



**REGULAR MEETING OF THE BOARD OF DIRECTORS
PICO WATER DISTRICT**

4843 S. Church Street
Pico Rivera, California, 90660

5:30 PM Wednesday, July 6, 2022

AGENDA

Pursuant to the provisions of Government Code Section 54953(e), as amended by AB 361, any Board member and any member of the public who desires to participate in the open session items of this meeting may do so by accessing the Zoom link below to join by webcam or teleconference.

Any member of the public wishing to make any comments to the Board may do so through that Zoom link. The meeting Chair will acknowledge such individual(s) at the appropriate time in the meeting prior to making his or her comment. Members of the public wishing to make a comment are asked to state their name for the record and will be provided three (3) minutes to comment, the Board secretary will alert those commenting when they only have 30 seconds remaining. All members of the public will be disconnected from the Zoom link immediately before the Board of Directors adjourns into Closed Session.

Join Zoom Meeting

<https://us06web.zoom.us/j/9521779948?pwd=dGNxcXh3YitEc2NlVVdrUzVvNm4rZz09>

Join by Telephone: +1 669 900 6833

Meeting ID: 952 177 9948 Passcode: **421745**

1. **ROLL CALL.**
2. **PLEDGE OF ALLEGIENCE.**

3. INVOCATION.

4. TIME RESERVED FOR PUBLIC COMMENTS.

*Members of the public shall be allowed three minutes to address the Board on any matter on the agenda and/or within the jurisdiction of the District, which is not on the Agenda. All comments should be addressed to the presiding officer of the meeting. Additional public comments shall be allowed when a listed agenda item is being considered, but such comments made at that time must be confined to the subject that is being discussed at the time such comments are made. Members of the public are asked to state their name for the record. Due to all Board Meetings being run as Zoom Meetings all participants will be placed on mute at the start of the meeting and when the meeting is open for public comment the participant will be asked to raise their hand through the button on the video conference screen if participating by video conference or by pressing *9 on their phone if participating by teleconference.*

5. ADOPTION OF AGENDA.

6. APPROVAL OF CONSENT CALENDAR.

(All matters on the Consent Calendar are to be approved on one motion, unless a Board Member requests a separate action on a specific item).

- A. Consider June 15, 2022 Regular Board Meeting Minutes.
- B. Consider 2022 May Financial Statement.
- C. Consider Board Attendance to the WELL 2022 Untapped Legislative Water Workshop Taking Place on July 23, 2022 at the Pico Rivera Golf Club in Pico Rivera, California.

7. ACTION/DISCUSSION ITEMS.

- A. Consider Board Approval of Resolution 232-R proclaiming a state of emergency persists, re-ratifying the proclamation of a state of emergency by Governor Gavin Newsom, and authorizing continued remote teleconference meetings. *Recommended action – that the Board approve Resolution 232-R proclaiming a state of emergency persists and ratifying the proclamation of a state of emergency by Governor Gavin Newsom. Recommended action – that the Board approve Resolution 232-R.*
- B. Consider Board Approval of Employment Contract with Joe Basulto as General Manager of Pico Water District. *Recommended action – to be discussed at the Board Meeting.*

- C. Consider Appointment of New Board Secretary. *Recommended action, to be discussed at the Board Meeting.*

8. REPORTS.

- A. General Manager.
- B. Legal Counsel.

9. DIRECTOR'S REQUEST OF FUTURE AGENDA ITEMS.

10. BOARD MEMBER COMMENTS.

- A. Report on Meetings Attended/Comments.

11. CLOSED SESSION.

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9.

Two Cases.

12. CLOSED SESSION REPORT.

13. ADJOURNMENT.

AGENDA POSTED ON: June 30, 2022

Next regularly scheduled meeting: July 20, 2022

NOTE: To comply with the Americans with Disabilities Act, if you need special assistance to participate in any Board meeting, please contact the District office at (562) 692-3756 at least 48 hours prior to a Board meeting to inform the District of your needs and to determine if accommodation is feasible.

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the District office, located at 4843 S. Church Street, Pico Rivera, California.

CONSENT ITEMS

**REGULAR MEETING OF THE BOARD OF DIRECTORS
PICO WATER DISTRICT
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MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF THE PICO WATER DISTRICT

A regular meeting of the Board of Directors of the Pico Water District was held in the District's Boardroom located at 4843 South Church Street, Pico Rivera, California, on Wednesday, June 15, 2022 at 5:31 p.m.

The District's Secretary/General Manager, Mr. Mark J. Grajeda proceeded with the roll call of the attending Board members. Present from the beginning of the meeting was Director David Gonzales, Director Victor Caballero, Vice President Raymond Rodriguez and President Pete Ramirez. Director Robert Martinez participated telephonically in adherence with social distancing. Mr. Jim Ciampa, Legal Counsel for the District experienced some difficulty connecting to the meeting.

Director Martinez led everyone in the Pledge of Allegiance.

Vice President Rodriguez gave the invocation.

President Ramirez led a moment of silence for the El Monte Police Officers who were killed in the line of duty.

President Ramirez proceeded to the next item on the Agenda, Public Comments. There were none.

The Board took a short recess at approximately 5:37 p.m. and resumed the meeting at approximately 5:39 p.m. with Mr. Jim Ciampa, Legal Counsel, joining the meeting electronically via Zoom.

President Ramirez proceeded to the adoption of the Agenda. Director Gonzales made the motion to approve the agenda and Vice President Rodriguez seconded the motion. The General Manager announced the motion passed by roll-call vote, 5 – 0.

President Ramirez proceeded to the next item on the Agenda, approval of Consent Calendar. President Ramirez made the motion to approve and Director Caballero seconded the motion. The General Manager announced the motion passed by roll call vote, 5 – 0.

President Ramirez proceeded to the next item on the Agenda, consider Board Approval of Resolution 231-R a Resolution Declaring a Stage 2 Water Supply Shortage. The General Manager reiterated topics previous discussed at past Board Meetings regarding Governor Newsom's

Executive Order N-7-22 directing the State Water Resources Control Board (SWRCB) to draft a resolution pursuant to the current drought situation. Staff recommends that the District declare a Stage 2 Water Supply Shortage as defined in the District's Water Shortage Contingency Plan adopted by the Board on October 20, 2021 with the following provisions:

- Limit outdoor watering to three days a week – Monday, Wednesday and Friday;
- Limit outdoor watering to two days a week – during the months of November through March;
- Obligation to fix leaks, breaks and malfunctions within 72 hours of notification;
- Enforcement of all permanent watering restrictions.

After a brief discussion Director Gonzales made the motion to declare a Stage 2 Water Supply Shortage and Director Caballero seconded the motion. The General Manager announced that the motion passed by roll-call vote, 5 – 0.

President Ramirez proceeded to the next item on the Agenda, consider Board Approval of Employment Contract with Joe Basulto as General Manager of Pico Water District. President Ramirez made a motion to table this matter until the next Board Meeting on July 6, 2022 and Director Martinez seconded the motion. Legal Counsel requested that Director Ramirez withdraw his motion to table and that another motion be made to employ Mr. Basulto as General Manager commencing on July 1, 2022 at an annual salary of \$150,000 with the balance of the terms of the contract be discussed at the July 6, 2022 meeting. President Ramirez withdrew his motion and made a new motion to hire Joe Basulto as the General Manager effective July 1, 2022 with a starting salary of \$150,000 per year with the balance of the terms of the contract to be discussed at the July 6, 2022 Board Meeting. Director Martinez seconded the motion. The General Manager announced the motion passed by roll-call vote, 4 – 0 – 1, with Director Gonzales abstaining.

President Ramirez proceeded to the next item on the Agenda, consider Fencing Proposals for Well 11 to Raise the Height of the Existing Cinder Block Wall Fence. The General Manager reviewed his staff report with the Board informing them that the current cinder block wall is approximately five feet tall and would like to raise its height to match the new wrought iron fence which is seven feet tall. The site has experienced several break-ins resulting in theft of tools, attempts to access the well, chlorine buildings, the emergency generator and accessed a neighbor's property. Staff recommends that the District increase the height of the wall to 7 feet in an attempt to deter access by unauthorized individuals. After a brief discussion Vice President Rodriguez made the motion to approve the proposal from Benitez Frames & Cabinets in the amount of \$9,880.00 to install fence bars with pointed ends and Director Gonzales seconded the motion. The General Manager announced that the motion passed by roll-call vote 5 – 0.

President Ramirez proceeded to the next item on the Agenda, General Manager Report. The General Manager informed the Board of the City's action to consider their new street cut moratorium that will limit instances in which the District can perform work in those streets affected. Joe Basulto informed the Board that he is meeting with the City of June 28, 2022 to go over valves in the next area they are looking at to include in the moratorium; he also stated that the lot split at Well 2 and the rental house has been recorded.

President Ramirez proceeded to the next item on the Agenda, Legal Counsel Report. Legal Counsel reported the United States Environmental Protection Agency (EPA) adopted health advisories for PFAS and PFAS compounds, this is not the same as minimum contaminant levels (MCL), more along the lines of guidance, but they are very low and basically anything that is going to be detected will be above that limit. He closed by stating that tonight's meeting was the Mr. Grajeda's last meeting and express that it has been a pleasure working with him and that he has done good job for the District and he has enjoyed working with him.

President Ramirez proceeded to the next item on the Agenda, Director's Request of Future Agenda Items. Director Gonzales stated that Water Education for Latino Leaders (WELL) is holding an event at the Albert Robles Center at WRD on July 23, 2022 9:00 a.m. – 1:00 p.m. and would like it on the consent calendar.

President Ramirez proceeded to the next item on the Agenda, Board Member Comments. Director Gonzales stated that he attended a WELL event at the Albert Robles Center regarding Climate Change and Drought. Vice President Rodriguez stated that it has been a pleasure working with Mr. Grajeda and he has learned a lot from him, thanked him for his service, and wished him a happy retirement. He also congratulated Mr. Basulto on his appointment as General Manager. Director Caballero stated that it has been a pleasure working with Mr. Grajeda and appreciated his time spent with the District as well and also congratulated Mr. Basulto. Director Martinez thanked Mr. Grajeda for his service and told him, from his experience, there will be times he will get bored, and wished him good luck and also congratulated Mr. Basulto. Director Gonzales wished Mr. Grajeda a well retirement, he has been my mentor and my friend and looks forward to continuing that friendship. He also asked Mr. Basulto if it is his intention to elevate staff, directly asking if Mr. Barrientos will be the Field Superintendent, is there need for additional field staff and maybe he can think it over and get back to the Board in the near future. President Ramirez discussed how we are creatures of habits and it may take awhile for you to realize you are actually retired.

The Board retreated to Closed Session at 6:41 p.m. regarding three matters.

The Board reconvened at 7:10 p.m. Legal Counsel reported that closed session was held regarding three matters of anticipated litigation under Government Code section 54956.9 paragraph (4) of subdivision (d) the Board was briefed on the facts and circumstances of that case and no reportable action was taken.

There being no further business to come before the Board, the Board meeting adjourned at 7:12 p.m.

Elpidio Ramirez, President

Attest:

Mark J. Grajeda, Secretary
(Seal)

PICO WATER DISTRICT

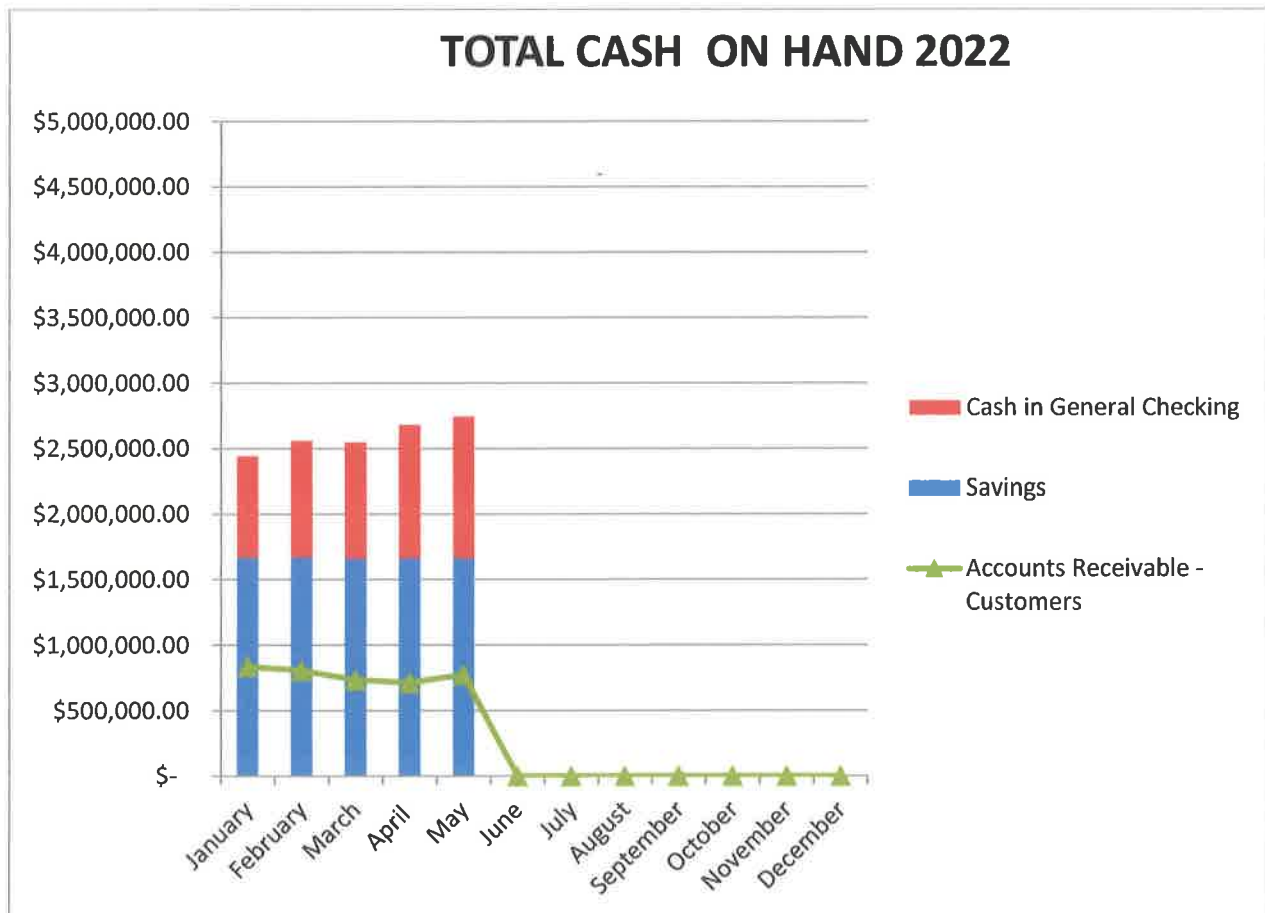
FINANCIAL STATEMENT SUMMARY

The May 2022 Financial Statement reflects that the District has \$1,559,085 deposited in the Local Area Investment Fund; \$100,439 invested with Cantella & Co., Inc.; \$108,165 on deposit as Restricted Cash in the Infrastructure Account for the IBank loan payments; and has \$1,085,957 deposited in our General, Business, and Payroll accounts.

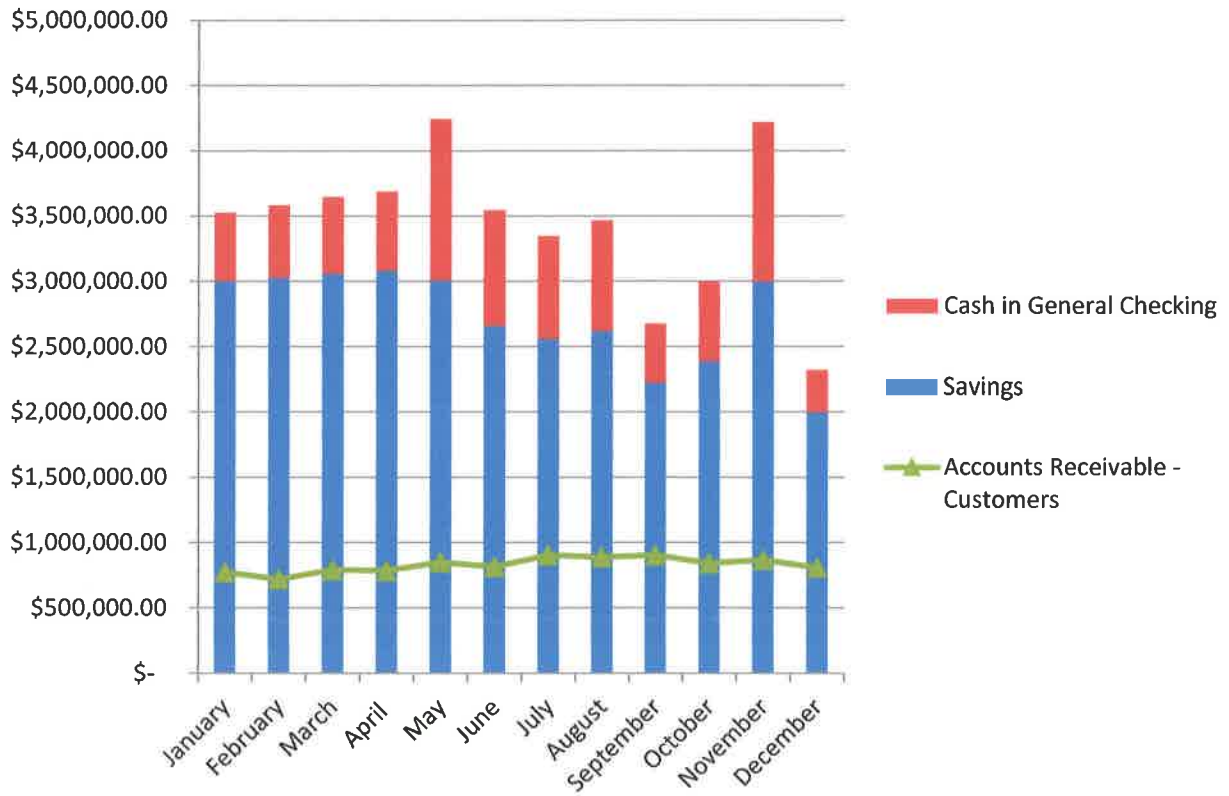
The Financial Statement also reflects that we collected \$421,845 in Total Operating Revenues, and that we incurred \$309,006 in Total Operating Expenses, which left us with a Net Income for the month of May of \$101,661 before contributed capital and depreciation (Net Income also includes non-operating income and non-operating expense).

The District's year-to-date Net Income is \$318,830 before contributed capital and depreciation, and has spent year-to-date a total of \$48,623 on Capital Improvement Projects.

Included herein are two graphs. The first graph is the Financial History for 2022 indicating Total Cash on Hand in Banks, the amount of total savings that is included in Cash on Hand and the amount of Accounts Receivable from our customers. The second graph illustrates the same information for 2021. These graphs are a visual aid to view trends in our Financial History.



TOTAL CASH ON HAND 2021





Pico Water District

Financial Statements

Balance Sheet (Unaudited)

		May 2022
1	ASSETS	
2	Cash and Investments	
3	Cash on Hand in Banks	\$ 1,085,957
4	LAIF Investment	1,559,085
5	Cantella CDs	100,439
6	Total Cash and Investments	2,745,482
7	Cash and Investments - Restricted	
8	Restricted Cash - Infrastructure Acct [IBank]	108,165
9	Total Cash and Investments - Restricted	108,165
10	Other Current Assets	
11	Accounts Receivable - Customers Net	775,813
12	Inventory-Materials and Supplies	80,309
13	Prepaid Expenses	51,798
14	Total Other Current Assets	907,920
15	Fixed Assets	
16	Utility Plant	30,211,106
17	Less: Accumulated Depreciation	(11,353,863)
18	Fixed Assets Total	18,857,243
19	Deferred Outflows of Resources (DOR)	318,011
20	TOTAL ASSETS & DOR	\$ 22,936,820
21	LIABILITIES	
22	Current Liabilities	
23	Accounts Payable	\$ 509,449
24	Accrued Interest	80,085
25	Refundable Deposits	475,964
26	Security Deposit - Rental House	2,250
27	Total Current Liabilities	1,067,748
28	Long-Term Liabilities	
29	Note Payable - IBank	6,533,606
30	OPEB Liability	810,589
31	Net Pension Liability	680,803
32	Total Long-Term Liabilities	8,024,998
33	TOTAL LIABILITIES	9,092,746
34	FUND BALANCE	
35	Retained Earnings	13,739,310
36	TOTAL FUND BALANCE	13,739,310
37	Deferred Inflows of Resources (DIR)	104,764
38	TOTAL LIABILITIES, FUND BALANCE & DIR	\$ 22,936,820

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.



Pico Water District

Financial Statements

Profit & Loss (Unaudited)

	May 2022	YTD 2022	Budget 2022	YTD Budget 42%
1 OPERATING REVENUES				
2 WS 1 - Potable Water Charges	\$ 205,426	\$ 851,989	\$ 2,213,695	38%
3 WS 2 - Recycled Water Charges	6,140	26,381	44,000	60%
4 MS 1 - Meter Charges	137,831	626,383	1,330,224	47%
5 MS 2 - Multi Unit Charges	178	892	-	0%
6 MS 3 - Fire Protection Charges	6,767	33,078	57,200	58%
7 Infrastructure Surcharge [RESTRICTED]	38,014	176,515	409,450	43%
8 <u>Misc. Charges</u>				
9 Water Other-Hydrant Surcharge/Setup	115	430	500	86%
10 Application Charges	600	2,880	5,000	58%
11 Reconnection Charges	1,470	4,445	2,000	222%
12 NSF Check Charges	45	285	525	54%
13 Late Fee Charges	4,332	26,028	30,000	87%
14 Damage/Lock Charges	-	500	200	250%
15 Testing-Mtr/Flow/Sample Charges	-	525	1,250	42%
16 Backflow Program	2,788	13,885	23,300	60%
17 Credit & Collections	138	250	-	0%
18 Water Rights Income	18,000	18,463	45,000	41%
19 Capacity Charge	-	20,463	-	0%
20 TOTAL OPERATING REVENUES	421,845	1,803,390	4,162,344	43%
21 OPERATING EXPENSE				
22 Source of Supply	101,159	462,163	1,233,768	37%
23 Pumping	58,448	253,293	470,468	54%
24 Water Treatment	9,780	25,107	117,668	21%
25 Transmission & Distribution	13,503	71,323	206,268	35%
26 Customer Accounts	23,792	89,068	198,770	45%
27 General & Administrative	97,860	489,124	1,358,076	36%
28 COVID-19 Salaries	4,464	4,464	5,000	89%
29 TOTAL OPERATING EXPENSE	309,006	1,394,542	3,585,017	39%
30 OPERATING INCOME (LOSS)	112,838	408,848	577,327	71%
31 NON-OPERATING INCOME				
32 Interest - LAIF & Infrastructure Acct	2	1,856	30,000	6%
33 Investment Income	-	-	5,000	0%
34 Unrealized Gain / (Loss)	-	(549)	-	0%
35 Grant Revenue	-	-	-	0%
36 Other Income	8,776	8,776	5,000	176%
37 House Rental Income	1,700	8,500	20,400	42%
38 Gain/Loss Sale of Assets	-	-	-	0%
39 TOTAL NON-OPERATING INCOME	10,478	18,583	60,400	31%
40 NON-OPERATING EXPENSE				
41 Interest Expense	20,021	100,434	240,254	42%
42 Annual Loan Fee Expense	1,633	8,167	19,601	42%
43 Other Non-Operating Expense	-	-	-	0%
44 Rental House Expense	-	-	2,500	0%
45 TOTAL NON-OPERATING EXPENSE	21,655	108,601	262,355	41%
46 NET INCOME / (LOSS) BEFORE CAPITAL CONTR. & DEPR.	101,661	318,830	375,372	85%
47 Contributed Capital	-	-	-	0%
48 Depreciation	(45,000)	(225,000)	(540,000)	42%
49 NET INCOME / (LOSS)	\$ 56,661	\$ 93,830	\$ (164,628)	

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Pico Water District

Financial Statements

Operating Expense Detail (Unaudited)

	May 2022	YTD 2022	Budget 2022	YTD Budget 42%
1 OPERATING EXPENSE				
2 SOURCE OF SUPPLY				
3 Salaries & Wages	\$ 4,152	\$ 21,826	\$ 81,768	27%
4 Recycled Water	4,659	20,018	52,000	38%
5 Ground Water Replenishment	92,348	420,319	1,100,000	38%
6 TOTAL SOURCE OF SUPPLY	101,159	462,163	1,233,768	37%
7 PUMPING				
8 Salaries & Wages	18,829	95,480	202,768	47%
9 Maintenance	7,259	64,752	37,400	173%
10 Fuel or Power	32,360	93,061	230,300	40%
11 TOTAL PUMPING	58,448	253,293	470,468	54%
12 WATER TREATMENT				
13 Salaries & Wages	296	808	12,668	6%
14 Maintenance	5,266	15,926	35,000	46%
15 Water Treatment Regulations	4,218	8,373	70,000	12%
16 TOTAL WATER TREATMENT	9,780	25,107	117,668	21%
17 TRANSMISSION & DISTRIBUTION				
18 Salaries & Wages	5,156	29,873	126,568	24%
19 Maintenance	3,865	29,645	58,700	51%
20 Vehicle Maintenance	4,482	11,804	21,000	56%
21 TOTAL TRANSMISSION & DISTRIBUTION	13,503	71,323	206,268	35%
22 CUSTOMER ACCOUNTS				
23 Meter Reading Labor	2,122	9,555	27,724	34%
24 Billing/Customer Service Salaries & Wages	12,056	54,340	122,046	45%
25 Supplies	9,614	25,173	49,000	51%
26 TOTAL CUSTOMER ACCOUNTS	23,792	89,068	198,770	45%
27 GENERAL & ADMINISTRATIVE				
28 Salaries	16,316	85,448	210,000	41%
29 Vacation/Holiday/Other Payroll	8,916	45,383	152,652	30%
30 Directors Compensation	3,150	14,400	30,000	48%
31 Travel & Meetings (Board)	25	1,360	15,000	9%
32 Travel & Meetings (Staff)	100	157	2,500	6%
33 Board Room Expenses	-	285	5,000	6%
34 Office Supplies	829	4,963	8,000	62%
35 Office Utilities	1,916	9,237	22,000	42%
36 <u>Professional Services</u>				
37 Accounting	264	8,384	40,000	21%
38 Computer	505	2,724	5,000	54%
39 Engineering	-	2,250	4,000	56%
40 Legal	2,860	11,960	45,000	27%
41 Miscellaneous	-	3,744	1,500	250%
42 PWAG - Emergency Services Coordinator	964	4,819	12,000	40%
43 Tyler Technologies Licensing and Support	980	6,963	13,000	54%
44 Nobel Systems - GIS Program	1,486	7,295	19,000	38%
45 Insurance	25,111	120,886	301,250	40%
46 Payroll Taxes	5,574	30,118	70,537	43%
47 Pension	17,959	57,296	169,937	34%
48 OPEB Expense	7,500	37,500	90,000	42%
49 Maintenance	1,740	7,647	23,200	33%

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Pico Water District

Financial Statements

Operating Expense Detail (Unaudited)

	May 2022	YTD 2022	Budget 2022	YTD Budget 42%
50 Dues & Meetings	\$ 1,665	\$ 8,280	\$ 18,000	46%
51 Noticing	-	399	7,000	6%
52 Education Expense	-	882	1,500	59%
53 Conservation Expense	-	16,745	25,000	67%
54 COVID-19 Salaries	4,464	4,464	5,000	89%
55 Election Expense	-	-	62,000	0%
56 TOTAL GENERAL & ADMINISTRATIVE	102,324	493,588	1,358,076	36%
57 TOTAL OPERATING EXPENSE	\$ 309,006	\$ 1,394,542	\$ 3,585,017	39%

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2022 CAPITAL IMPROVEMENT PROJECTS (CIP)		2022 BUDGET	MAY - 22	YTD TOTAL
I	Buildings			
	1 No major plans.	\$ -		
	Sub-total	\$ -		
II	Office Equipment Purchase			
	1 Upgrade office and Boardroom AC	\$ 50,000.00		
	Sub-total	\$ 50,000.00		
III	Field Equipment Purchase			
	1 Vehicle - Utility Truck	\$ 40,000.00		
	Sub-total	\$ 40,000.00		
IV	Replacement Programs			
	A. Hydrants			
	Replace five (5) four-inch blow off hydrants with newer four-inch			
	1 blow-offs	\$ 25,000.00		
	Sub-total	\$ 25,000.00		
	B. Meters -			
	At this time we are not setting aside CIP funds and looking for			
	1 other sources of funding	\$ -	1,528.45	8,293.58
	Sub-total	\$ -	1,528.45	8,293.58
	C. Service Lines			
	1 Replace ten (10) services on 7400 Lindell & 7500 Serapis	\$ 20,000.00		
	Sub-total	\$ 20,000.00		
	B. Main Lines			
	Install new eight-inch line connecting new eight-inch mainline on the north side of Beverly Road to existing six-inch mainline on the south side of Beverly Road east of Rosemead Blvd.	\$ 55,000.00		
	1 Install new eight-inch line connecting existing twelve-inch mainline on the north side of Beverly Road to existing four-inch mainline on the south side of Beverly Road west of Rosemead Blvd to provide service to the Pico Plaza.	\$ 55,000.00		
	Sub-total	\$ 110,000.00		
	C. Valves			
	1 Repairs	\$ -		
	Sub-total	\$ -		
V	Consulting Services			
	1 None	\$ -		
	Sub-total	\$ -		
VI	Work at Wells & Equipment Upgrade			
	Consider Maintenance work on the Reservoir - access door and			
	1 overflow pipe	\$ 35,000.00		
	2 Consider raising the block wall fence height at well 11	\$ 25,000.00		
	Consider pulling the motor & pump from Well 5 to inspect and rehabilitate as needed prior to the installation of the PFAS			
	3 Treatment System	\$ 95,000.00		
	Sub-total	\$ 155,000.00		
VII	PFAS Remediation Treatment Plants			
	1 Well 5A Waste Water Discharge Line	\$ 150,000.00		
	2 Well 8 Waste Water Discharge Line	\$ 70,000.00		14,547.88
	Additional Work Needed for the New PFAS Removal Treatment			
	3 Plants	\$ 400,000.00	1,341.00	5,734.30
	Sub-total	\$ 620,000.00	1,341.00	20,282.18
	GRAND TOTAL	\$ 1,020,000.00	\$ 2,869.45	\$ 28,575.76
CARRY OVER	Well 11 - Generator			4,744.57
CARRY OVER	Well 11 - Discharge Line			1,700.00
CARRY OVER	Burma Road			1,796.51
CARRY OVER	Stephens Street			2,120.25
CARRY OVER	Consulting - Risk/Resilience			3,910.58
CARRY OVER	4852 Church Lot Split		41.00	4,387.46
CARRY OVER	Well # 8 - Change from Oil Lube to Water Lube		4,735.29	4,735.29
	Reservoir Maintenance			3,097.50
	TOTAL CIP		7,645.74	48,623.35

Well 2022 UnTapped Legislative Water Workshop

Water Education for Latino Leaders

SAVE THE DATE

2022 WELL UnTapped fellows Dr. Monica Sanchez, Jorgel Chavez, and Jim Crawford invite you to join them for an important discussion with local elected officials and water industry experts about water issues impacting the region.

JULY 23, 2022

9 a.m. - 1 p.m.

PICO RIVERA GOLF CLUB

Lunch and snacks will be served

Price: FREE

Space is limited. RSVP early to reserve your spot!



RSVP here



<https://form.jotform.com/221598404595061>

Keynote Speaker:



Senator Bob Archuleta
District 32

Moderated by:

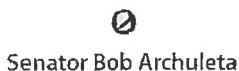


Dr. Monica Sanchez
Mayor, City of Pico Rivera

Presentations by:



Sponsors:



**ACTION/DISCUSSION
ITEMS**

**REGULAR MEETING OF THE BOARD OF DIRECTORS
PICO WATER DISTRICT
4843 S. Church Street
Pico Rivera, California, 90660**

5:30 PM Wednesday, July 6, 2022

AGENDA

7. ACTION/DISCUSSION ITEMS.

- A. Consider Board Approval of Resolution 232-R proclaiming a state of emergency persists, re-ratifying the proclamation of a state of emergency by Governor Gavin Newsom, and authorizing continued remote teleconference meetings. *Recommended action – that the Board approve Resolution 232-R proclaiming a state of emergency persists and ratifying the proclamation of a state of emergency by Governor Gavin Newsom. Recommended action – that the Board approve Resolution 232-R.*



RESOLUTION NO. 232-R

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PICO WATER DISTRICT PROCLAIMING A STATE OF EMERGENCY PERSISTS, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF PICO WATER DISTRICT FOR THE PERIOD JULY 6, 2022 TO AUGUST 5, 2022 PURSUANT TO BROWN ACT PROVISIONS

WHEREAS, the Pico Water District (the “District”) is committed to preserving and nurturing public access and participation in meetings of its Board of Directors; and

WHEREAS, all meetings of the District’s Board of Directors and its standing committees are open and public, as required by the Ralph M. Brown Act (California Government Code Sections 54950 – 54963), so that any member of the public may attend, participate, and watch those bodies conduct their business; and

WHEREAS, the Brown Act, in Government Code Section 54953(e), makes provision for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code Section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition for application of Section 54953(e) is that a state of emergency is declared by the Governor pursuant to Government Code Section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code Section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District’s boundaries, caused by natural, technological or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the District, specifically, COVID-19, and its Delta, Omicron and BA.2 variants, which remain highly contagious and, therefore, a threat to the

health, safety and well-being of the District's employees, directors, vendors, contractors, customers and residents; and

WHEREAS, orders from the Los Angeles County Department of Public Health and regulations from the State of California impose limitations on gatherings and provide guidance on best practices with respect to actions to reduce the spread of COVID-19; and

WHEREAS, the District's Board of Directors does hereby find that a state of emergency exists within the District's service area as a result of the continuing presence of COVID-19 and resulting local, state and federal orders and guidance, which has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and the Board of Directors desires to affirm a local emergency exists and ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency, the Board of Directors does hereby find that the District's Board of Directors and all standing committees shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code Section 54953, as authorized by subdivision (e) of Section 54953, and that such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of Section 54953; and

WHEREAS, the District will continue to provide proper notice to the public regarding all District Board of Directors' and standing committee meetings, in accordance with Government Code Section 54953(e)(2)(A) and shall provide notice to the public of how they may access any such meeting via call-in number and/or internet link.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF PICO WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation Regarding Local Emergency. The Board of Directors hereby considers the conditions of the state of emergency in the District and proclaims that a local emergency now exists throughout the District, and that conducting District Board of Directors and standing committee meetings virtually will minimize the possible spread COVID-19 and any variant thereof.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency regarding COVID-19, dated March 4, 2020.

Section 4. Remote Teleconference Meetings. The District's General Manager, or his delegee, and the Board of Directors and standing committees of the District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this

Resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) the expiration of thirty (30) days from the date this Resolution is adopted, or (ii) such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Directors and standing committees of the District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of Pico Water District this 6th day of July, 2022, by the following vote:

Ayes:

Nays:

Abstains:

Absent:

By: _____
Elpidio Ramirez, President

Attest:

Joe Basulto, Secretary

**REGULAR MEETING OF THE BOARD OF DIRECTORS
PICO WATER DISTRICT
4843 S. Church Street
Pico Rivera, California, 90660**

5:30 PM Wednesday, July 6, 2022

AGENDA

7. ACTION/DISCUSSION ITEMS.

- B. Consider Board Approval of Employment Contract with Joe Basulto as General Manager of Pico Water District. *Recommended action – to be discussed at the Board Meeting.*

EMPLOYMENT CONTRACT
FOR GENERAL MANAGER OF
PICO WATER DISTRICT

This agreement is made and entered into at Pico Rivera, California, effective July 1, 2022, by and between the PICO WATER DISTRICT, a County Water District organized and existing under County Water District Law (hereafter referred to as the “District”), and JOE BASULTO (hereafter referred to as “BASULTO” or as “General Manager”).

RECITALS:

A. At a regular meeting of the District’s Board of Directors on June 1, 2022, the Board selected BASULTO and subsequently directed the District’s legal counsel to commence negotiations on the terms under which the District would hire BASULTO to serve as the District’s General Manager.

B. The District’s legal counsel has reached agreement with BASULTO on the terms under which he would serve as the District’s General Manager, as memorialized in this Agreement.

C. At the regular meeting of the District’s Board of Directors on June 15, 2022, the Board stated its desire to engage BASULTO as the District’s General Manager and considered the terms of his employment in that position, as set forth in this Agreement, which the Board approved at that regular meeting.

AGREEMENTS:

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES SET FORTH BELOW, the parties agree as follows:

1. EMPLOYMENT

Subject to the provisions of Paragraph 5 below, the District employs BASULTO as its General Manager beginning July 1, 2022 and continuing for a term of one (1) year, until June 30, 2023, unless sooner terminated as provided herein, and BASULTO hereby accepts such employment. The Employment Contract shall be automatically renewed and extended on July 1st of each year beginning July 1, 2023 for a succeeding two (2) year period, but only if BASULTO receives a satisfactory evaluation as a result of his performance evaluation as set forth in Paragraph 3, below. It is the right of either party to give written notice of his or its intention not to renew the Employment Contract to the other on or before June 30 of each year.

2. DUTIES

The General Manager shall perform those duties expected of a general manager as more clearly defined and set forth in the General Manager's Job Description approved by the Board of Directors, a copy of which is attached as Exhibit "A" and incorporated by reference to this Employment Contract.

3. COMPENSATION

The District shall pay the General Manager an annual salary of One Hundred Fifty Thousand Dollars (\$150,000.00), payable in equal installments concurrently with salary payments to other employees of the District. If this Employment Contract is extended as provided in Paragraph 1, above, and the annual salary is adjusted by the Board, such adjustment will be effective July 1 by written amendment to this Employment Contract signed by the parties and approved by action of the Board following the annual evaluation of the performance of the General Manager; provided that the Board will also conduct an evaluation of BASULTO on or around January 3, 2023 and the Board may, in its discretion, adjust BASULTO's compensation at that time. The annual adjustments, if any, will be based upon the review of the performance of the General Manager by the Board, which

evaluation shall subsequently be completed prior to June 30 of each year with any salary adjustments effective July 1. Evaluations may be performed by the Board or a committee thereof. Salary adjustments shall be within the sole discretion of the Board. Adjustments shall be in addition to any general cost-of-living adjustments which the District may, at any time during this Employment Contract, provide to other employees of the District as provided in Paragraph 4(a) below.

4. BENEFITS AND SPECIAL COMPENSATION

a. The District agrees to provide to the General Manager the same benefits and special compensation, if any, including, but without being limited to, retirement benefits, health and welfare insurance, life insurance and other benefits which the District at any time or from time to time during the continuance of this Employment Contract provides to other employees of the District and upon the same terms and conditions applicable to such employees. The District will provide the General Manager with a cellular phone/smart phone and pay for all expenses incurred in connection with its use for District business.

b. The General Manager shall be entitled to vacation and sick leave time in accordance with the District's Employee Handbook, as it exists from time to time, with full pay. The vacation time hereby authorized to be taken by the General Manager may be taken by him either all at one time or at various times, aggregating in any one year the total vacation time to which he is entitled in each of the years of his employment hereunder and at such time or times as are convenient to the General Manager. The General Manager agrees to take his vacation at such time or times as in his opinion will cause the least inconvenience to the District, but in no instance will any one vacation exceed twenty (20) working days in length without prior Board approval.

c. The General Manager will provide and maintain a suitable vehicle for use at all times on District business. As the duties of the General Manager require that he travel to

meetings and conferences and other locations in connection with District business, and that he be “on-call” during non-office hours and on weekends to be able to respond to emergencies affecting the District, the General Manager shall, at his expense (excluding fuel), maintain such a vehicle at all times in proper operating condition. As compensation to the General Manager for the use of his vehicle for District business, and all costs associated therewith, the District shall provide the General Manager with an automobile allowance of \$500.00 per month, which is intended to cover all of the operating and maintenance expenses associated with use of the General Manager's vehicle for District business, including registration and license fees, maintenance, repairs, gasoline, insurance, and normal wear and tear, and the General Manager shall not be entitled to reimbursement for mileage or other expenses incurred for the use of said vehicle. This automobile allowance shall be treated as a non-accountable plan for purposes of tax reporting and the entire amount of said allowance will be reported as taxable compensation on the General Manager's IRS W-2 form, and taxes will be withheld from that amount.

5. TERMINATION

a. This Employment Contract shall terminate on death or disability of the General Manager. For purposes of this subparagraph (a), the term “disability” shall mean that the General Manager is unable to perform the duties of his position by reason of a physical or mental illness or impairment as determined by the Board, and such condition shall have continued for a period of ninety (90) days. If the General Manager is unable to resume and effectively discharge his duties hereunder at the end of such ninety (90) day period to the reasonable satisfaction of the Board, the District may cancel this Employment Contract and be relieved of any obligations hereunder after the date of official action by the Board terminating this Employment Contract.

b. In addition, this Employment Contract may be terminated by the General Manager at any time, without cause, upon no less than three (3) months’ prior notice to the District.

c. Upon showing of good cause, the District may terminate the General Manager’s employment, and thereby terminate this Employment Contract at any time, upon not less than thirty (30) days prior written notice to the General Manager. Good cause under this subparagraph is defined as a finding by a majority of the Board that the General Manager has, for reasons other than disability, failed to competently discharge his duties and responsibilities. The Board shall state objective findings in connection with any such termination.

d. Absent good cause, the District may terminate the General Manager’s employment and thereby terminate this Employment Contract at any time upon a supermajority vote of the Board and upon not less than sixty (60) days prior written notice to the General Manager, but in such event the District shall pay to the General Manager in a lump sum upon the effective date of termination an amount equal to two (2) months of the then current salary of the General Manager. For the purposes of termination by the District absent good cause as stated herein, a supermajority

vote shall mean a vote in favor of termination by at least four (4) of the five (5) directors of the District's Board of Directors.

e. Notwithstanding any other provisions of this Employment Contract, the District shall have the right to terminate the General Manager's employment and thereby terminate this Employment Contract in the event of any willful breach of duty or willful breach of District rules by the General Manager in the course of his employment or for acts of moral turpitude or conviction of a felony. Any termination by the District under this subparagraph must be by action of the Board at a duly convened meeting with at least seventy-two (72) hours advance notice to the General Manager.

f. If the General Manager is convicted of a crime involving an abuse of his office or position, the General Manager shall be obligated to reimburse the District the full amount of any payments described in Government Code Section 53243 et seq. that were provided to the General Manager by the District.

g. Except as otherwise provided in this Paragraph 5, upon the effective date of termination neither party shall have any further responsibility, obligation or liability under this Employment Contract.

6. GENERAL PROVISIONS

a. This Employment Contract constitutes the entire agreement between the parties and supersedes all prior oral or written agreements of any kind. No amendments to this Employment Contract may be made except by a writing signed by both parties.

b. The validity and interpretation, performance and effect of this Employment Contract shall be construed in accordance with the laws of the State of California.

c. Any notice or communication required or permitted to be given under this Employment Contract shall be effective when deposited, postage prepaid, with the United States Mail. Any notice to the District shall be addressed as follows:

Pico Water District
4843 Church Street
Pico Rivera, California 90660

Notice to the General Manager shall be addressed to the General Manager at his last known personal address as reflected in the District's records.

d. If any provision of this Employment Contract is held invalid or unenforceable, the remainder of this Employment Contract shall nevertheless remain in full force and effect.

Executed on June __, 2022 at Pico Rivera, California.

“District”

“General Manager” or “BASULTO”

By: _____
Elpidio Ramirez
President of the Board of Directors,
Pico Water District

_____ Joe Basulto

EXHIBIT A

EXECUTIVE SUMMARY

The General Manager, under the policy guidance of the Board of Directors, is responsible for directing and supervising the administrative functions and operations of the Pico Water District. These responsibilities include leading and supervising all departments to achieve goals within available resources while providing leadership and direction in the development and execution of short- and long-range plans. The General Manager also monitors and takes action to protect the district's interests involving new legislation, including developing and maintaining relationship with legislators, and other local governing bodies

ESSENTIAL DUTIES

Duties listed below are not meant to be all-inclusive. Other duties may be required as assigned by the Board of Directors.

- Manages all District activities including water production, treatment, distribution, storage, personnel and administrative activities.
- Serves as the Chief Administrative Officer for the District.
- Experience in the principles and practices of public works construction and contracting, project management and contract administration, including, but not limited to, evaluation of bids; knowledge of laws and regulations impacting water-related construction, including insurance issues, licensing and bonding requirements and labor law compliance; familiarity with reading and interpreting construction drawings and water system maps; and experience in inspecting water-related construction
 - General knowledge of public finance, budgeting and cost accounting.
 - Provides advice and consultation on the development of District programs and policies.
 - Develops all Board agendas.
 - Attends all meetings of the Board of Directors unless excused.
 - Where necessary, conducts studies/reports and surveys to determine the effectiveness of District programs.
- Oversees implementation of Board policies and programs involving employees, community representatives, and other government agencies; and represents the District at meetings concerning those policies and programs.
- Responsible for the direction and oversight of the water distribution and treatment operations.
 - Ensures District compliance with applicable Federal, State, and local laws.
 - Assigns work activities, projects and programs to department heads and monitors work flow; supervises and directly participates in complex treatment plant and distribution activities, as well as all capital improvement projects.
 - Oversees the preparation of the annual budget, making recommendations to the Board on final expenditure levels to ensure the financial stability of the District.
 - Review's budget requests and recommends approval or disapproval. Maintains continuous awareness of administrative and operational practices and recommends changes to increase the efficiency and cost effectiveness of District operations.

- Is responsible for District personnel matters, including employment procedures, employee grievances, classification and pay issues, and overall employer-employee relations.
- Coordinates with District legal counsel in negotiating, preparing and/or reviewing leases and agreements.
- Establishes and maintains a cooperative working relationship with co-workers, the Board, outside agencies and the public.

Other Duties

- Prepares grant applications and maintains responsibility for proper administration of any grants received.
- Prepares long-term Capital Improvement Plans.
- Represents the District before Boards and Commissions.

JOB STANDARDS/ SPECIFICATIONS

Knowledge of the following subjects would be extremely helpful in this position:

- Principles, methods and tools employed in water production and distribution facilities, pumps, and motors; demonstrated knowledge, skill and experience with complex water supply, water quality, and water systems maintenance issues.
- Principles and practices of public administration, including administrative analysis, fiscal planning, and control, and policy and program development.
- Laws, rules, ordinances, and legislative processes controlling District functions, programs, and operations.
- Organization, operations, and issues facing special districts.
- PC skills, including word processing and spreadsheets.
- State and federal water quality regulations.
- Budgeting principles and practices.
- Public personnel administration and employer-employee relations.
- Work safety standards and regulations.
- District policies, rules, regulations, and procedures..

Ability to:

- Communicate effectively with board members, District employees, other water districts and government agencies, developers and the general public
- Plan, organize, coordinate, and direct the work of staff to achieve efficient operations and meet program goals.
- Prepare and administer District budgeting and fiscal control processes.
- Collect, organize, and analyze data on a variety of topics.
- Oversee various vendors and consultants, including preparing RFPs/RFQs for necessary services and construction projects.
- Prepare concise and comprehensive reports.
- Plan, develop and oversee the preparation of Board agendas.
- Communicate well during public presentations.
- Exercise leadership, authority, and supervision tactfully and effectively.
- Evaluate and make recommendations on improvements to existing District operations, programs, and services.

- Provide advice and consultation to the Board of Directors on the development of ordinances, regulations, programs, and policies.
- Deal tactfully and courteously with the public.

TYPICAL PHYSICAL ACTIVITIES

- Travels by automobile and sometimes in airplanes (e.g., to conferences or the State Legislature) in conducting District business.
- Work at a desk for an extended period of time.
- Operates District vehicles in field installations and maintenance work.
- Must be able to carry, push, pull, reach, and lift equipment and parts weighing up to 15 pounds.
- Sufficient finger/hand coordination and dexterity to operate and adjust office equipment.
- Use office equipment, such as computers and copiers.
- Hearing and vision within normal ranges with or without correction.
- Communicates orally with District staff in face-to-face, one-to-one settings.

ENVIRONMENTAL FACTORS

1. Exposure to the sun: 10% or less work time spent outside a building and exposed to the sun.
2. Irregular or extended work hours: Occasionally required to change working hours.

MINIMUM (DESIRABLE) QUALIFICATIONS

Experience/Education: A Bachelor's degree in Business Administration, Public Administration, Engineering or closely related field from an accredited college or university is highly desirable. In lieu of a Bachelor's degree, applicants shall have a minimum ten (10) years of continuous work experience in the water industry, including employment with a public water district, municipality, private water utility or engineering firm, with at least five (5) years' work as a General Manager, Assistant General Manager, or related supervisory position with responsibility for the operation and maintenance of water production, and/or treatment, and/or distribution facilities.

LICENSE CERTIFICATE REGISTRATION REQUIREMENTS

Driver License: Possession of a valid California Class C Driver License is required at the time of appointment. Failure to obtain or maintain such required license(s) may be cause for disciplinary action.

Possession of a Grade 2 Water Treatment Operator certificate issued by the State Water Resources Control Board's Office of Operator Certification.

Possession of a Grade 3 Water Distribution Operator certificate issued by the State Water Resources Control Board's Office of Operator Certification.

The specific statements shown in each section of this job description are not intended to be all-inclusive. They represent typical elements and criteria necessary to successfully perform the job.

**REGULAR MEETING OF THE BOARD OF DIRECTORS
PICO WATER DISTRICT
4843 S. Church Street
Pico Rivera, California, 90660**

5:30 PM Wednesday, July 6, 2022

AGENDA

7. ACTION/DISCUSSION ITEMS.

- C. Consider Appointment of New Board Secretary. *Recommended action, to be discussed at the Board Meeting.*

STAFF REPORT

To: Honorable Board of Directors
From: Mark Grajeda, General Manager
Meeting Date: July 6, 2022
Subject: Action Item 7A – Consider Appointment of New Board Secretary

Recommendation

To be considered at the Board Meeting.

Fiscal Impact

No impact.

Background

As the current Board Secretary will retire on June 30, 2022, the Board needs to appoint new Board Secretary, which is usually the General Manager. Should the Board approve the contract with Joe Basulto as the new General Manager, they should also act to appoint Mr. Basulto as the new Board Secretary.