



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

**5:30 PM Wednesday, March 1, 2023**

**AGENDA**

Any member of the public may attend this meeting in person or by accessing the Zoom link below. 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 approval of February 15, 2023 Regular Board Meeting Minutes.
- B. Consider the accounts now due and payable, and receive and file bills approved by the General Manager.
- C. Consider approval of December 2022 Financial Statement.
- D. Consider approval of Well – Water Education for Latino Leaders 11<sup>th</sup> Annual Statewide Conference

**7. ACTION/DISCUSSION ITEMS.**

- A. Consider Board Approval of Adopting Resolution No. 242-R - Resolution of the Board of Directors of the Pico Water District Amending Appendix H to the District's Rules and Regulations to Add Provisions to Establish Policy Regarding Check Signing Authority and Bank Reconciliation – *Recommended action – that Board Discussion / Approve.*

**8. REPORTS.**

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

**9. INFORMATIONAL ITEMS**

- A. Compliance with Provisions of AB 2449.

**10. DIRECTOR'S REQUEST OF FUTURE AGENDA ITEMS.**

**11. BOARD MEMBER COMMENTS.**

A. Report on Meetings Attended/Comments.

**12. CLOSED SESSION.**

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
[Government Code Section 54956.9(d)(1)]: *Pico Water District v. City of Pico Rivera*, Los Angeles County Superior Court Case No. 22NWCV00967.

**13. CLOSED SESSION REPORT.**

**14. ADJOURNMENT.**

**AGENDA POSTED ON:** February 24, 2023

**Next regularly scheduled meeting:** March 15, 2023

***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.***

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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, February 15, 2023 at 5:30 p.m.

The District's General Manager, Mr. Joe Basulto proceeded with the roll call of the attending Board members. Present from the beginning of the meeting was Director David Angelo, Director David Gonzales, Director Victor Caballero, Vice President Raymond Rodriguez and President Pete Ramirez. Mr. Jim Ciampa, Legal Counsel for the District joined the meeting via Zoom at 5:33 p.m.

Director Gonzales led everyone in the Pledge of Allegiance.

Director Angelo gave the invocation.

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

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

President Ramirez proceeded to the next item on the Agenda, approval of Resolution 241-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. President Pete Ramirez made the motion to approve 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, Consider Board Discussion and Approval of amendment to General Manager Contract for Section 4 Benefits and Special Compensation – The District to provide / Compensate General Manager for a suitable vehicle for use at all times on District Business. President Ramirez stated that all members had an opportunity to read this item and have taken quite a bit of time on this matter. Director Caballero made a motion

to provide the General Manager with an auto allowance of \$500.00 per month along with \$85.00 per month to cover the increase in the General Manager's auto insurance policy to list the District as additional insured for all times that the General Manager is using his own vehicle while on District business, retroactive to November 1, 2022. Director Angelo 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, General Manager's Report. The General Manager stated that operations have been going well with no major issues, field staff is currently reading matters and office staff is preparing to begin billing; RC Foster began February 13, 2023 to complete the first concrete pour for vessel pads at Well #11; staff met with Legal Counsel regarding ADU requirements and are working towards procedures for capacity charges that are inline with the Government Code and the Department of Housing Community Development Handbook; staff also met regarding a District check signing and purchasing policy as there currently is not one in place. A brief discussion was held regarding ADU and capacity charges. Director Caballero requested that the General Manager review the financials provided to the Board on a regular basis so to understand the financial position of the District. The General Manager informed the Board that he has instituted regular bi-weekly meetings with management staff to review finances and discuss financial requirements for upcoming projects and along with that has also instituted regular meetings with management staff regarding personnel, CIP, planning, water production, employee development, and billing/customer service. Director Caballero inquired about contracting with a 3<sup>rd</sup> party agency regarding Human Resources.

President Ramirez proceeded to the next item on the Agenda, Legal Counsel Report. There was none. Director Caballero inquired about the status of the DuPont and 3m PFOA cases currently being held in South Carolina. Legal Counsel informed the Board that the first of a number of bellwether trials, the first of sample trials for multi-district litigation, should begin around May. Discovery is continuing among the parties.

President Ramirez proceeded to the next item on the Agenda, Informational Items. The General Manager reviewed the production report, water levels, field activity, reservoir conditions and the LAFCO Special Election results.

President Ramirez proceeded to the next item on the Agenda, Future Agenda Items. There were none.

President Ramirez proceeded to the next item on the Agenda, Board Member Comments. Director Gonzales stated that he met with Assemblywoman Lisa Calderon's assistant in hopes of securing funding from the state for District projects. They forwarded his information to the staff member in charge of those requests and the General Manager is in process of making arrangements for a meeting.

The Board retreated to Closed Session at 6:05 p.m. for one matter.

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
[Government Code Section 54956.9(d)(1)]: *Pico Water District v. City of Pico Rivera*, Los Angeles County Superior Court Case No. 22NWCV00967.

The Board reconvened at 6:15 p.m. Legal Counsel reported that closed session was held regarding one matter:

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
[Government Code Section 54956.9(d)(1)]: *Pico Water District v. City of Pico Rivera*, Los Angeles County Superior Court Case No. 22NWCV00967.

The Board was briefed about the facts and circumstances regarding these cases and no reportable action was taken.

There being no further business to come before the Board, the Board meeting adjourned at 6:16 p.m.

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Elpidio Ramirez, President

Attest:

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Joe D. Basulto, Secretary  
(Seal)







Pico Water District, CA

# Open Payable Report

As Of 05/31/2023

Summarized by Payable Account

Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
<b>Payable Account:</b> <u>10-000-2000 - Accounts Payable</u>							
<b>Vendor:</b> <u>1026</u> <u>S26660234.002</u>	<b>BELL PIPE &amp; SUPPLY CO</b> JAN 2020 - RETURN OF PRODUCT	01/31/2020	-74.10	0.00	0.00	0.00	-74.10
					<b>Payable Count: (1)</b>		<b>-74.10</b>
<b>Vendor:</b> <u>1112</u> <u>4216348-0001-04</u>	<b>HOSE-MAN, INC.</b> Field Supplies - Hose Connection	01/26/2023	132.56	0.00	0.00	0.00	132.56
					<b>Payable Count: (1)</b>		<b>132.56</b>
<b>Vendor:</b> <u>1202</u> <u>INV0001443</u>	<b>SHELL</b> Fuel Expense - Field Vehicle Unit #74	10/28/2022	50.00	0.00	0.00	0.00	50.00
					<b>Payable Count: (1)</b>		<b>50.00</b>
<b>Vendor:</b> <u>1251</u> <u>5610707</u>	<b>WATERLINE TECHNOLOGIES, INC</b> Chemicals - NaOCl for Wells	11/09/2022	975.00	0.00	0.00	0.00	975.00
					<b>Payable Count: (1)</b>		<b>975.00</b>
<b>Vendor:</b> <u>1256</u> <u>1226575-01</u> <u>1237177-00</u>	<b>WESTERN WATER WORKS</b> Meter Repair - Brass Nipples, PJ Connect Kits Service Material - 1" Poly Pipe	09/20/2022 02/09/2023	153.80 694.59	0.00 0.00	0.00 0.00	0.00 0.00	153.80 694.59
					<b>Payable Count: (2)</b>		<b>848.39</b>
			<b>Payable Account 10-000-2000</b>		<b>Payable Count: (6)</b>	<b>Total:</b>	<b>1,931.85</b>

**Payable Account Summary**

Account	Count	Amount
10-000-2000 - Accounts Payable	6	1,931.85
<b>Report Total:</b>	<b>6</b>	<b>1,931.85</b>

**Payable Fund Summary**

Fund	Count	Amount
10 - General Operating	6	1,931.85
<b>Report Total:</b>	<b>6</b>	<b>1,931.85</b>





Pico Water District, CA

# Check Report

By Check Number

Date Range: 02/01/2023 - 02/28/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP-ACCOUNTS PAYABLE						
1043	CARDMEMBER SERVICE	02/10/2023	Regular	0.00	218.05	62708
1046	CENTRAL BASIN MUNICIPAL WATER DISTRICT	02/10/2023	Regular	0.00	3,969.95	62709
1053	CINTAS #053	02/10/2023	Regular	0.00	336.47	62710
1071	DE LAGE LANDEN FINANCIAL	02/10/2023	Regular	0.00	349.16	62711
1425	DRS. HORIGUCHI AND KIM DENTAL CORPORAT	02/10/2023	Regular	0.00	921.00	62712
1080	EDISON COMPANY	02/10/2023	Regular	0.00	11,154.77	62713
1117	INFOSEND	02/10/2023	Regular	0.00	1,511.00	62714
1127	JEFFREY W JOE, DDS INC	02/10/2023	Regular	0.00	554.00	62715
1170	PICO RIVERA CHAMBER OF COMMERCE	02/10/2023	Regular	0.00	140.00	62716
1409	QUEST BUILDING SERVICES	02/10/2023	Regular	0.00	1,450.00	62717
1183	QUILL CORPORATION	02/10/2023	Regular	0.00	21.60	62718
1225	TESCO CONTROLS, INC.	02/10/2023	Regular	0.00	107,855.00	62719
1250	WATER REPLENISHMENT DISTRICT OF	02/10/2023	Regular	0.00	81,735.57	62720
1415	APPLIED TECHNOLOGY GROUP, INC.	02/16/2023	Regular	0.00	30.00	62721
1017	AT & T	02/16/2023	Regular	0.00	108.94	62722
1080	EDISON COMPANY	02/16/2023	Regular	0.00	8,282.45	62723
1110	HERRON PRINTING, INC.	02/16/2023	Regular	0.00	356.78	62724
1135	LAGERLOF, LLP	02/16/2023	Regular	0.00	3,965.00	62725
1396	MICHAEL PAUL BEEBE	02/16/2023	Regular	0.00	1,780.08	62726
1159	ORANGE COAST PETROLEUM EQUIP, INC.	02/16/2023	Regular	0.00	38.79	62727
1163	PAC COMM TECHNOLOGIES, INC.	02/16/2023	Regular	0.00	1,380.00	62728
1183	QUILL CORPORATION	02/16/2023	Regular	0.00	384.65	62729
1209	SOUTHERN CALIFORNIA GAS COMPANY	02/16/2023	Regular	0.00	185.17	62730
	SPECTRUM	02/16/2023	Regular	0.00	371.31	62731
	SPRINT	02/16/2023	Regular	0.00	48.63	62732
1225	TESCO CONTROLS, INC.	02/16/2023	Regular	0.00	405.00	62733
1228	THE JANKOVICH COMPANY	02/16/2023	Regular	0.00	2,426.19	62734
1421	T-MOBILE	02/16/2023	Regular	0.00	71.83	62735
1237	UNDERGROUND SERVICE ALERT	02/16/2023	Regular	0.00	232.22	62736
1240	USA BLUEBOOK	02/16/2023	Regular	0.00	145.87	62737
1245	VERIZON WIRELESS	02/16/2023	Regular	0.00	223.10	62738
1251	WATERLINE TECHNOLOGIES, INC	02/16/2023	Regular	0.00	825.00	62739
1252	WECK LABORATORIES, INC.	02/16/2023	Regular	0.00	975.00	62740
1256	WESTERN WATER WORKS	02/16/2023	Regular	0.00	293.71	62741
1035	CALIFORNIA COMPUTER SCHOOLS, INC.	02/24/2023	Regular	0.00	114.00	62742
1369	EIDE BAILLY LLP	02/24/2023	Regular	0.00	1,435.50	62743
1111	HOME DEPOT CREDIT SERVICE	02/24/2023	Regular	0.00	1,105.74	62744
1113	HUMBERTO CRUZ MASONRY	02/24/2023	Regular	0.00	750.00	62745
1117	INFOSEND	02/24/2023	Regular	0.00	2,193.46	62746
1153	NASA SERVICES	02/24/2023	Regular	0.00	240.42	62747
1155	NOBEL SYSTEMS	02/24/2023	Regular	0.00	1,500.00	62748
1249	VOTACALL, INC.	02/24/2023	Regular	0.00	144.43	62749

Check Report

Date Range: 02/01/2023 - 02/28/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1251	WATERLINE TECHNOLOGIES, INC	02/24/2023	Regular	0.00	975.00	62750

Bank Code AP Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	78	43	0.00	241,204.84
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	<b>78</b>	<b>43</b>	<b>0.00</b>	<b>241,204.84</b>

### All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	78	43	0.00	241,204.84
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	<b>78</b>	<b>43</b>	<b>0.00</b>	<b>241,204.84</b>

### Fund Summary

Fund	Name	Period	Amount
10	General Operating	2/2023	241,204.84
			<b>241,204.84</b>



## PICO WATER DISTRICT

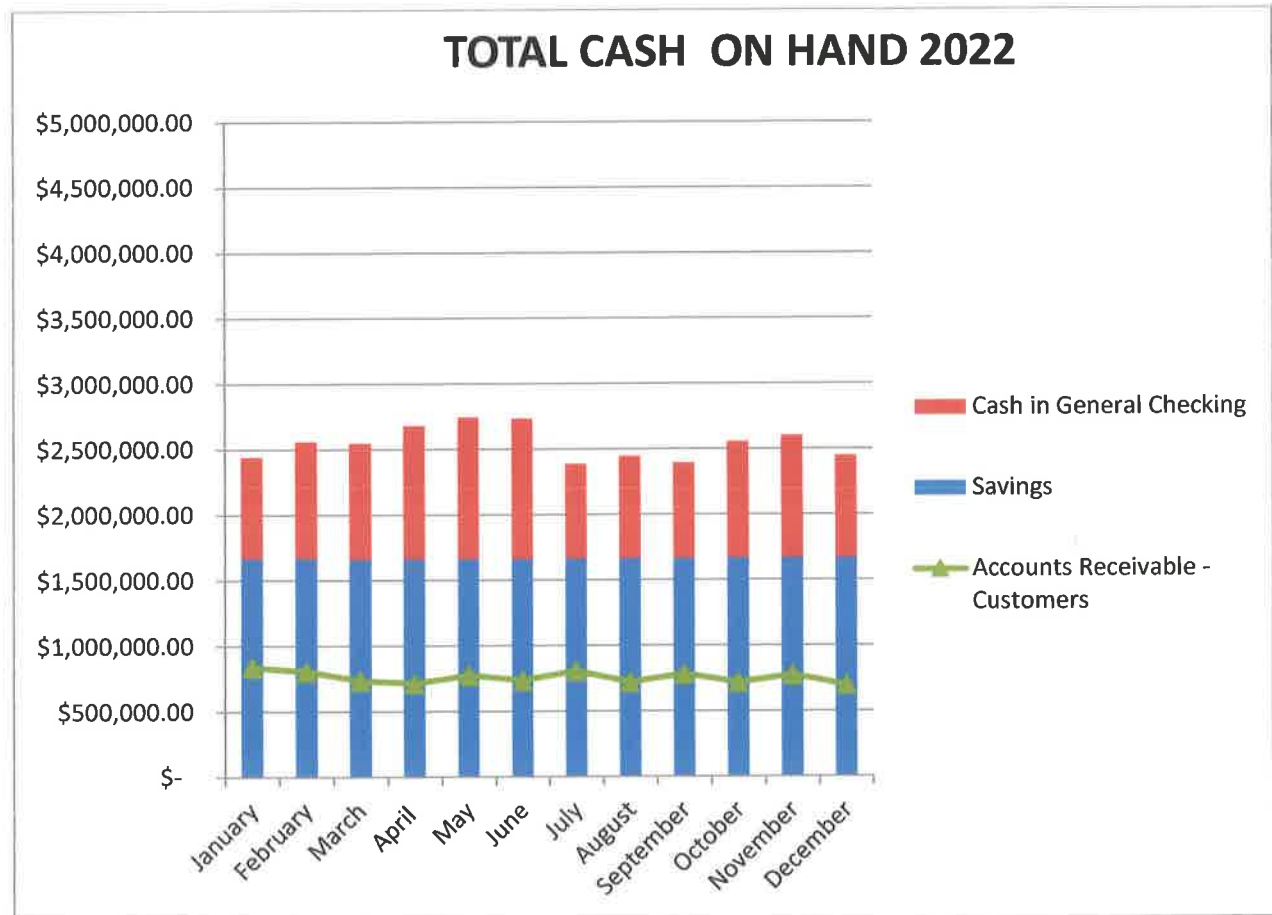
### FINANCIAL STATEMENT SUMMARY

The December 2022 Financial Statement reflects that the District has \$1,567,340 deposited in the Local Area Investment Fund; \$101,483 invested with Cantella & Co., Inc.; \$203,801 on deposit as Restricted Cash in the Infrastructure Account for the IBank loan payments; and has \$778,058 deposited in our General, Business, and Payroll accounts.

The Financial Statement also reflects that we collected \$314,382 in Total Operating Revenues, and that we incurred \$463,303 in Total Operating Expenses, which left us with a Net Loss for the month of December of (\$161,448) before contributed capital and depreciation (Net Income also includes non-operating income and non-operating expense).

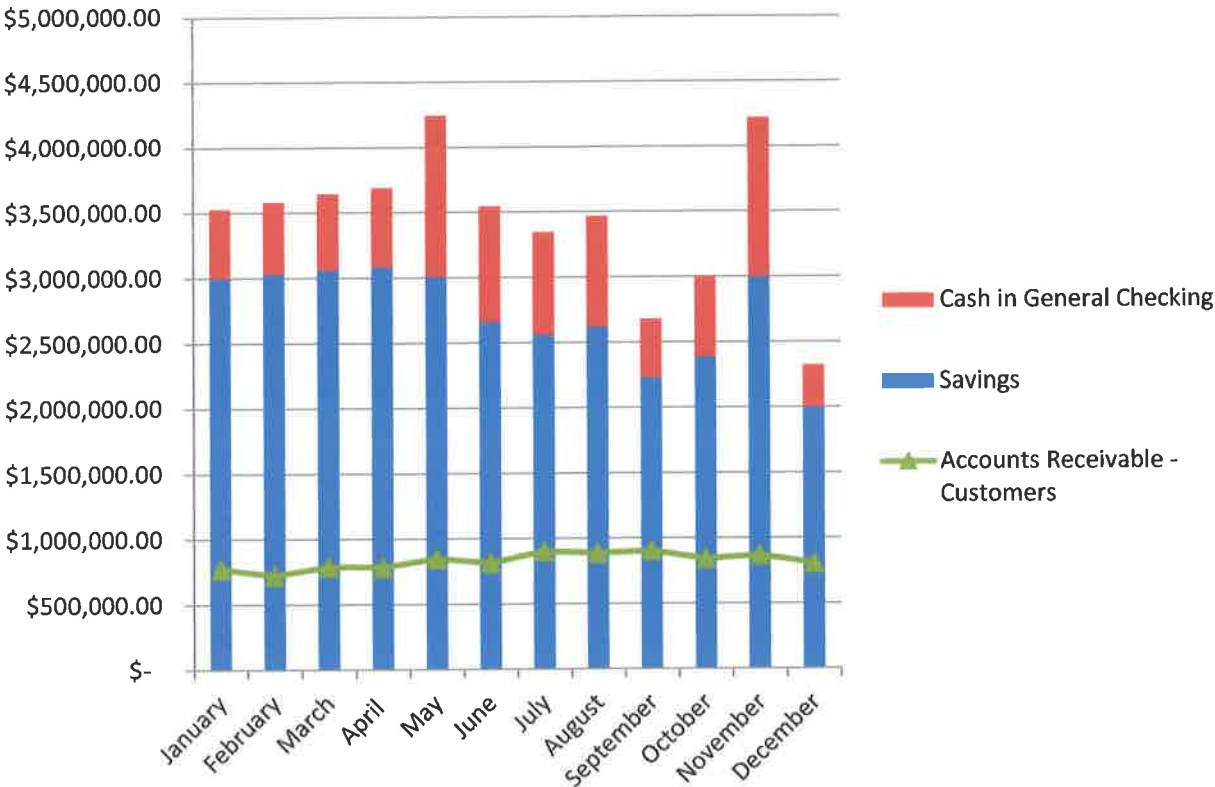
The District's year-to-date Net Income is \$519,737 before contributed capital and depreciation, and has spent year-to-date a total of \$1,383,087 on Capital Improvement Projects.

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)

		December 2022
1	<b>ASSETS</b>	
2	<b>Cash and Investments</b>	
3	Cash on Hand in Banks	\$ 778,058
4	LAIF Investment	1,567,340
5	Cantella CDs	101,483
6	<b>Total Cash and Investments</b>	<u>2,446,881</u>
7	<b>Cash and Investments - Restricted</b>	
8	Restricted Cash - Infrastructure Acct [IBank]	203,801
9	<b>Total Cash and Investments - Restricted</b>	<u>203,801</u>
10	<b>Other Current Assets</b>	
11	Accounts Receivable - Customers Net	698,396
12	Accounts Receivable-Other	10,109
13	Inventory-Materials and Supplies	82,806
14	Prepaid Expenses	79,908
15	<b>Total Other Current Assets</b>	<u>871,219</u>
16	<b>Fixed Assets</b>	
17	Utility Plant	31,132,111
18	Less: Accumulated Depreciation	<u>(11,184,728)</u>
19	<b>Fixed Assets Total</b>	<u>19,947,383</u>
20	Deferred Outflows of Resources (DOR)	394,492
21	<b>TOTAL ASSETS &amp; DOR</b>	<u><u>\$ 23,863,777</u></u>
22	<b>LIABILITIES</b>	
23	<b>Current Liabilities</b>	
24	Accounts Payable	\$ 1,690,884
25	Accrued Interest	97,601
26	Refundable Deposits	480,701
27	Security Deposit - Rental House	2,250
28	<b>Total Current Liabilities</b>	<u>2,271,437</u>
29	<b>Long-Term Liabilities</b>	
30	Note Payable - IBank	6,369,696
31	Other Postemployment Benefits Liability	607,159
32	Net Pension Liability	76,836
33	<b>Total Long-Term Liabilities</b>	<u>7,053,691</u>
34	<b>TOTAL LIABILITIES</b>	<u>9,325,128</u>
35	<b>FUND BALANCE</b>	
36	Retained Earnings	13,515,652
37	<b>TOTAL FUND BALANCE</b>	<u>13,515,652</u>
38	Deferred Inflows of Resources (DIR)	1,022,997
39	<b>TOTAL LIABILITIES, FUND BALANCE &amp; DIR</b>	<u><u>\$ 23,863,777</u></u>

\*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)

	December 2022	YTD 2022	Budget 2022	YTD Budget 100%
<b>1 OPERATING REVENUES</b>				
2 Water Sales 1 - Potable Water Charges	\$ 154,722	\$ 2,183,743	\$ 2,213,695	99%
3 Water Sales 2 - Recycled Water Charges	2,892	69,551	44,000	158%
4 Meter Service 1 - Meter Charges	115,762	1,505,789	1,330,224	113%
5 Meter Service 2 - Multi Unit Charges	7	1,214	-	0%
6 Meter Service 3 - Fire Protection Charges	6,491	78,570	57,200	137%
7 Infrastructure Surcharge [RESTRICTED]	31,109	415,366	409,450	101%
8 <u>Misc. Charges</u>				
9 Water Other-Hydrant Surcharge/Setup	25	915	500	183%
10 Application Charges	360	5,970	5,000	119%
11 Reconnection Charges	140	7,840	2,000	392%
12 NSF Check Charges	15	645	525	123%
13 Late Fee Charges	5,916	64,956	30,000	217%
14 Damage/Lock Charges	-	500	200	250%
15 Testing-Mtr/Flow/Sample Charges	-	1,325	1,250	106%
16 Backflow Program	2,789	33,313	23,300	143%
17 Credit & Collections	-	2,955	-	0%
18 Water Rights Income	-	18,463	45,000	41%
19 Capacity Charge	(5,847)	14,616	-	0%
<b>20 TOTAL OPERATING REVENUES</b>	<b>314,382</b>	<b>4,405,731</b>	<b>4,162,344</b>	<b>106%</b>
<b>21 OPERATING EXPENSE</b>				
22 Source of Supply	85,698	1,187,213	1,233,768	96%
23 Pumping	56,737	561,709	470,468	119%
24 Water Treatment	13,355	103,457	117,668	88%
25 Transmission & Distribution	17,122	177,454	206,268	86%
26 Customer Accounts	24,660	237,378	198,769	119%
27 General & Administrative	259,100	1,395,139	1,358,076	103%
28 COVID-19 Salaries	6,631	11,095	5,000	222%
<b>29 TOTAL OPERATING EXPENSE</b>	<b>463,303</b>	<b>3,673,443</b>	<b>3,585,017</b>	<b>102%</b>
<b>30 OPERATING INCOME (LOSS)</b>	<b>(148,921)</b>	<b>732,288</b>	<b>577,327</b>	<b>127%</b>
<b>31 NON-OPERATING INCOME</b>				
32 Interest - LAIF & Infrastructure Acct	8,212	18,341	30,000	61%
33 Investment Income	100	1,483	5,000	30%
34 Unrealized Gain / (Loss)	-	(988)	-	0%
35 Grant Revenue	-	-	-	0%
36 Other Income	704	9,480	5,000	190%
37 House Rental Income	1,700	20,400	20,400	100%
38 Gain/Loss Sale of Assets	-	-	-	0%
<b>39 TOTAL NON-OPERATING INCOME</b>	<b>10,680</b>	<b>48,716</b>	<b>60,400</b>	<b>81%</b>
<b>40 NON-OPERATING EXPENSE</b>				
41 Interest Expense	19,520	238,078	240,254	99%
42 Annual Loan Fee Expense	1,592	19,396	19,601	99%
43 Other Non-Operating Expense	2,094	3,794	-	0%
44 Rental House Expense	-	-	2,500	0%
<b>45 TOTAL NON-OPERATING EXPENSE</b>	<b>23,206</b>	<b>261,268</b>	<b>262,355</b>	<b>100%</b>
<b>46 NET INCOME / (LOSS) BEFORE CAPITAL CONTR. &amp; DEPR.</b>	<b>(161,448)</b>	<b>519,737</b>	<b>375,372</b>	<b>138%</b>
47 Contributed Capital	-	23,011	-	0%
48 Depreciation	(45,000)	(540,000)	(540,000)	100%
<b>49 NET INCOME / (LOSS)</b>	<b>\$ (206,448)</b>	<b>\$ 2,748</b>	<b>\$ (164,628)</b>	

\*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

### Operating Expense Detail (Unaudited)

	December 2022	YTD 2022	Budget 2022	YTD Budget 100%
<b>1 OPERATING EXPENSE</b>				
<b>2 SOURCE OF SUPPLY</b>				
3 Salaries & Wages	\$ 6,680	\$ 63,422	\$ 81,768	78%
4 Recycled Water	2,194	52,777	52,000	101%
5 Ground Water Replenishment	76,824	1,071,014	1,100,000	97%
<b>6 TOTAL SOURCE OF SUPPLY</b>	<b>85,698</b>	<b>1,187,213</b>	<b>1,233,768</b>	<b>96%</b>
<b>7 PUMPING</b>				
8 Salaries & Wages	20,137	196,798	202,768	97%
9 Maintenance	2,472	91,092	37,400	244%
10 Fuel or Power	34,128	273,819	230,300	119%
<b>11 TOTAL PUMPING</b>	<b>56,737</b>	<b>561,709</b>	<b>470,468</b>	<b>119%</b>
<b>12 WATER TREATMENT</b>				
13 Salaries & Wages	328	3,180	12,668	25%
14 Maintenance	6,656	42,947	35,000	123%
15 Water Treatment Regulations	6,371	57,329	70,000	82%
<b>16 TOTAL WATER TREATMENT</b>	<b>13,355</b>	<b>103,457</b>	<b>117,668</b>	<b>88%</b>
<b>17 TRANSMISSION &amp; DISTRIBUTION</b>				
18 Salaries & Wages	10,237	76,371	126,568	60%
19 Maintenance	5,363	66,542	58,700	113%
20 Vehicle Maintenance	1,523	34,541	21,000	164%
<b>21 TOTAL TRANSMISSION &amp; DISTRIBUTION</b>	<b>17,122</b>	<b>177,454</b>	<b>206,268</b>	<b>86%</b>
<b>22 CUSTOMER ACCOUNTS</b>				
23 Meter Reading Labor	3,576	24,723	27,724	89%
24 Billing/Customer Service Salaries & Wages	12,711	141,652	122,046	116%
25 Supplies	8,373	71,002	49,000	145%
<b>26 TOTAL CUSTOMER ACCOUNTS</b>	<b>24,660</b>	<b>237,378</b>	<b>198,769</b>	<b>119%</b>
<b>27 GENERAL &amp; ADMINISTRATIVE</b>				
28 Salaries	23,908	217,090	210,000	103%
29 Vacation/Holiday/Other Payroll	34,154	200,778	152,652	132%
30 Directors Compensation	3,600	36,311	30,000	121%
31 Travel & Meetings (Board)	-	1,812	15,000	12%
32 Travel & Meetings (Staff)	-	302	2,500	12%
33 Board Room Expenses	250	644	5,000	13%
34 Office Supplies	983	10,123	8,000	127%
35 Office Utilities	1,493	24,209	22,000	110%
36 <u>Professional Services</u>				
37 Accounting	8,855	66,348	40,000	166%
38 Computer	860	5,320	5,000	106%
39 Engineering	450	4,650	4,000	116%
40 Legal	3,965	72,747	45,000	162%
41 Miscellaneous	-	8,208	1,500	547%
42 PWAG - Emergency Services Coordinator	994	12,479	12,000	104%
43 Tyler Technologies Licensing and Support	-	18,429	13,000	142%
44 Nobel Systems - GIS Program	-	17,700	19,000	93%
45 Insurance	54,493	327,907	301,250	109%
46 Payroll Taxes	9,262	76,812	70,537	109%
47 Pension	69,354	170,602	169,937	100%
48 Other Postemployment Benefits Expense	45,000	45,000	90,000	50%
49 Maintenance	1,030	19,075	23,200	82%

\*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

### Operating Expense Detail (Unaudited)

	December 2022	YTD 2022	Budget 2022	YTD Budget 100%
50 Dues & Meetings	\$ -	\$ 15,532	\$ 18,000	86%
51 Noticing	-	17,716	7,000	253%
52 Education Expense	-	3,249	1,500	217%
53 Conservation Expense	449	22,096	25,000	88%
54 COVID-19 Salaries	6,631	11,095	5,000	222%
55 Election Expense	-	-	62,000	0%
56 <b>TOTAL GENERAL &amp; ADMINISTRATIVE</b>	<b>265,730</b>	<b>1,406,233</b>	<b>1,358,076</b>	<b>104%</b>
57 <b>TOTAL OPERATING EXPENSE</b>	<b>\$ 463,303</b>	<b>\$ 3,673,443</b>	<b>\$ 3,585,017</b>	<b>102%</b>

\*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.

2022 CAPITAL IMPROVEMENT PROJECTS (CIP)			2022 BUDGET	Dec-22	YTD TOTAL
<b>I</b>	<b>Buildings</b>				
		1 No major plans. Well #5 Fencing/Gate			8,080.00
		Sub-total			8,080.00
<b>II</b>	<b>Office Equipment Purchase</b>				
		1 Upgrade office and Boardroom AC	\$ 50,000.00		
		Sub-total	\$ 50,000.00		
<b>III</b>	<b>Field Equipment Purchase</b>				
		1 Vehicle - Utility Truck	\$ 40,000.00		
		Sub-total	\$ 40,000.00		
<b>IV</b>	<b>Replacement Programs</b>				
	<b>A. Hydrants</b>				
		1 Replace five (5) four-inch blow off hydrants with newer four-inch blow-offs	\$ 25,000.00		
		Sub-total	\$ 25,000.00		
	<b>B. Meters -</b>				
		1 At this time we are not setting aside CIP funds and looking for other sources of funding	\$ -		13,490.30
		Sub-total	\$ -	0.00	13,490.30
	<b>C. Service Lines</b>				
		Replace services on Havenwood		16,200.00	16,837.50
		1 Replace ten (10) services on 7400 Lindell & 7500 Serapis	\$ 20,000.00		
		Sub-total	\$ 20,000.00	16,200.00	16,837.50
	<b>B. Main Lines</b>				
		1 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		
		2 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	\$ 55,000.00		
		Sub-total	\$ 110,000.00		
	<b>C. Valves</b>				
		1 Repairs	\$ -		17,536.85
		Sub-total	\$ -	\$ -	\$ 17,536.85
<b>V</b>	<b>Consulting Services</b>				
		1 None	\$ -		
		Sub-total	\$ -		
<b>VI</b>	<b>Work at Wells &amp; Equipment Upgrade</b>				
		1 Consider Maintenance work on the Reservoir - access door and overflow pipe	\$ 35,000.00		
		2 Consider raising the block wall fence height at well 11	\$ 25,000.00		14,515.40
		3 Consider pulling the motor & pump from Well 5 to inspect and rehabilitate as needed prior to the installation of the PFAS Treatment System	\$ 95,000.00		
		Sub-total	\$ 155,000.00	0.00	14,515.40
<b>VII</b>	<b>PFAS Remediation Treatment Plants</b>				
		1 Well 5A Waste Water Discharge Line	\$ 150,000.00		
		2 Well 8 Waste Water Discharge Line	\$ 70,000.00	5,100.00	21,001.88
		3 Additional Work Needed for the New PFAS Removal Treatment Plants	\$ 400,000.00		22,221.30
		Sub-total	\$ 620,000.00	5,100.00	43,223.18
		GRAND TOTAL	\$ 1,020,000.00	\$ 21,300.00	\$ 113,683.23
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			4,387.46
CARRY OVER		Consulting - Water Master Plan		2,696.00	35,241.00
CARRY OVER		PFAS Treatment Plants - Well 11, 8, 5		473,986.25	1,202,842.28
		Office Computers		4,827.93	4,827.93
		Well # 8 - Change from Oil Lube to Water Lube			4,735.29
		Reservoir Maintenance			3,097.50
		<b>TOTAL CIP</b>		502,810.18	<b>1,383,086.60</b>



## Adapting to a New Normal: California Water Strategies for the 21st Century



March 31 - April 1, 2023



Airtel Plaza Hotel, Van Nuys

SCAN ME



### CONFERENCE OVERVIEW:

**March 31:** 6:00 pm - 8:00 pm - Evening Reception

**April 1:** 9:00 am - 3:00 pm - Conference



**What are the impacts of a hotter, more extreme climate in California's various regions?**

Panelists will discuss the statewide, regional, and local impacts of the drought and resulting water deficits.



**What changes do water suppliers need to make in order to adapt to and combat the impacts of a hotter and drier climate?**

Panelists will discuss the impacts of a changing climate on California's water infrastructure and the solutions that must be implemented to ensure water resources meet demand.



**What strategies can be implemented to mitigate the impacts of California's water challenges on our economies, communities, and environment?**

Panelists will share strategies that have been implemented in various cities, counties, and states to proactively combat the impact of a drier climate as well as the consequences of not implementing these solutions earlier.

### THANK YOU TO OUR SPONSORS:



duke landscape



SAN JOSE WATER



**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, March 1, 2023**

**AGENDA**

**7. ACTION/DISCUSSION ITEMS.**

- A. Consider Board Approval of Adopting Resolution No. 242-R - Resolution of the Board of Directors of the Pico Water District Amending Appendix H to the District's Rules and Regulations to Add Provisions to Establish Policy Regarding Check Signing Authority and Bank Reconciliation – *Recommended action – that Board Discussion / Approve.*

## ***STAFF REPORT***

**To:** Honorable Board of Directors

**From:** Joe D. Basulto, General Manager

**Meeting Date:** March 01, 2023

**Subject:** Action Item 7A – Consider Board Approval of Resolution 242 – R, Resolution Amending Appendix H to the District’s Rules and Regulations to Add Provisions to Establish Policy Regarding Check Signing Authority and Bank Reconciliation

**Recommendation:**

That the Board approve Resolution 242-R

**Fiscal Impact:**

No negative financial impact to the District.

**Background:**

The District staff brings to the Board for consideration, to approve Resolution 242 – R, Amending Appendix H and add Provisions to Establish Policy Regarding Check Signing Authority and Bank Reconciliation. Per our auditors we need to establish said policy, to ensure proper order of transparency and verification of disbursement of District funds / payments.

**RESOLUTION NO. 242-R**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE PICO WATER DISTRICT AMENDING APPENDIX H TO THE DISTRICT'S  
RULES AND REGULATIONS TO ADD PROVISIONS TO ESTABLISH POLICY  
REGARDING CHECK SIGNING AUTHORITY AND BANK RECONCILIATION**

**WHEREAS**, the Pico Water District (the "District") has established a Bid Procurement Policy, as set forth in Appendix H to the District's Rules and Regulations; and

**WHEREAS**, the District currently does not have a written policy or procedure in place that sets forth the signing authority required for District checks or regarding the manner in which the District's bank reconciliations are to occur; and

**WHEREAS**, the District's auditor has recommended that the District establish a written policy or procedure to specify the level of signing authority required for District checks and state the manner in which the District's bank reconciliations are to occur; and

**WHEREAS**, it is appropriate for those additions to the District's policies to be set forth in Appendix H to the District's Rules and Regulations,

**NOW, THEREFORE**, the Board of Directors of the Pico Water District hereby amends Appendix H to the District's Rules and Regulations read in its entirety as follows to establish the check signing and bank reconciliation policies set forth below and to change the title of Appendix H to "Bid Procurement, Check Signing and Bank Reconciliation Policies."

**"APPENDIX H - PICO WATER DISTRICT  
BID PROCUREMENT, CHECK SIGNING AND BANK RECONCILIATION POLICIES**

**1. Bid Procurement Procedures:** A County Water District, such as this District, is not required by law to use or follow a formal competitive bidding process in letting contracts either for the construction of any works or for the acquisition of materials or equipment for use by the District or for incorporation into any work, job or construction project for the District. However, the Board believes that there are situations when it is clearly in the best interests of the District to require that a work, job or construction project, or the acquisition of material or equipment, should be let by a contract arrived at through the use of competitive bidding procedures.

The Board believes that in certain other cases it is clearly in the best interests of the District that the Manager be authorized to proceed on behalf of the District by any means he deems to be appropriate in the circumstances, including the use of informal bids or quotations, or by a purchase in the open market without advertising. Finally, it is also recognized by the Board that in between those two situations there are many times when a particular work, job or construction project, or the acquisition of certain materials or equipment, is such

that the District's interests may or may not be best served by requiring competitive bids, the determination depending upon an evaluation of the special circumstances involved in each such case.

In view of the benefits to be obtained by utilizing one procedure rather than another in contracting for work to be performed for the District or in acquiring materials or equipment for the District, the Board has adopted this statement of policy concerning the letting of contracts for such work or the acquisition of materials or equipment, which policy will best ensure that formal competitive bids are secured where it is in the best interests of the District to do so, and that informal bids or quotations, or a purchase on the open market without advertising, will be utilized when that approach will best serve the interests of the District. To that end the Board has adopted this policy setting forth the criteria and guidelines by which the District will select the procedure which is best for the District in a given case, and to provide how the District shall proceed in those cases where formal competitive bids are to be required.

- A. Work or Acquisitions Costing Less Than \$10,000:** All contracts for work or acquisitions of equipment or materials estimated to have a value when completed of less than Ten Thousand Dollars (\$10,000) may be authorized by the General Manager without compliance with formal or informal bid procedures, soliciting proposals or prior Board approval. The General Manager may give local contractors and vendors a preference.
- B. Work or Acquisitions Costing More Than \$10,000, But Not More Than \$30,000:** All contracts for work or acquisition of materials or equipment estimated to have a value when completed in excess of Ten Thousand Dollars (\$10,000), but not more than Thirty Thousand Dollars (\$30,000), shall be let to the lowest responsible bidder after the General Manager has solicited bids or proposals from at least three (3) bidders. Such bids or proposals may be solicited and submitted to the General Manager orally or may be solicited and submitted informally by written proposal submitted to the General Manager. Contract documents relating to the successful bid or proposal shall be prepared utilizing the District's standard forms, with such modification as may be appropriate under the circumstances, as determined by the General Manager after consultation with the District's Legal Counsel.
- C. Work or Acquisitions Costing More Than \$30,000:** Generally, contracts for work or acquisition of materials or equipment estimated to have a value in excess of Thirty Thousand Dollars (\$30,000) shall be let to the lowest responsible bidder after the District has solicited formal written and sealed bids or proposals from at least three (3) bidders, unless the Board determines that it is

in the best interests of the District to do otherwise. The Board shall determine whether the contract shall be let or acquisition made as a single unit or whether it shall be divided into severable parts. Contract documents shall be prepared utilizing the District's standard forms, with such modification as may be appropriate under the circumstances as determined by the General Manger after consultation with the District's Legal Counsel.

In addition to the foregoing procurement requirements, to increase the efficiency of the administration of construction projects undertaken by the District, the General Manager, in the exercise of his or her discretion, is authorized to add to the contract price for any construction project approved by the Board of Directors a contingency cost amount the General Manager determines to be appropriate for the specific work to be performed; provided that such amount shall not exceed fifteen percent (15%) of the contract price approved by the Board. Upon completion of any project involving such a contingency cost amount, the General Manager shall report to the Board regarding whether the contingency cost amount was utilized for the project and, if so, the extent to which the contingency cost amount was utilized.

**2. Check Signing Authority:** All District checks must be signed by at least two signatories. Checks for \$30,000 or less may be signed by the District's General Manager and at least one signatory who is authorized to sign checks on the District's behalf. Checks for more than \$ 30,000 must be signed by the General Manager and at least one director who are authorized to sign checks on the District's behalf; provided that the District's General Manager and Office Manager, or in addition a single director in the absence of the General Manager or Office Manager, shall sign checks in excess of \$10,000 applicable to: (a) payments to Southern California Edison for electrical usage; (b) payments to the District's payroll account; (c) payments to the District's health insurer for premium payments; (d) payments to the Water Replenishment District of Southern California for payment of replenishment assessments; and (e) payments on any contracts previously approved by the Board of Directors. All checks must be authorized in advance or subsequently ratified by the Board of Directors.

**3. Bank Reconciliation Procedure:** The District's office staff, or its designee, shall reconcile the District's bank statements on a monthly basis. The reviewer of the bank reconciliation or the District's Office Manager must sign off on the reconciliation to document their review. Similarly, the reviewer of the District's check register shall sign off on the check register to document their review. Checks shall be signed by someone other than the person who has reviewed the check register, in accordance with Section 1, above."

The District's General Manager or his or her designee is authorized to take all actions necessary to implement the above policies and procedures.

**PASSED AND ADOPTED** by the Board of Directors of Pico Water District this 1st day of March, 2023, by the following vote:

Ayes:

Nays:

Abstains:

Absent:

By: \_\_\_\_\_  
Elpidio Ramirez, President

Attest:

\_\_\_\_\_  
Joe Basulto, Secretary

# **INFORMATIONAL ITEMS**



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

**5:30 PM Wednesday, March 1, 2023**

**AGENDA**

**9. INFORMATIONAL ITEMS.**

A. Compliance with Provisions of AB 2449.

## **GUIDELINES FOR ATTENDANCE AT BOARD OF DIRECTORS MEETINGS OF THE PICO WATER DISTRICT**

A. Compliance with Provisions of AB 2449. Assembly Bill 2449 was signed into law to take effect on January 1, 2023 with respect to specific circumstances to allow a member of a legislative body to participate in a meeting by teleconference without complying with the provisions of subdivision (b) of Government Code Section 54953, as discussed above. However, if a Director participates in a meeting using the “just cause”<sup>1</sup> or “emergency circumstance”<sup>2</sup> reasons established under AB 2449, at least a quorum of the District’s Board (i.e., at least three) must participate in the meeting in-person. To ensure compliance with the foregoing requirements of AB 2449, the District will utilize the following procedures:

1) Notice to District – Just Cause under AB 2449:

(a) The Director must notify the General Manager by e-mail at the earliest opportunity possible (including at the start of the meeting) of the need to participate remotely for one of the permissible “just cause” reasons.

(b) The notification must include a general description, not to exceed 20 words, of the circumstances relating to the need to appear remotely at the given meeting.

(c) Remote participation for “just cause” reasons cannot be utilized by any Director for more than two meetings per calendar year.

2) Notice to District – Emergency Circumstance under AB 2449:

(a) As soon as possible, the Director must request that the Board of Directors allow him or her to participate in the subject meeting remotely due to an “emergency circumstance.”

(b) A separate request must be made for each meeting at which a remote appearance is requested.

(c) The request must include a general description, not to exceed 20 words, of the circumstances relating to the need to appear remotely at the

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<sup>1</sup> “Just cause” means any of the following: (1) a childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse or domestic partner that requires remote participation; (2) a contagious illness prevents the member from attending in person; (3) a need related to a physical or mental disability that is not otherwise accommodated; or (4) travel while on official Authority business or official business of another state or local agency.

<sup>2</sup> “Emergency circumstance” means a physical or family medical emergency that prevents a member from attending in person.

meeting. That general description is not required to disclose any medical diagnosis, disability or other personal medical information exempt under the law.

(d) The Board must take action to approve that request. Where feasible, the request will be included on the agenda for the meeting, but if the request does not allow sufficient time to place the proposed action on the request on the posted agenda for the meeting for which the request is made, the Board may take action at the beginning of the meeting after adding the request to the agenda in accordance with Government Code Section 54954.2(b)(4).

3) Other issues relating to AB 2449 Compliance:

(a) The Director must publicly disclose at the meeting, before any action is taken, whether any other individuals 18 years of age or older are present in the room at the remote location with the Director and the general nature of the Director's relationship with any such individual(s).

(b) Where AB 2449 is being used to allow for a Director's remote participation, the Director must participate through both audio and visual technology and thus must have their camera on.

(c) For any remote participation that is made under AB 2449 for a "just cause" or "emergency circumstance," a Director cannot participate in a Board meeting solely by teleconference from a remote location for a period of more than three consecutive months or, as applicable, 20 percent of the District's regular Board meetings in a calendar year.

4) Technological Requirements for Participation under AB 2449: The District will provide one of the following, to be specified in the agenda for the meeting, to allow members of the public to remotely observe the meeting and participate and provide comments:

(a) A two-way audiovisual platform (defined to mean an online platform that provides participants with the ability to participate in a meeting via both an interactive video conference and a two-way telephonic function); and/or

(b) A two-way telephonic service and a live webcasting of the meeting (defined to mean a telephone service that does not require internet access, is not provided as part of a two-way audiovisual platform and allows participants to dial a telephone number to listen and verbally participate).