
Beginning Balance	4,048,384	3,719,947	3,170,820	3,170,820	1,309,705	1,892,015	1,938,386	2,194,873	2,606,222	3,682,464
From MTBE Fund (Transfer In)	2,000,000	1,000,000	500,000	500,000	-	-	-	-	-	-
Re-Payment of MTBE Fund (Transfer Out)			-	-	-	-	-	-	-	-
Ending Balance	3,719,947	3,170,820	1,835,624	1,309,705	1,892,015	1,938,386	2,194,873	2,606,222	3,682,464	5,736,791
Target	3,130,000	3,313,000	3,707,000	3,707,000	3,976,000	4,140,000	4,315,000	4,501,000	4,698,000	4,907,000
Above (Below) Target	**589,947**	**(142,180)**	**(1,871,376)**	**(2,397,295)**	**(2,083,985)**	**(2,201,614)**	**(2,120,127)**	**(1,894,778)**	**(1,015,536)**	**829,791**