



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

4843 S. Church Street
Pico Rivera, California, 90660

5:30 PM Wednesday, February 07, 2024

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 January 17, 2024 Regular Board Meeting Minutes.
- B. Consider approval of January 18, 2024 Special Board Meeting Minutes.
- C. Consider the accounts now due and payable, and receive and file bills approved by General Manager December 2023
- D. Consider the December 2023 Financial Statement

7. ACTION/DISCUSSION ITEMS.

- A. Discussion Item: James Jones Hydrants & Break Checks presentation by Mueller Water Works
- B. Consider Board Approval of Resolution 247-R Revising the District's Reserve Fund Policy; *Recommended Action – Board Discussion / Approve*
- C. Consider Board Approval of Enrollment in the Low-Income Household Water Assistance Program (LIHWAP); *Recommended Action – Board Discussion / Approve*
- D. Consider Board Approval of Adopting the District's Multi-Jurisdictional Hazard Mitigation Plan (MJHMP) Annex: Pico Water District; *Recommended Action – Board Discussion / Approve*
- E. Consider Board Approval of District's Scholarship Application Process
Recommended Action – Board Discussion / Approve

8. REPORTS.

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

9. INFORMATIONAL ITEMS

- A. PFAS Project / Well #5A – Update
- B. Board of Directors – Committee Assignment

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.
- B. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION
One case

13. CLOSED SESSION REPORT.

14. ADJOURNMENT.

AGENDA POSTED ON: February 01, 2024

Next regularly scheduled meeting: February 21, 2024

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 CALENDAR ITEMS

6. APPROVAL OF CONSENT CALENDAR.

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- A. Consider approval of January 17, 2024 Regular Board Meeting Minutes.**
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- D. Consider the December 2023 Financial Statement**

PICO WATER DISTRICT

**MINUTES
of
BOARD MEETING
01/17/2024**



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 Thursday, January 17, 2024 at 6:00 p.m.

The District's General Manager, Mr. Joe D. Basulto proceeded with the roll call of the attending Board members. Present from the beginning of the meeting were Director David Gonzales, Director Pete Ramirez, Vice President Victor Caballero, President Raymond Rodriguez and Mr. Reid Miller, Legal Counsel for the District. Director David Angelo was not in attendance for the meeting.

Director Pete Ramirez led everyone in the Pledge of Allegiance and Vice President Victor Caballero gave the invocation.

President Raymond Rodriguez proceeded to the next item on the Agenda, Public Comments. Chris Magdosku, property owner of 4757 Walnut Ave., Pico Rivera, CA 90660, commented on Pico Water District office staff. He stated he was thankful for office staff's assistance with his property when squatters were attempting to put water in their name. Office staff pulled the meter from property and have checked the property's meter box to ensure squatters have not tampered with the line to have water provided to the property. He briefly gave a summary of his family and the property, which was bought back in 1946.

President Raymond Rodriguez proceeded to the adoption of the Agenda. Director David Gonzales made the motion to adopt and Director Pete Ramirez seconded the motion. The General Manager announced that the motion passed by roll-call vote, 4 – 0.

President Raymond Rodriguez proceeded to approval of adoption of Agenda. President Raymond Rodriguez made the motion to adopt and Director David Gonzales seconded the motion. The General Manager announced that the motion passed by roll-call vote, 4–0.

President Raymond Rodriguez proceeded to the next item on the Agenda, approval of Consent Calendar, consisting of the minutes from the January 10 Regular Board Meeting, the accounts now due and payable and bills approved by the General Manager through November 30, 2023, and the District's November 2023 financial statements. Vice President Victor Caballero made the motion to approve the Consent Calendar as presented and President Raymond Rodriguez seconded the motion. The General Manager announced that the motion passed by roll-call vote, 4–0.

President Raymond Rodriguez proceeded to the next item on the Agenda, Action/ Discussion Items. Item A. Discussion Item: Pico Water District water meters presentation by Ferguson Waterworks / Neptune Technology Group. Presentation was made by Adam Milauskas who demonstrated how the Neptune e-coder meters function and the benefits of installing these smart meters as they record a running 3-month monitoring of water usage every 15 minutes, known as a data log. Also, Mr. Milauskas displayed new ultra sonic meters, known as the Mach 10 meters, which have no moving parts and are capable of capture very low to high usage.

President Raymond Rodriguez proceeded to the next item on the Agenda, General Manager's Report. The General Manager reported that field staff completed the monthly meter reading and all follow up re-read reports. These reports have been completed and submitted to the billing clerk for processing. Billing is scheduled to be completed the following week. No major leaks, only minor meter leaks have been found. For the PFAS project update, the District is still waiting on pending permits from the Division of Drinking Water of the State Water Board. The General Manger and Director of Operations, Matt Tryon, did a tour of the pumping plants and recycled water system at Central Basin Municipal Water District. The General Manager will follow up with the state engineer about where their process is at with the project. The PFAS resin will take 3-4 weeks to be delivered and installed and originally it was 8 weeks. Tomorrow, January 18, 2024, will be the Public Community Outreach, where the General Manager will be doing a PowerPoint presentation at the Pico Park Community Center, to begin at 5:30pm. It will be a special meeting for the Board of Directors and the same process as regular meetings. The Public Hearing on the proposed rate increase will be on February 15, 2024 at Pico Park Community Center as well.

On Tuesday, January 16, the General Manager at the City of Pico Rivera's request had a meeting with the City Manager Steve Carmona and Assistant City Manager Angelina Garcia, they were concerned about the percentage of the District raising the rates and how it is happening quickly, and how the reserve targets were set. The General Manager advised them on why the District is taking that approach and the reasoning behind the proposed water rate increase. The City Manager advised the General Manager that he will talk to the City Council to discuss the City's course of action.

Also, the Board of Directors and the General Manager briefly discussed the squatter situation at 4757 Walnut Ave., Pico Rivera, CA 90660.

President Raymond Rodriguez proceeded to the next item on the Agenda, Legal Counsel Report. Legal Counsel, Reid Miller reported on the closed session will be moved to the next Regular Board meeting, February 7, 2024. Legal Counsel, Jim Ciampa and Matt Pero will give an update at that meeting about the litigation with the City of Pico Rivera and regarding the mandatory settlement conference which is on February 15, 2024.

President Raymond Rodriguez proceeded to the next item on the Agenda, Informational Items. The General Manager reported on information items, Reservoir levels are mid-to-high throughout the state from the last report taken on January 10, 2024. The water levels continue to recharge and are not showing any drastic drawdowns. Well #4 stands at 45 ft, well #5 at 82 ft, well #8 at 69 ft, well #10 at 42ft and well #11 at 89ft for December report for the wells.

The Monthly Activity report and production was given by General Manager, Joe Basulto. In December, there was one mainline leak, and for the year of 2023 there were 6 mainline leaks in total. There were two service line leaks for the month of December, 2023. There were also 35 leaks for the year of 2023. There were two meter leaks for the month of December and 36 overall for the year of 2023. There were 75 valves exercised, more valves will also be exercised this year. Three hydrants in total were hit in 2023. There were three meter replacements in December, and overall, for the year of 2023, there were 32 meters replaced. Three hundred meters were received in December 2023, and field staff is already working to replace meters. Installation of new service auto were six and there were two replacements for valves for the year. Five hydrants were repaired for the year of 2023. Two new potable services were done for the year and no recycled ones. For the month of December 2023, the field staff responded to 72 dig alerts. For the year of 2023, the field responded to 1,640 dig alerts. The General Manager will be contacting Virginia Country Club regarding leasing of Allowed Pumping Allocation, which is the agreement with them for three years.

President Raymond Rodriguez proceeded to the next item on the Agenda, Future Agenda Items. There were none at this time.

President Raymond Rodriguez proceeded to the next item on the Agenda, Board Member Comments. Director Pete Ramirez commented on his recent visit to Central Basin Municipal Water District, its new meeting place, the vague agenda that has been posted and their new attorney.

President Raymond Rodriguez proceeded to the next item on the Agenda, Closed Session. No Closed Session was held.

There being no further business to come before the Board, the Board meeting adjourned at 7:18 p.m. Next Regular Board Meeting to be held on February 7, 2024 at 5:30 pm.

Raymond Rodriguez, President

Attest:

Joe D. Basulto, Secretary
(Seal)

PICO WATER DISTRICT

**MINUTES
of
SPECIAL BOARD
MEETING
01/18/2024**



MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS
OF THE PICO WATER DISTRICT

A special meeting of the Board of Directors of the Pico Water District was held at the Pico Park Community Center, 9528 Beverly Boulevard, Pico Rivera, California, on Thursday, January 18, 2024 at 5:30 p.m.

The District's General Manager, Mr. Joe D. Basulto proceeded with the roll call of the attending Board members. Present from the beginning of the meeting were Director David Angelo, Director David Gonzales, Director Pete Ramirez, Vice President Victor Caballero, President Raymond Rodriguez, and Mr. Reid Miller, Legal Counsel for the District.

President Raymond Rodriguez led everyone in the Pledge of Allegiance and General Manager, Joe D. Basulto gave the invocation.

President Raymond Rodriguez proceeded to the adoption of the Agenda. Vice President Victor Caballero made the motion to adopt and Director David Gonzales seconded the motion. The General Manager announced that the motion passed by roll-call vote, 5 – 0.

President Raymond Rodriguez proceeded to Presentation of Proposed Water Rate Increases by the District's General Manager. The General Manager proceeded to give the presentation, introduced himself as well as the Director of Operations, Matthew Tryon. He also gave a brief summary about the District and when it was founded in 1926. He stated the District has five active wells and the District use one-hundred percent ground water to supply its customers. He continued to the Rate Review Process, the review of expenses and revenues, analysis of costs and the design of a fair and equitable rate structure. The General Manager discussed the reasons that necessitate raising rates, as well as the costs to complete construction and maintenance of PFAS/ PFAO treatment facilities. The rate study was done thoroughly and it considered the inflation impact as well as capital improvement projects. The changes to the rates would be to the volumetric rates which cover the variable expenses the District incurs, such as the treatment and distribution of water. The fixed monthly meter charges and pass-through charges would also be changes to the rates. The General Manager briefly compared the rate increase to nearby water districts. He also announced the Public Hearing on the proposed increases would be held on February 15, 2024 at 5:30 pm.

President Raymond Rodriguez proceeded to the next item on the Agenda, Public Comments. Mr. Mario in the audience that commented on how the District should care about its residents and the impact the change in rates will have on them. He stated the District should not increase water rates and believes that the District does not have the residents' best interest at heart. The General Manager responded to Mario's concerns about the rate changes and rate payers. He

also stated the rate change is to allow the District to grow and move forward as the entity that has been providing water to the community for almost 100 years. It will allow for the District to also improve its infrastructure, including pipes and the source of water supply. Legal Counsel, Reid Miller, reminded the customer that no final decision was going to be made today, and the next public hearing, on February 15, 2024, is where more customers can protest the rate increase. Customers are asked to put their protest in writing and can mail or drop off letters to the District's office prior to the hearing or on the day of the hearing. The next comment was made by Dwayne Comb, small business owner in Pico Rivera, who asked how the rate change affects small business such as the coin laundromat he runs and how infrastructure is now a consumer cost as of the last five years. Mr. Matthew Tryon, Director of Operations, responded to Mr. Comb stating that the rate study is done in five-year increments and is how the District complies with the requirements under Proposition 218. That was the end of public comments.

President Raymond Rodriguez proceeded to the next item on the Agenda, Board Member Comments. Vice President Victor Caballero commented on one of the main factors leading to the rate changes is the PFAS/ PFAO treatment facilities and the costs to install them. He also commented on the rate change the City of Pico Rivera had a few years ago and their big increase to rates. He briefly addressed the concerns the customers posed during their comments. President Raymond Rodriguez also made a comment addressing the concerns both customers had. He also stated the District understands their concerns, taking into account the comments and questions said. President Raymond Rodriguez thanked everyone for their comments and for attending the meeting. Customer, Mario, and Vice President Victor Caballero both had a brief discussion about the responses given for the rate increase.

There being no further business to come before the Board, the Board meeting adjourned at 6:49 p.m. Next Regular Board Meeting to be held on February 7, 2024 at 5:30 pm.

Raymond Rodriguez, President

Attest:

Joe D. Basulto, Secretary
(Seal)

PICO WATER DISTRICT

**Consider the accounts now due
and payable, and receive and file
bills approved
by General Manager**

December 2023



Pico Water District, CA

Check Report

By Check Number

Date Range: 12/01/2023 - 12/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP-ACCOUNTS PAYABLE						
1082	ELPIDIO RAMIREZ	12/06/2023	Regular	0.00	1,365.79	63295
1008	ACWA/JPIA	12/07/2023	Regular	0.00	21,230.68	63296
1019	AUTOZONE, INC.	12/07/2023	Regular	0.00	233.72	63297
1436	CCS INTERACTIVE	12/07/2023	Regular	0.00	40.00	63298
1046	CENTRAL BASIN MUNICIPAL WATER DISTRICT	12/07/2023	Regular	0.00	4,149.49	63299
1053	CINTAS #053	12/07/2023	Regular	0.00	120.53	63300
1071	DE LAGE LANDEN FINANCIAL	12/07/2023	Regular	0.00	333.55	63301
1117	INFOSEND	12/07/2023	Regular	0.00	271.04	63302
1153	NASA SERVICES	12/07/2023	Regular	0.00	253.68	63303
1163	PAC COMM TECHNOLOGIES, INC.	12/07/2023	Regular	0.00	2,166.95	63304
1409	QUEST BUILDING SERVICES	12/07/2023	Regular	0.00	725.00	63305
1209	SOUTHERN CALIFORNIA GAS COMPANY	12/07/2023	Regular	0.00	32.40	63306
1214	STATE WATER RESOURCES CONTROL BOARD	12/07/2023	Regular	0.00	868.00	63307
1421	T-MOBILE	12/07/2023	Regular	0.00	102.64	63308
1237	UNDERGROUND SERVICE ALERT	12/07/2023	Regular	0.00	149.36	63309
1245	VERIZON WIRELESS	12/07/2023	Regular	0.00	148.10	63310
1439	Water Resources Economics	12/07/2023	Regular	0.00	13,187.61	63311
1415	APPLIED TECHNOLOGY GROUP, INC.	12/14/2023	Regular	0.00	30.00	63312
1311	DOTY BROS EQUIPMENT CO.	12/14/2023	Regular	0.00	2,572.37	63313
1082	ELPIDIO RAMIREZ	12/14/2023	Regular	0.00	450.00	63314
1099	GOLDEN METERS SERVICE, INC.	12/14/2023	Regular	0.00	2,095.29	63315
1422	MATTHEW TRYON	12/14/2023	Regular	0.00	608.63	63316
1409	QUEST BUILDING SERVICES	12/14/2023	Regular	0.00	725.00	63317
1252	WECK LABORATORIES, INC.	12/14/2023	Regular	0.00	730.00	63318
1256	WESTERN WATER WORKS	12/14/2023	Regular	0.00	1,229.86	63319
1002	ABBA TERMITE & PEST CONTROL	12/20/2023	Regular	0.00	65.00	63320
1178	ADT COMMERCIAL	12/20/2023	Regular	0.00	736.84	63321
1378	AKM CONSULTING ENGINEERS, INC.	12/20/2023	Regular	0.00	5,528.00	63322
1017	AT & T	12/20/2023	Regular	0.00	108.87	63323
1036	CALIFORNIA DEPT. MOTOR VEHICLES	12/20/2023	Regular	0.00	1.00	63324
1053	CINTAS #053	12/20/2023	Regular	0.00	241.06	63325
1055	CIVILTEC ENGINEERING, INC.	12/20/2023	Regular	0.00	6,110.00	63326
1064	COUNTY SANITATION DISTRICT NO. 2	12/20/2023	Regular	0.00	1,308.97	63327
1369	EIDE BAILLY LLP	12/20/2023	Regular	0.00	18,333.80	63328
1098	GERALD P. ROODZANT, DDS APC	12/20/2023	Regular	0.00	495.00	63329
1103	GRM INFO MGMNT SVCS OF CA, LLC	12/20/2023	Regular	0.00	599.96	63330
1113	HUMBERTO CRUZ MASONRY	12/20/2023	Regular	0.00	1,775.00	63331
1117	INFOSEND	12/20/2023	Regular	0.00	1,920.98	63332
1135	LAGERLOF, LLP	12/20/2023	Regular	0.00	11,382.50	63333
1167	PETER TRAN, DDS INC	12/20/2023	Regular	0.00	602.00	63334
1368	PUBLIC WATER AGENCIES GROUP	12/20/2023	Regular	0.00	1,927.50	63335
1351	RC FOSTER CORPORATION	12/20/2023	Regular	0.00	171,855.00	63336
1211	SPECTRUM	12/20/2023	Regular	0.00	337.34	63337
1224	TED K YU	12/20/2023	Regular	0.00	150.00	63338
1249	VOTACALL, INC.	12/20/2023	Regular	0.00	58.63	63339
1080	EDISON COMPANY	12/04/2023	Bank Draft	0.00	3,000.10	DFT0000112
1080	EDISON COMPANY	12/04/2023	Bank Draft	0.00	40.00	DFT0000113
1080	EDISON COMPANY	12/04/2023	Bank Draft	0.00	111.34	DFT0000114
1080	EDISON COMPANY	12/04/2023	Bank Draft	0.00	4,773.46	DFT0000115
1080	EDISON COMPANY	12/04/2023	Bank Draft	0.00	73.76	DFT0000116
1080	EDISON COMPANY	12/04/2023	Bank Draft	0.00	4,922.38	DFT0000117
1080	EDISON COMPANY	12/04/2023	Bank Draft	0.00	118.47	DFT0000118
1080	EDISON COMPANY	12/04/2023	Bank Draft	0.00	971.75	DFT0000119
1080	EDISON COMPANY	12/05/2023	Bank Draft	0.00	158.13	DFT0000120

Check Report

Date Range: 12/01/2023 - 12/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1433	SOUTHWEST ANSWERING SERVICE	12/18/2023	Bank Draft	0.00	381.25	DFT0000123

Bank Code AP Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	66	45	0.00	277,357.14
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	10	10	0.00	14,550.64
EFT's	0	0	0.00	0.00
	76	55	0.00	291,907.78

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	66	45	0.00	277,357.14
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	10	10	0.00	14,550.64
EFT's	0	0	0.00	0.00
	76	55	0.00	291,907.78

Fund Summary

Fund	Name	Period	Amount
10	General Operating	12/2023	291,907.78
			291,907.78

PICO WATER DISTRICT

DECEMBER 2023

FINANCIAL STATEMENT



Pico Water District

Financial Statements

Balance Sheet (Unaudited)

		December 2023
1	ASSETS	
2	Cash and Investments	
3	Cash on Hand in Banks	\$ 584,179
4	CLASS Investment	721,043
5	LAIF Investment	80,759
6	Cambridge Investment	106,407
7	Total Cash and Investments	1,492,389
8	Cash and Investments - Restricted	
9	Restricted Cash - Infrastructure Acct [IBank]	212,365
10	Total Cash and Investments - Restricted	212,365
11	Other Current Assets	
12	Accounts Receivable - Customers Net	833,787
13	Accounts Receivable-Other	40,367
14	Inventory-Materials and Supplies	196,270
15	Prepaid Expenses	27,460
16	Total Other Current Assets	1,097,884
17	Fixed Assets	
18	Utility Plant	32,141,860
19	Less: Accumulated Depreciation	(11,526,088)
20	Fixed Assets Total	20,615,772
21	Deferred Outflows of Resources (DOR)	394,492
22	TOTAL ASSETS & DOR	\$ 23,812,901
23	LIABILITIES	
24	Current Liabilities	
25	Accounts Payable	\$ 555,234
26	Accrued Interest	97,601
27	Refundable Deposits	439,424
28	Security Deposit - Rental House	2,250
29	Total Current Liabilities	1,094,509
30	Long-Term Liabilities	
31	Note Payable - IBank	6,369,696
32	Other Postemployment Benefits Liability	607,159
33	Net Pension Liability	76,836
34	Total Long-Term Liabilities	7,053,691
35	TOTAL LIABILITIES	8,148,200
36	FUND BALANCE	
37	Retained Earnings	14,641,704
38	TOTAL FUND BALANCE	14,641,704
39	Deferred Inflows of Resources (DIR)	1,022,997
40	TOTAL LIABILITIES, FUND BALANCE & DIR	\$ 23,812,901

*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.



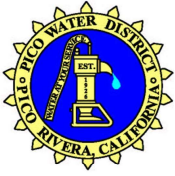
Pico Water District

Financial Statements

Budget to Actual (Unaudited)

For the Period July 1, 2023 through December 31, 2023

	December 2023	YTD 2023	Budget 2023	YTD Budget 50%
1 OPERATING REVENUES				
2 Water Sales 1 - Potable Water Charges	\$ 160,845	\$ 1,214,621	\$ 2,253,800	54%
3 Water Sales 2 - Recycled Water Charges	1,257	27,612	50,600	55%
4 Meter Service 1 - Meter Charges	123,494	808,156	1,633,500	49%
5 Meter Service 2 - Multi Unit Charges	51	285	-	N/A
6 Meter Service 3 - Fire Protection Charges	6,947	41,665	83,800	50%
7 <u>Misc. Charges</u>				
8 Late Fees & Other Water Charges	8,336	41,154	82,700	50%
9 Backflow Program	2,784	16,604	33,300	50%
10 Water Rights Income	-	-	21,600	0%
11 TOTAL OPERATING REVENUES	303,715	2,152,198	4,159,300	52%
12 OPERATING EXPENSE				
13 Source of Supply	88,016	631,749	1,204,600	52%
14 Pumping	23,283	299,229	583,300	51%
15 Water Treatment	2,392	52,912	135,800	39%
16 Transmission & Distribution	18,248	144,073	196,700	73%
17 Customer Accounts	22,534	151,480	248,700	61%
18 General & Administrative	109,429	732,105	1,597,600	46%
19 TOTAL OPERATING EXPENSE	263,902	2,011,548	3,966,700	51%
20 OPERATING INCOME (LOSS)	39,813	140,650	192,600	
21 NON-OPERATING INCOME				
22 Infrastructure Surcharge [RESTRICTED]	31,171	207,460	425,000	49%
23 Interest Income	4,822	26,643	31,600	84%
24 House Rental Income	1,870	11,220	22,400	50%
25 TOTAL NON-OPERATING INCOME	37,864	250,498	479,000	52%
26 NON-OPERATING EXPENSE				
27 Loan Principal	-	169,922	169,900	100%
28 Interest Expense	-	117,121	231,100	51%
29 Annual Loan Fee Expense	-	19,109	19,100	100%
30 Rental House Expense	-	-	2,600	0%
31 TOTAL NON-OPERATING EXPENSE	-	306,153	422,700	72%
32 NET INCOME / (LOSS) BEFORE CAPITAL CONTR.	77,677	84,995	248,900	34%
33 Capital Improvement Projects (District Funded)	(308,945)	(888,007)	(547,900)	162%
34 NET INCOME / (LOSS)	\$ (231,268)	\$ (803,012)	\$ (299,000)	269%



Pico Water District

Financial Statements

Operating Expense Detail (Unaudited)

	December 2023	YTD 2023	Budget 2023	YTD Budget 50%
1 OPERATING EXPENSE				
2 SOURCE OF SUPPLY				
3 Salaries & Wages	\$ 5,232	\$ 33,071	\$ 70,000	47%
4 Recycled Water	861	20,860	46,300	45%
5 Ground Water Replenishment	81,922	577,819	1,088,300	53%
6 TOTAL SOURCE OF SUPPLY	88,016	631,749	1,204,600	52%
7 PUMPING				
8 Salaries & Wages	21,974	127,689	240,000	53%
9 Maintenance	1,309	43,034	66,600	65%
10 Power	-	128,506	276,700	46%
11 TOTAL PUMPING	23,283	299,229	583,300	51%
12 WATER TREATMENT				
13 Salaries & Wages	536	2,230	20,000	11%
14 Maintenance	1,640	20,830	39,800	52%
15 Water Treatment Regulations	216	29,851	76,000	39%
16 TOTAL WATER TREATMENT	2,392	52,912	135,800	39%
17 TRANSMISSION & DISTRIBUTION				
18 Salaries & Wages	6,566	48,287	95,000	51%
19 Maintenance	11,616	73,843	69,500	106%
20 Vehicle Maintenance & Fuel	66	21,943	32,200	68%
21 TOTAL TRANSMISSION & DISTRIBUTION	18,248	144,073	196,700	73%
22 CUSTOMER ACCOUNTS				
23 Meter Reading Labor	2,590	16,348	35,000	47%
24 Billing/Customer Service Salaries & Wages	13,433	93,638	133,801	70%
25 Supplies	6,511	41,494	79,900	52%
26 TOTAL CUSTOMER ACCOUNTS	22,534	151,480	248,700	61%
27 GENERAL & ADMINISTRATIVE				
28 Salaries	19,233	90,873	358,300	25%
29 Vacation/Holiday/Other Payroll	10,622	63,223	176,000	36%
30 Directors Compensation	4,500	23,475	35,000	67%
31 Travel & Meetings (Board)	1,816	3,949	15,000	26%
32 Travel & Meetings (Staff)	-	420	3,100	14%
33 Board Room Expenses	144	273	2,600	10%
34 Office Supplies	1,494	8,408	11,300	74%
35 Office Utilities	558	10,382	24,900	42%
36 <u>Professional Services</u>				
37 Accounting	18,334	47,409	90,400	52%
38 Computer	465	3,348	5,400	62%
39 Engineering	-	-	3,100	0%
40 Legal	11,383	27,350	45,000	61%
41 Miscellaneous	-	1,450	4,000	36%
42 PWAG - Emergency Services Coordinator	994	5,963	15,200	39%
43 Tyler Technologies Licensing and Support	-	21,491	28,200	76%
44 Nobel Systems - GIS Program	(2,700)	18,033	24,100	75%
45 Insurance	23,099	206,333	341,000	61%
46 Payroll Taxes	5,527	36,857	93,800	39%
47 Pension	13,012	118,896	227,500	52%
48 Maintenance	1,309	9,261	18,000	51%

*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 2023	YTD 2023	Budget 2023	YTD Budget 50%
49 Dues & Subscriptions	\$ 185	\$ 17,225	\$ 19,700	87%
50 Noticing	-	-	27,500	0%
51 Education Expense	289	1,805	3,500	52%
52 Conservation Expense	(833)	15,283	25,000	61%
53 Election Expense	-	400	-	N/A
54 TOTAL GENERAL & ADMINISTRATIVE	109,429	732,105	1,597,600	46%
55 TOTAL OPERATING EXPENSE	\$ 263,902	\$ 2,011,548	\$ 3,966,700	51%

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Pico Water District

Financial Statements

Capital Improvement Projects (Unaudited)

	December 2023	YTD 2023	Budget 2023	Remaining Under / (Over) Budget
1 Studies & Plans				
2 Water Master Plan	\$ 6,110	\$ 6,110	\$ 85,900	\$ 79,790
3 Rate Study	13,188	30,841	-	(30,841)
4 Total Studies & Plans	19,298	36,951	85,900	48,949
5 Office Equipment Purchase				
6 Office & Boardroom AC Upgrade	-	-	25,000	25,000
7 Tyler Document Management Program & Scanners	-	-	17,000	17,000
8 Total Office Equipment Purchase	-	-	42,000	42,000
9 Field Equipment Purchase				
10 Utility Truck - 2022	-	-	-	-
11 Utility Truck - 2023	-	40,809	40,000	(809)
12 Total Field Equipment Purchase	-	40,809	40,000	(809)
13 Replacement Programs				
14 Main Lines	-	5,841	50,000	44,160
15 Hydrants	-	-	12,500	12,500
16 Service Lines	-	-	12,500	12,500
17 Meters	-	-	90,000	90,000
18 Valves	-	-	15,000	15,000
19 Total Replacement Programs	-	5,841	180,000	174,160
20 Wells & Equipment Upgrade				
21 Reservoir: Access Door & Overflow Pipe	-	-	-	-
22 Well 5A Waste Water Discharge Line	-	14,930	200,000	185,070
23 Total Wells & Equipment Upgrade	-	14,930	200,000	185,070
24 PFAS Remediation Treatment Plants				
25 Well 8 Waste Water Discharge Line	-	-	-	-
26 Treatment Plants Wells 11, 8, 5	289,647	931,561	1,862,900	931,339
27 WRD - PFAS Capital Contributions	-	(142,085)	(1,862,900)	(931,339)
28 Net PFAS Remediation Treatment Plants	289,647	789,476	-	-
29 TOTAL CAPITAL IMPROVEMENT PROJECTS	\$ 308,945	\$ 888,007	\$ 547,900	\$ 449,370

*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.

ACTION / DISCUSSION ITEMS

7. ACTION/DISCUSSION ITEMS.

- A. Discussion Item: James Jones Hydrants & Break Checks presentation by Mueller Water Works
- B. Consider Board Approval of Resolution 247-R Revising the District's Reserve Fund Policy; *Recommended Action – Board Discussion / Approve*
- C. Consider Board Approval of Enrollment in the Low-Income Household Water Assistance Program (LIHWAP); *Recommended Action – Board Discussion / Approve*
- D. Consider Board Approval of Adopting the District's Multi-Jurisdictional Hazard Mitigation Plan (MJHMP) Annex: Pico Water District; *Recommended Action – Board Discussion / Approve*
- E. Consider Board Approval of District's Scholarship Application Process
Recommended Action – Board Discussion / Approve

PICO WATER DISTRICT

DISCUSSION ITEM - 7A

**A. Discussion Item: James Jones
Hydrants & Break Checks
presentation by Mueller Water
Works**

PICO WATER DISTRICT

DISCUSSION ITEM - 7B

**B. Consider Board Approval of
Resolution 247-R Revising the
District's Reserve Fund
Policy; Recommended Action
– Board Discussion /Approve**

STAFF REPORT

To: Honorable Board of Directors

From: Joe D. Basulto, General Manager

Meeting Date: February 7, 2024

Subject: 7B - Consider Board Approval of Resolution 247-R Revising the District's Reserve Policy

Recommendation:

Board / Discussion & Approve

Fiscal Impact:

None at this time

Background:

Per the Pico Water District 2023 Water Rate Study it was recommended that the District update its reserve policy to align with industry standards more closely and enhance risk management.

The propose reserve policy defines minimum and maximum reserve target levels for the following four categories:

1. Operating Reserve: To maintain cash on hand to meet short-term cash flow imbalances
2. Capital Improvement Reserve: To maintain cash on hand to execute CIP Projects
3. Rate Stabilization Reserve: To mitigate the risk of revenue shortfalls during periods of reduced water sales
4. Emergency Reserve: To mitigate the risk of natural disaster, unexpected asset failure, etc.

Reserve Targets	Minimum Reserve Level	Maximum Reserve Level
Current Reserve Targets		
1. Operating Reserve	\$200,000	\$750,000
2. Capital Improvement Reserve	\$200,000	\$2,000,000
3. Rate Stabilization Reserve	\$80,000	\$400,000
4. Administrative Facilities Reserve	\$50,000	\$200,000
Total Reserve Target	\$530,000	\$3,350,000
Proposed Reserve Targets		
1. Operating Reserve	35% of annual operating expenses	35% of annual operating expenses
2. Capital Improvement Reserve	80% of annual average 5-year CIP	80% of annual average 5-year CIP
3. Rate Stabilization Reserve	N/A	20% of volumetric rate revenue
4. Emergency Reserve	N/A	\$2,000,000
Total Reserve Target (Projected FY 2024)	\$2,709,396	\$5,185,664

- Note: Currently the District does not have a Emergency Reserve

RESOLUTION NO. 247-R

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE PICO WATER DISTRICT
REVISING THE DISTRICT'S RESERVE FUND POLICY**

WHEREAS, Pico Water District (the "District") has accumulated reserves to provide for the future replacement of capital assets and to provide funding in the event of emergencies, and plans in the future to continue to accumulate additional reserves for those purposes; and

WHEREAS, by Resolution No. 204-R, adopted October 18, 2017, the District's Board of Directors adopted a reserve fund policy regarding the District's reserves, including specific reserve fund requirements to be met; and

WHEREAS, it is prudent and in the best interest of the District and its customers and residents to periodically review and update the reserve fund policy to ensure reserve fund levels are set at appropriate levels and to specify the circumstances under which such monies may be expended, so as to ensure such monies are maintained at prudent levels and are expended for appropriate purposes,

NOW, THEREFORE, the Board of Directors of Pico Water District hereby adopts the following policy regarding the accumulation, maintenance and expenditure of District reserves:

1. Statement of Reserve Policy. The purpose of the Pico Water District Reserve Fund Policy is to ensure the District will at all times have sufficient funding available to meet its operating, capital and, if applicable, debt service cost obligations. Reserves shall be managed in a manner that allows the District to fund costs consistent with its Capital Improvement Program, as modified from time to time, as well as other long-term plans, while avoiding significant water rate fluctuations due to changes in cash flow requirements. At the first Board of Directors' meeting in April and October of each year, the District's General Manager shall report to the Board regarding compliance with this policy.

2. Segregation and Establishment of Reserves. The District's Board of Directors hereby creates the following categories and sub-categories of the District's reserves in which the District's reserves shall be held:

- A. **UNRESTRICTED GENERAL RESERVES**: shall consist of any funds not held in either Restricted Reserves or Unrestricted Designated Reserves. The Board of Directors may authorize transfers to other categories of reserves by a majority vote; provided, however, that the General Manager may transfer amounts not exceeding Fifty Thousand Dollars (\$50,000.00) from

Unrestricted General Reserves to either Restricted Reserves or Unrestricted Designated Reserves upon written notice to the Board of Directors.

B. **RESTRICTED RESERVES:** shall consist of funds held in segregated accounts, as described below, to be used only for purposes relating to each particular account; provided, however, that if legally or contractually permissible, the Board of Directors may authorize the transfer of funds between such accounts on the finding adopted by at least four-fifths (4/5) of the Board of Directors that an emergency requires such a transfer:

(1) **Bond or COP Reserves (if applicable)** – shall be established if required under any financing documents related to the issuance of those debt instruments. The amount of those reserves shall be determined in accordance with the requirements set forth in those financing documents.

(2) **Water Rights Payment Reserves** – shall consist of monies paid to the District by any developer in accordance with Rule 11.03 of the District’s Rules and Regulations. Monies held in this reserve shall be held until such time as they need to be expended for the lease or purchase of Central Basin Allowed Pumping Allocation in accordance with the provisions of said Rule 11.03.

(3) **Retiree Reserves** – in accordance with Government Accounting Standards Board standard 45, this fund shall consist of the actuarial value of post-employment benefits for retirees and their beneficiaries. The amount of such reserves shall be determined by District staff through an analysis of the District’s obligations relating to such benefits.

C. **UNRESTRICTED DESIGNATED RESERVES:** shall consist of funds held in segregated accounts, as described below, to be used only for purposes relating to each particular account; provided, however, that the Board of Directors may authorize transfers between accounts, or from such an account to Unrestricted General Reserves by a majority vote:

(1) **Capital Improvement Reserve** – shall consist of monies to be used for capital improvements to various components of the District’s supply and distribution systems to maintain and enhance water service to the District’s customers, and

for planning and engineering related to such improvements. The Capital Improvement Reserve Target Level shall equal Eighty Percent (80%) of the single-year average in the District's planned five-year capital expenditures per the District's current Capital Improvement Plan, as adopted from time to time. Monies shall be expended from Capital Improvement Reserves in accordance with the District's Capital Improvement Plan, as adopted from time to time, or as the Board may otherwise approve for unexpected and unplanned improvements.

- (2) **Operating Reserves** – shall consist of monies to be used to cover the District's operating expenses in the event that District revenues are insufficient to meet those expenses. The Operating Reserve Target Level shall equal Thirty-Five Percent (35%) of annual operating expenses per the District's approved budget, as adopted each year. Monies shall be expended from Operating Reserves as the General Manager or Board of Directors deem necessary.
- (3) **Rate Stabilization Reserve** – shall consist of monies to mitigate revenue shortfalls resulting from the unanticipated reduction in water sales, such that the District may utilize Rate Stabilization Reserves in lieu of increasing District water rates and charges over the short term. The Rate Stabilization Reserve Target Level shall equal Twenty Percent (20%) of revenue from volumetric rates per the District's approved budget, as adopted each year. Monies shall be expended from Rate Stabilization Reserves as the General Manager or Board of Directors deem necessary.
- (4) **Emergency Reserve** – shall consist of monies to be used in the event of a natural disaster, unexpected capital asset failure, or other fiscal emergency. The Emergency Reserve Target Level shall equal Two Million Dollars (\$2,000,000). Monies shall be expended from Emergency Reserves as the General Manager or Board of Directors deem necessary.

3. Reserve Levels. The District shall maintain total unrestricted designated reserves that meet or exceed a minimum amount equal to the sum of the Capital Improvement Reserve Target Level and the Operating Reserve Target Level, but that do not exceed a maximum amount equal to the sum of the Capital Improvement Reserve Target Level, Operating Reserve Target Level, Rate Stabilization Reserve Target Level, and the Emergency Reserve Target Level. Notwithstanding the foregoing, the actual amounts that may be retained in the respective reserves specified in Paragraph 2(C), above, may vary based on the District's ongoing operational needs.

4. Annual Review. At its first meeting in October of each year, the Board shall review all reserve accounts and make a determination regarding the purposes for the reserves, the appropriate levels of accumulation, the conditions precedent to the utilization of the reserves, and a determination of whether or not the accounts should be maintained, or new accounts be established.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Pico Water District, held February 7, 2024 by the following roll call vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

Raymond Rodriguez, President

ATTEST:

Joe D. Basulto, Secretary

PICO WATER DISTRICT

DISCUSSION ITEM - 7C

C. Consider Board Approval of Enrollment in the Low-Income Household Water Assistance Program (LIHWAP); Recommended Action – Board Discussion / Approve

STAFF REPORT

To: Honorable Board of Directors
From: Joe D. Basulto, General Manager
Meeting Date: February 7, 2024
Subject: 7C - Consider Board Approval of Enrollment in the Low-Income Household Water Program (LIHWAP)

Recommendation:

Board / Discussion & Approve

Fiscal Impact:

None at this time

Background:

The new Low Income Household Water Assistance Program (LIHWAP) provides financial assistance to low-income Californians to help manage their residential water utility costs. The federal LIHWAP funds are administered by the U.S. Department of Health and Human Services (U.S. HHS) and the California Department of Community Services and Development (CSD) has been designated the administering agency for LIHWAP in California. LIHWAP is a customer-based program where qualified, low-income households can apply to their Local Service Provider (LSPs) to receive a one-time credit (up to \$15,000) on their water or wastewater bill.

In an effort to help our rate-payers with assistance, staff would direct and assist them to this program, as this is not part of District. And with this program would potentially help anyone overly burden with the proposed rate increase.



LIHWAP Enrollment

Program Overview

The new Low Income Household Water Assistance Program (LIHWAP) provides financial assistance to low-income Californians to help manage their residential water utility costs. The federal LIHWAP funds are administered by the U.S. Department of Health and Human Services (U.S. HHS) and the California Department of Community Services and Development (CSD) has been designated the administering agency for LIHWAP in California. LIHWAP is a customer-based program where qualified, low-income households can apply to their Local Service Provider (LSPs) to receive a one-time credit (up to \$15,000) on their water or wastewater bill. The LSP network is made up of nonprofit and local government organizations who will administer the program at the local level which includes customer outreach, intake, eligibility verification and identification of the LIHWAP credit amount.

For more information related to this program, click here:

<https://www.csd.ca.gov/Pages/LIHWAP.aspx>

For information to share with customers, click here: <https://csd.ca.gov/waterbill>

To download the CA LIHWAP Enrollment Package, click [here](#).

To view a recording of the recent informational webinar hosted by CSD and HORNE, click [here](#).

To view the most recent publication of CA LIHWAP FAQ's, [click here](#)

To access the Enrollment Orientation, click [here](#)

In order for your customers to apply for LIHWAP, your water or wastewater system must complete the LIHWAP Direct Payment Agreement via this portal. The agreement will allow your organization to receive payments from HORNE, CSD's third-party funds disbursement partner. To complete the agreement, this application will ask you for:

- Entity Contact Information
- Payment Method (financial institution method if ACH, billing address information if by check)
- A W9 for tax purposes

PICO WATER DISTRICT

DISCUSSION ITEM - 7D

- D. Consider Board Approval of Adopting the District's Multi-Jurisdictional Hazard Mitigation Plan (MJHMP)
Annex: Pico Water District;
Recommended Action –
Board Discussion / Approve**

STAFF REPORT

To: Honorable Board of Directors

From: Joe D. Basulto, General Manager

Meeting Date: February 7, 2024

Subject: 7D - Consider Board Approval of Adopting the District's Multi-Jurisdictional Hazard Mitigation Plan (MJHMP) Annex: Pico Water District

Recommendation:

Board / Discussion & Approve

Fiscal Impact:

None at this time

Background:

Mitigation planning provides a framework local government can build on to lessen the impacts of natural disasters. By encouraging whole-community involvement, assessing risk and using a range of resources, local governments can reduce risk to people, economies and natural environments.

This Multi-Jurisdictional Hazard Mitigation Plan (MJHMP) was prepared in response to the Disaster Mitigation Act of 2000 (DMA 2000). DMA 2000 (also known as Public Law 106-390) since 2005 has required state and local governments (including special districts and joint powers authorities) to prepare mitigation plans to document their mitigation planning process, and identify hazards, potential losses, mitigation needs, goals, and strategies. This type of planning supplements the comprehensive land use planning and emergency management planning programs for the participating agencies. The agencies included in this MJHMP are:

- Bellflower-Somerset Mutual Water Company
- Kinneloa Irrigation District
- La Puente Valley County Water District
- Pico Water District
- Public Water Agencies Group
- Rowland Water District
- San Gabriel County Water District
- South Montebello Irrigation District
- Three Valleys Municipal Water District
- Valencia Heights Water Company
- Walnut Valley Water District

These agencies have come together from shared participation in the Public Water Agencies Group which includes a total of 20 water agencies. Of those, the 11 agencies named above sought to work together on a multi-jurisdictional hazard mitigation plan. This is the first such plan for the participating agencies. Once adopted by the agency decisions makers and approved by FEMA, the Plan will ensure eligibility for Hazard Mitigation Grant Program (HMGP) and other mitigation-related funding.



Introduction

This Annex of the Multi-Jurisdictional Hazard Mitigation Plan (MJHMP) details the hazard mitigation planning elements specific to the Pico Water District. This Annex is not intended to be a standalone document but appends to and supplements the information contained in the MJHMP Base Plan document.

The MJHMP consists of two parts: 1) Rowland Water District Base Plan, including the planning process, risk assessment and other FEMA mandated information, and 2) Annexes for each of the other agencies participating in the MJHMP planning process.

This Annex provides additional information specific to the Pico Water District Water District with a focus on providing additional details on the planning process, risk assessment, and mitigation strategy.

Planning Process

In coordination with the MJHMP Planning Team discussed in Part 1: Planning Process of the MJHMP Base Plan, agency representatives followed the planning process. In addition to providing representation on the MJHMP Planning Team, the agency representative shared hazard information and draft plans within the agency. The table below indicates the steps in the planning process and the representative's involvement.

Table: District Planning Team Participation

Name	Research and Writing of Plan	Planning Team Meeting 1: 9/14/2022	Planning Team Meeting 2: 9/28/2022	One-on-One Mentoring Session: 11/2-12/2022	Collaborative Meeting: 12/6/2023	Planning Team Meeting 3: 1/19/2023	One-on-One Mentoring Session: 2-5/2023	Planning Team Meeting 4: June 28, 2023	Planning Team Comment on First Draft Plan	Distribute Second Draft Plan to General Public and External Agencies	Submit Third Draft Plan to Cal OES/FEMA for Approvable Pending Adoption	Post Final Draft Base Plan and Annex in Advance of Board of Directors Meeting	Present Final Draft Base Plan and Annex to Board of Directors for Adoption	Submit Proof of Adoption to FEMA for Final Approval
Joe Basulto	X	X	X	X	X	X	X	X	X					
Matt Tryon	X				X	X		X	X					



District Profile

The profile includes an overview of the district, population, geography, and climate.

Pico Water District was formed in 1926 as a County Water District under the State Water Act of 1913, to provide water service to the 243 homes then situated in the community of Pico. Prior to the incorporation of Pico Rivera in 1958, the area consisted of two unincorporated towns, Pico and Rivera. Before the formation of the District, those homes were served by five small water systems, which depended on groundwater wells to provide water to the residents. The problem with those systems was that the residents who lived near the wells got most of the water and the strongest water pressure, while people who lived further away from the wells received water at very low pressure. The Pico-Rivera Chamber of Commerce was instrumental in creating the District, by showing the residents that if they wanted to maintain and increase the value of their homes, they needed an improved water system.



The residents began efforts to form the District. However, because the assessed valuation of the residents' properties did not exceed the \$1 million necessary to secure the \$130,000 in bond funding to construct the new water system, the residents convinced local ranchers to join in the District so that the assessed valuation would exceed the required \$1 million threshold. Voters approved the proposal and Pico Water District was established.

Over the years, the District has grown from its initial 243 service connections, to 608 in 1936, 1,048 in 1946, 4,765 in 1956 (as you can see, significant growth occurred in the post-World War II years), 5,076 in 1966, 5,233 in 1976, to 5,403 connections in 2020, serving the District's 2.3-square-mile service area.

Today the District provides water service to its customers through the use of five active wells ranging in water production from 700 to 2,800 gallons per minute, and one 1.25-million-gallon reinforced concrete reservoir. The District pumps all of its water from the underground aquifer known as the Central Basin, which is an adjudicated water basin. The District delivers water to residential, commercial, industrial, and governmental customers.

In 2008, the District's Board of Directors approved development of a Water System Master Plan to determine areas in need of improvement and help management make strategic decisions that would improve upon the reliability and efficiency of the District.

Pico Water District is fortunate to sit on top of the Central Groundwater Basin, a large underground body of sand and gravel that holds billions of gallons of fresh groundwater that is naturally filtered as it slowly moves through these sediments. Because of this, Pico Water District uses wells to pump out this groundwater to meet 100% of our supply needs. Therefore, we do not need to buy more expensive imported water from the Metropolitan Water District of Southern California (MWD), saving our customers money on their monthly water bills.

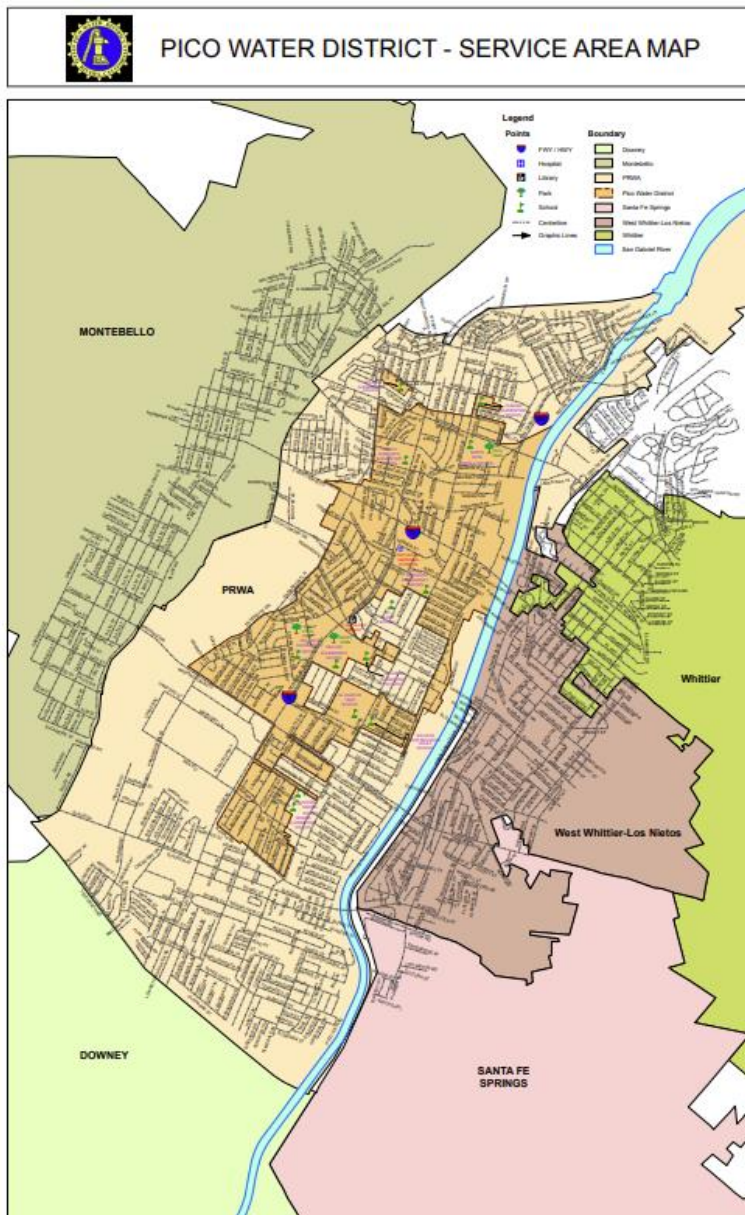


The basin is replenished naturally by rainfall and river water, which can originate as snowmelt from the San Gabriel Mountains. The Water Replenishment District of Southern California (WRD) adds to this natural recharge through the use of highly treated recycled water from the Los Angeles County Sanitation Districts and the Albert Robles Center. WRD ensures that the basin remains replenished with much more groundwater than Pico Water District needs. Pico Water District's system is comprised of the following facilities:

- 5 active wells
- 1.25 million gallon storage tank
- 52 miles of pipelines ranging in size from 4 to 14 inches in diameter
- 3 booster pumps with combined pumping output of 2400 gallons per minutes
- 5581 total meters

Map: Pico Water District Boundary

Source: PWD Website, 2023





Overview

The Pico Water District office is located at 4843 S. Church Street, Pico Rivera, CA 20660. The majority of the District's service area is within the City of Pico Rivera.

Table: District's Assets
Source: District's Planning Team

Facility Name, Type, and Address	# Occupants	# Buildings	\$ Structure Value	\$ Contents Value	\$ Total Value
District Office & Yard 4843 Church Street, Pico Rivera	10	4	\$1,655,030	\$1,868,036	\$3,523,066
Well #2 – 4852 Church Street Pico Rivera	0	1	\$406,000	\$96,854	\$502,854
Well #4A 9536 Brasher Street, Pico Rivera	0	1	\$261,000	\$189,668	\$450,668
Well #5A 6708 Rosemead Boulevard, Pico Rivera	0	1	\$493,000	\$262,205	\$755,205
Well #6 9327 Bermudez Street, Pico Rivera	0	1	\$118,784	\$83,257	\$202,041
Well #7 9038 Arma Street, Pico Rivera	0	1	\$403,100	\$260,835	\$663,935
Well #8 5514 Paramount Boulevard, Pico Rivera	0	1	\$339,300	\$260,835	\$600,135
Well #9A / Cate Reservoir 4823 Lexington Road, Pico Rivera	0	2	\$1,403,136	\$2,041,598	\$3,444,734
Well #10 4527 Tobias Avenue, Pico Rivera	0	1	\$329,208	\$228,252	\$557,460
Well #11 6602 Rosemead Boulevard, Pico Rivera	0	2	\$573,040	\$968,879	\$1,541,919
Totals	10	16	\$ 5,981,598	\$ 6,260,419	\$ 12,242,017



Geography and Climate

According to the 2019 County of Los Angeles All-Hazards Mitigation Plan, the 2018 Our County: Landscapes and Ecosystems, and the City of Pico Riviera General Plan the following information identifies the geography and climate of the project area.

Geography

Underlying the livability and economic vitality of a community is its perceived image. Quality in the design of the built environment is an investment that pays dividends in residents' perceptions of their quality of life and the perceptions that prospective employers and retailers will have regarding the desirability of Pico Riviera as a location for their businesses.

Pico Riviera's existing community character is a result of its natural setting, a compact community flanked by two rivers, and the history of the area, which began as Spanish and Mexican ranchos and later evolved into two small separate residential communities situated between the rivers – the towns of Pico and Riviera—that were ultimately incorporated into the City of Pico Riviera.

The city has enjoyed a marked improvement in the quality of its built environment over the past 20 years. New investments have been made in large-scale commercial development along Whittier and Washington Boulevards, and a modern industrial park has replaced the former Northrup manufacturing plant. In addition, significant investment has been made in upgrading streetscapes, as evidenced by recent improvements along Beverly, Rosemead, Washington, and Paramount Boulevards including the Parsons Boulevard Underpass project.

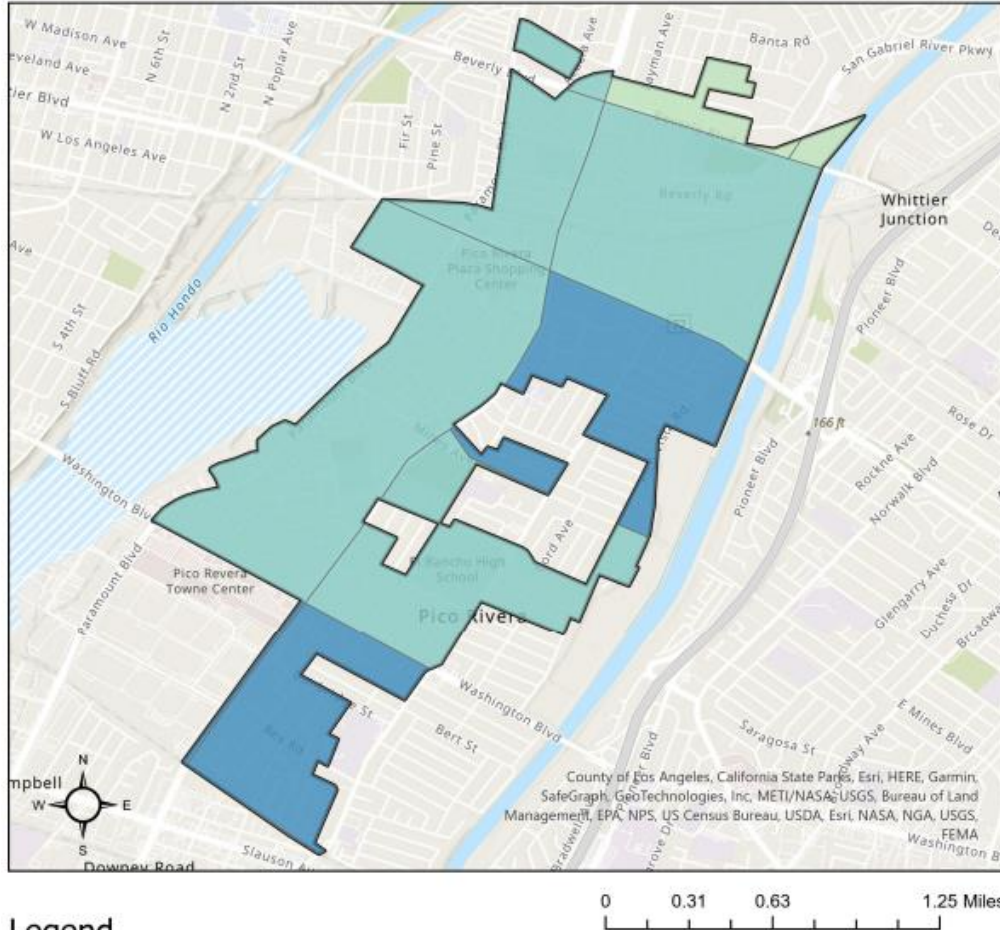
Social Vulnerability

Social vulnerability considerations were included in this plan to identify populations across the service area that might be more vulnerable to hazards. Social Vulnerability refers to a community's capacity to prepare for and respond to the stress of hazardous events ranging from natural disasters such as tornadoes or disease outbreaks, to human caused threats such as toxic chemical spills (CDC/ATSDR, 2020). To better assist emergency planners, the CDC Agency for Toxic Substances and Disease Registry (CDC/ATSDR) developed the Social Vulnerability Index (SVI) as a way to depict the social vulnerability of communities, as the census tract level within a specified county. Tracts with a higher SVI will likely need support before, during and after a hazardous event. The SVI can help public health officials and local planners better prepare for and respond to emergency events by displaying what areas of the jurisdiction have a high vulnerability ranking to low vulnerability ranking.

The map below depicts the SVI map for the Pico Water District. There are 2 census tracts within the district that have a high SVI, 5 census tracts that have a medium-high SVI, and 2 census tracts that have a low-medium SVI. The high SVI rated census tracts area depicted in the darker blue areas on the map. The medium light blue represents the medium-high SVI census tracts and the lightest blue represents the low-medium SVI census tracts.



Map: Pico Water District Social Vulnerability Index
Source: CDC/ATSDR Social Vulnerability Index, 2023

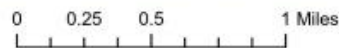
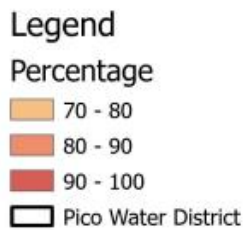
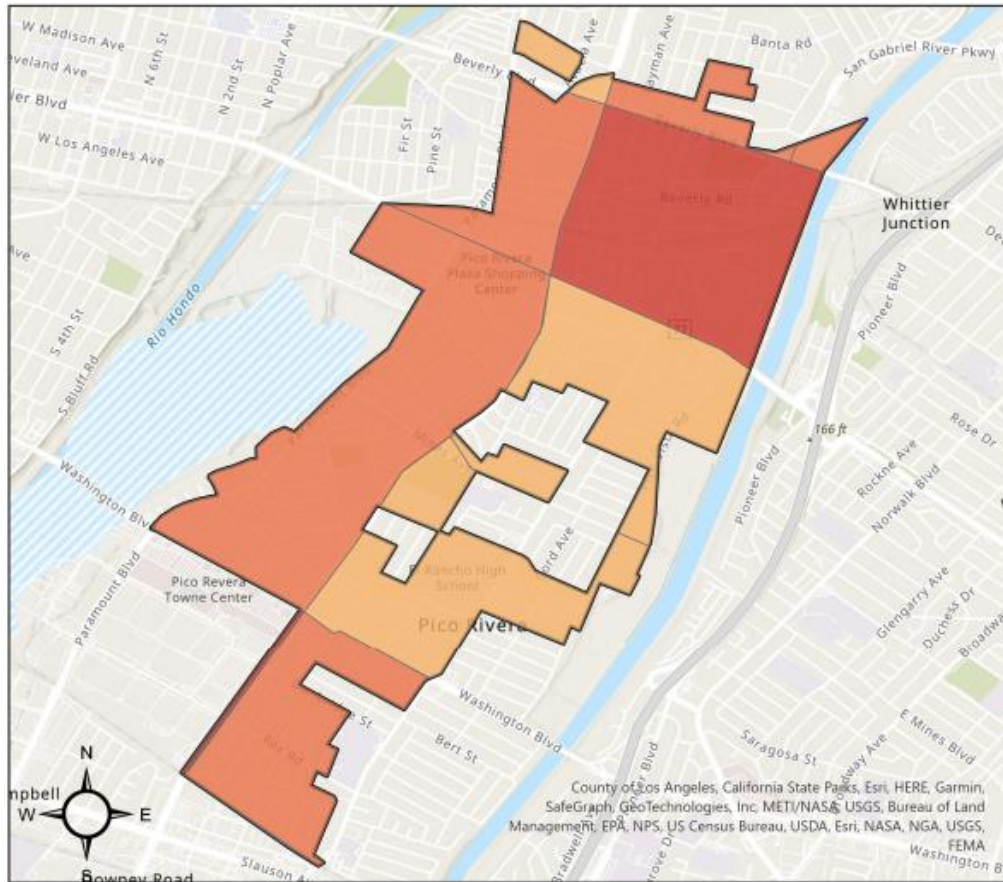


- Legend**
- SVI**
- Low - Medium
 - Medium - High
 - High
 - Pico Water District

The census tracts depicted in the SVI maps correspond to the California Office of Environmental Health Hazard Assessment (OEHHA) CalEnviroScreen 4.0 mapping tool and census tract datasets. The CalEnviroScreen 4.0 is a mapping tool that helps identify California communities that are most affected by many sources of pollution, where people are often especially vulnerable to pollution's effects. CalEnviroScreen ranks census tracts in California based on potential exposures to pollutants, adverse environmental conditions, socioeconomic factors and the prevalence of certain health conditions. Those census tracts with a higher overall percentile score have a higher pollution burdens and population sensitives. These tracts are depicted in the darker red colors on the map. Census tracts with lower overall percentile scores have a lower pollution burdens and population sensitivities. These tracts are depicted in a darker green color on the map. The majority of Pico Water District is between the 70 and 100 overall percentile range.



Map: Pico Water District CalEnviroScreen 4.0 Results
 Source: CalEnviroScreen, 2023



Identification of Disadvantaged Communities

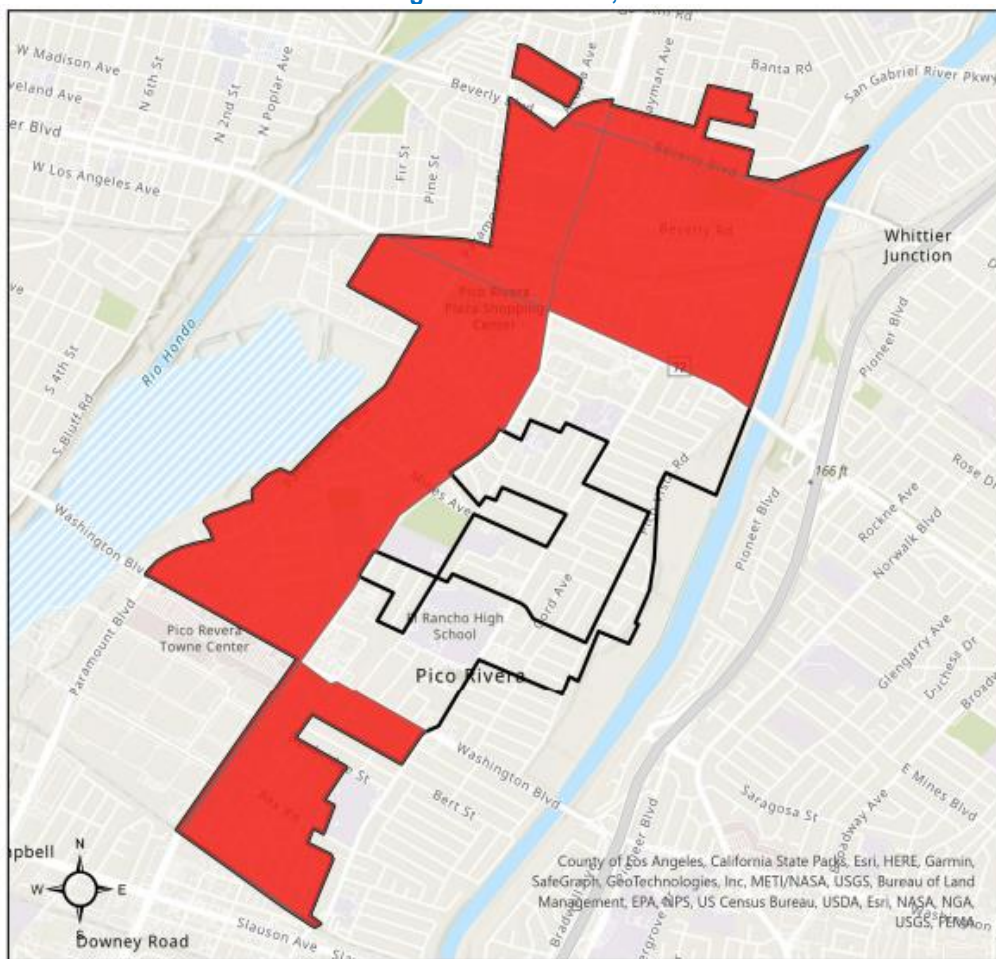
SB 1000 defines “disadvantaged communities” as areas identified by the California Environmental Protection Agency pursuant to Section 39711 of the Health and Safety Code or as an area that is low-income that is disproportionately affected by environmental pollution and other hazards that can lead to negative health effects, exposure, or environmental degradation. To assist in identifying disadvantaged communities, the State has provided a mapping tool called “CalEnviroScreen.” CalEnviroScreen uses several factors, called “indicators” that have been shown to determine whether a community is disadvantaged and disproportionately affected by pollution. Pollution burden indicators measure different types of pollution that residents may be exposed to, and the proximity of environmental hazards to a community. Population characteristics represent characteristics of the community that can make them more susceptible to environmental hazards.



CalEnviroScreen provides an overall percentile score determined by combining weighted individual scores for all the individual indicators analyzed. SB 1000 considers a 75 percent or higher score in this category to be a qualifier for consideration as a disadvantaged community. The overall scores are represented in a statewide map, with red representing the highest percentile range and green representing the lowest. Areas with higher scores generally experience higher pollution burdens and fare less well on a range of health and socioeconomic indicators than areas with low scores.

The majority of the Pico Water District service area is considered a disadvantaged community based on the CalEnviroScreen scores. The SB 535 Disadvantaged Communities are depicted in red in the map below.

Map: Pico Water District Company SB 535 Disadvantaged Communities
Source: CALEPA SB535 Disadvantaged Communities, 2023



Legend

- SB535 Disadvantaged Community
- Pico Water District



Climate

Los Angeles County has a Mediterranean-type climate, characterized by cool wet winters and warm dry summers. With a population of over 10 million residents, the county is the most populated in California, and one of the largest counties in size in the nation. Los Angeles County boasts a diversity of landscapes, and species and is made up of a vast unincorporated area and 88 cities that span mountains, deserts, beaches, and islands. The County is also biologically diverse. Southern California is home to the largest set of threatened and endangered plants and animals in the continental United States, making it the most urbanized area to be designated one of Conservation International's global Biodiversity Hotspots.

Urban ecosystems are dynamic combinations of natural, social, and constructed features. The County's ecosystems span natural and urban landscapes and can be thought of as an interconnected system of biological communities with organisms interacting with a range of physical environments. This diverse ecosystem not only serves as important habitat for the region's biodiversity, but provides extraordinary value to residents through recreational and educational opportunities, agricultural and other extractive land uses, aesthetic enjoyment, and a variety of other ecosystem services such as shading, air purification, water filtration, and flood control. (<https://ourcountyla.lacounty.gov>)

Climate Vulnerability Assessment

According to "California's Fourth Climate Change Assessment" developed by the State of California, continued climate change will have a severe impact on California. Increased temperatures, drought, wildfires, and sea level rise are several of the main concerns related to climate change in the Southwest. Other impacts anticipated from climate change include food insecurity, increases in vector-borne diseases, degradation of air quality, reduced ability to enjoy outdoors, and potential economic impacts due to uncertainty and changing conditions.

Climate change disproportionately affects those with existing disadvantages. Low-income communities and communities of color often live in areas with conditions that expose them to more severe hazards, such as higher temperatures and worse air quality. These communities also have fewer financial resources to adapt to these hazards. For instance, low-income populations may reduce air conditioning usage out of concerns about cost. Outdoor workers, individuals with mobility constraints, and sensitive populations such as the very young, elderly, and poor, as well as those with chronic health conditions, are particularly at risk from climate change hazards.

To understand how climate change might affect the Pico Water District, the Cal-Adapt tool was used to analyze data. "Cal-Adapt provides a way to explore peer-reviewed data that portrays how climate change might affect California at the state and local level" (cal-adapt.com). Cal-Adapt can provide a climate snapshot for an address, county, city, census tract, or watershed. Since the majority of the Pico Water District service area is within the City of Pico Rivera, the City of Pico Rivera was used for this analysis. Below is a summary of the data reviewed for the City of Pico Rivera.

Increased Temperature: Annual maximum temperatures in the City of Pico Rivera are expected to rise steadily through the end of the century. The City's historical average maximum temperature is based on data from 1961-1990, is 78.3°F. Under the medium emissions scenario, the average annual maximum temperature is projected to increase to 82.4°F during



the Mid-Century (2035-2064). Between 2070 and 2099 the annual average maximum temperature under the high-emission scenario is projected to increase to 86.5°F.

More Extreme Heat Days: Extreme Heat Days occur when the maximum temperature is above 100.5°F. Historically the City of Pico Riviera has experienced an average of 3 extreme heat days per year. By mid-century, 2025-2064, the annual number of extreme heat days is expected to rise to 12 under medium emission scenarios and 15 under high emission scenarios. By the end of the century, 2070 and 2099, the number of extreme heat days is expected to rise to 16 under medium emission scenarios and 33 under high emission scenarios.

Static Annual Precipitation: Historically the City of Pico Riviera has experienced an annual average of 15.5 inches of precipitation. Annual precipitation is expected to remain static during the mid-century. Under the medium emission scenario, it is expected that the annual precipitation will remain steady at 15.1 inches. Under the high emission scenario, it is expected that the annual precipitation will be 15.2 inches. By the end of the century annual precipitation is expected to increase to 15.6 inches under the medium emission scenario and 15.3 inches under the high emission scenario.

Longer and More Extreme Droughts: The City of Pico Riviera can expect to see a 11.3% Increase in average temperature and a 26.7% decrease in precipitation during drought conditions. This will lead to longer, more extreme drought conditions in the late century.

Steady Wildfire Threat: Wildfire data is analyzed at the county level. The City of Pico Riviera is within the county of Los Angeles. Based on historical data from 1961–1990, Los Angeles County experiences a decadal average loss of 4,436.1 hectares to wildfire. The probability that a wildfire will occur in any one year over a 10-year period, known as the decadal probability, is projected to remain constant through 2099 under both high-emissions and low emissions scenarios. Under the low-emissions scenario, the decadal average loss to wildfire is expected to increase to 5,719.2 hectares by mid-century and 5662.9 hectares by 2099. Under the high-emissions scenario, the decadal average loss to wildfire is projected to rise to 5,579.7 hectares by 2065 and 5,275.4 hectares by the end of the century.

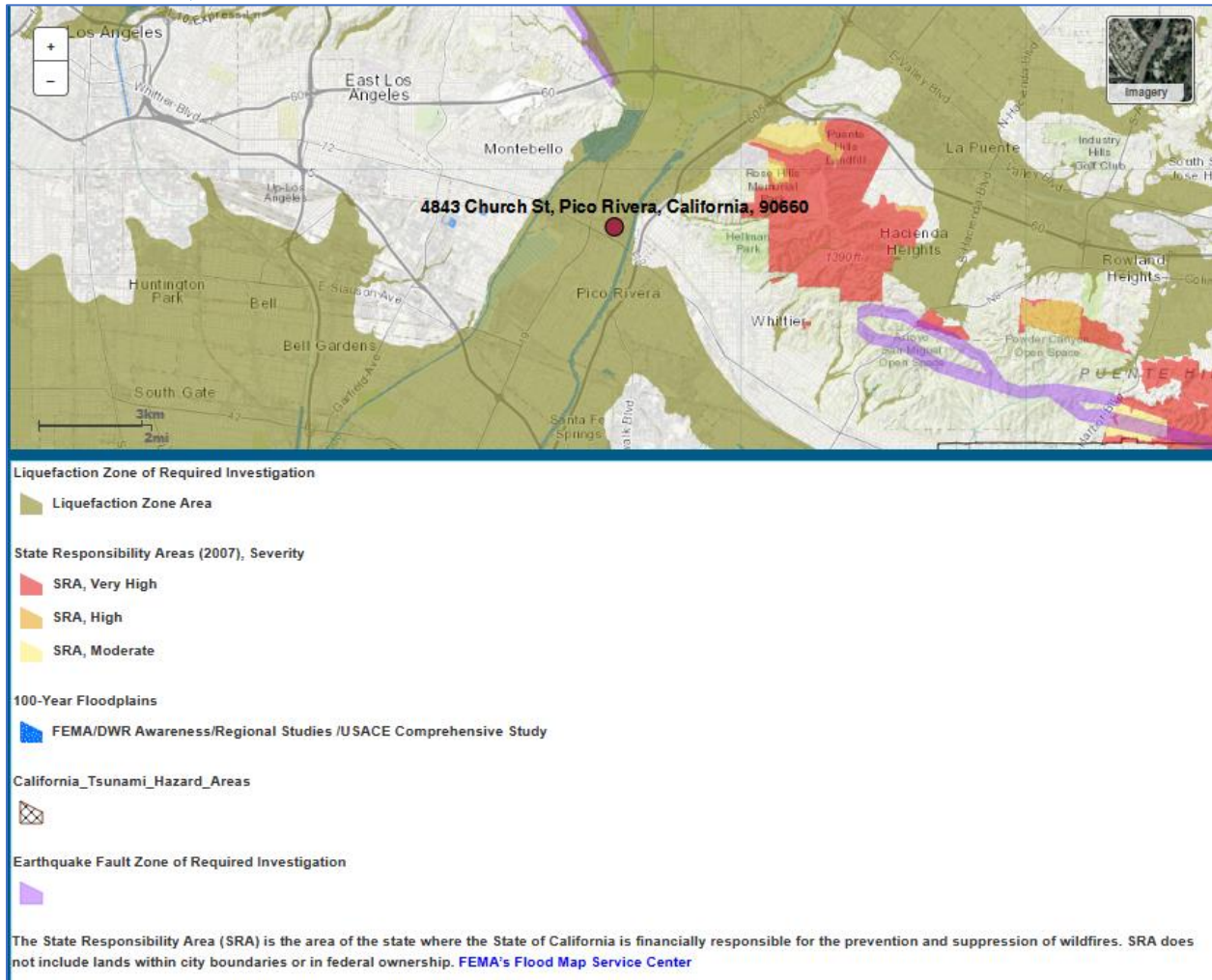
Hazard Map

Utilizing California's "MyHazards" online hazard mapping resource, the following map identifies earthquake, flooding, liquefaction, and wildfire threats. MyHazards was designed by the State of California as a tool for the general public to discover hazards in their area (earthquake, flood, fire, and tsunami) and learn steps to reduce personal risk. Using the MyHazards tool, users may enter an address, city, zip code, or may select a location from a map. The map targets the location and allows users to zoom and scroll to their desired view. The screen then presents information on the risks identified within the search radius, and recommended actions. MyHazards website performs best when using Internet Explorer. Hazard Data is approximate and data layer visibility are subject to the extent of the Map. To access MyHazards to create a map of your own, follow the link to MyHazards (<https://myhazards.caloes.ca.gov/>).

Below is the MyHazards map prepared for the Pico Water District.



Map: MyHazards for Pico Water District
Source: Cal OES, 2023



Hazard Identification and Profile

The MJHMP Planning Team identified hazards posing a significant threat to the entire project area (Public Water Agencies Group Footprint). That determination was based on reviewing the State Hazard Mitigation Plan and the 2019 County of Los Angeles All-Hazards Mitigation Plan.

The MJHMP Planning Team chose to analyze all of the hazards included in the County of Los Angeles AHMP which included: earthquake, flood, landslide, wildfire, tsunami, dam failure, climate change, and drought.

Following that analysis, the MJHMP Planning Team chose to integrate climate change into all of the hazards. Also, a new hazard category was developed for “utility related” which includes Public Safety Power Shutoff (PSPS) and natural gas related events.

Next, the MJHMP Planning Team utilized a hazard ranking tool known as the Calculated Priority Risk Index. As a whole, the MJHMP Planning Team completed a CPRI for the project area. The CPRI instructions, key, and results are located in the MJHMP Base Plan – Risk Assessment. The Base Plan also includes a hazard assessment for each of the identified



hazards including hazard identification, previous occurrences, local conditions, impacts, and vulnerabilities.

Then, each of the participating agencies worked off of the Project Area CPRI to rank the hazards for their particular agency. Each agency was provided with a list of the Project Area hazards, a copy of the project area CPRI, instructions, and index key to complete an agency-specific CPRI with the assistance of district staff.

The results were used to prioritize hazard rankings (high, medium, and low) which drove development of the District's Mitigation Actions Matrix (located at the end of the Annex).

Following is the Pico Water District CPRI and the CPRI Index Key which explains the rating system:

Table: Pico Water District CPRI and Hazard Priority Ranking
Source: District Planning Team, Emergency Planning Consultants

Hazard	Probability	Weighted 45% (x.45)	Magnitude Severity	Weighted 30% (x.3)	Warning Time	Weighted 15% (x.15)	Duration	Weighted 10% (x.1)	CPRI Total	Hazard Priority Ranking* (H-High, M-Medium, L-Low)
Dam Failure	2	0.90	2	0.60	1	0.15	3	0.30	1.95	L
Drought	3	1.35	2	0.60	1	0.15	4	0.40	2.50	M
Earthquake	3	1.35	4	1.20	4	0.60	1	0.10	3.25	H
Flood	2	0.90	2	0.60	2	0.30	3	0.30	2.10	L
Utility Related	2	0.90	1	0.30	4	0.60	1	0.10	1.90	L
Wildfire	2	0.90	4	1.20	2	0.30	3	0.30	2.70	H
Windstorm	2	0.90	2	0.60	1	0.15	3	0.30	1.95	L

* Hazard Priority Ranking:
 High = CPRI score for probability + magnitude/severity (impact) = 6 or higher
 Medium = CPRI score for probability + magnitude/severity (impact) = 5
 Low = CPRI score for probability + magnitude/severity (impact) = 3 or 4
 N/A = CPRI score for probability + magnitude/severity (impact) = 2



Table: Calculated Priority Risk Index Key
Source: FEMA Emergency Management Institute

CPRI Category	Degree of Risk			Assigned Weighting Factor
	Level ID	Description	Index Value	
Probability	Unlikely	Extremely rare with no documented history of occurrences or events. Annual probability of less than 1 in 1,000 years.	1	45%
	Possibly	Rare occurrences. Annual probability of between 1 in 100 years and 1 in 1,000 years.	2	
	Likely	Occasional occurrences with at least 2 or more documented historic events. Annual probability of between 1 in 10 years and 1 in 100 years.	3	
	Highly Likely	Frequent events with a well-documented history of occurrence. Annual probability of greater than 1 every year.	4	
Magnitude / Severity	Negligible	Negligible property damage (less than 5% of agency-owned critical and non-critical facilities and infrastructure). Injuries or illnesses are treatable with first aid and there are no deaths. Negligible loss of quality of life. Shut down of critical public facilities for less than 24 hours.	1	30%
	Limited	Slight property damage (greater than 5% and less than 25% of agency-owned critical and non-critical facilities and infrastructure). Injuries or illnesses do not result in permanent disability, and there are no deaths. Moderate loss of quality of life. Shut down of critical public facilities for more than 1 day and less than 1 week.	2	
	Critical	Moderate property damage (greater than 25% and less than 50% of agency-owned critical and non-critical facilities and infrastructure). Injuries or illnesses result in permanent disability and at least 1 death. Shut down of critical public facilities for more than 1 week and less than 1 month.	3	
	Catastrophic	Severe property damage (greater than 50% of agency-owned critical and non-critical facilities and infrastructure). Injuries and illnesses result in permanent disability and multiple deaths. Shut down of critical public facilities for more than 1 month.	4	
Warning Time	> 24 hours	Population will receive greater than 24 hours of warning.	1	15%
	12–24 hours	Population will receive between 12-24 hours of warning.	2	
	6-12 hours	Population will receive between 6-12 hours of warning.	3	
	< 6 hours	Population will receive less than 6 hours of warning.	4	
Duration	< 6 hours	Disaster event will last less than 6 hours	1	10%
	< 24 hours	Disaster event will last less than 6-24 hours	2	
	< 1 week	Disaster event will last between 24 hours and 1 week.	3	
	> 1 week	Disaster event will last more than 1 week	4	



Hazard Profile

The Base Plan – Risk Assessment described hazards by location, extent, probability, and recent occurrence. Table: Hazard Profile from the Base Plan was customized below for the Pico Water District’s hazards identified as “medium” or “high” in the Hazard Priority Ranking.

Table: Hazard Profile of Location, Extent, Probability, and Recent Significant Occurrence for the Pico Water District

Source: District Planning Team, Emergency Planning Consultants

Hazard	Location (Where)	Extent (How Big an Event)	Probability (How Often) *	Most Recent Significant Occurrence
Drought	Entire District	Droughts in urban areas vary considerably in scope and intensity. Likely emergency water shortage regulations would restrict such activities as watering of landscape, washing of cars, and other non-safety related activities.	Likely	Water providers following Governor Newsom’s Executive Order N-7-22 on March 22, 2022, calling on urban water suppliers to implement actions to reduce water usage by 20-30 percent, depending on local conditions.
Earthquake	Entire District	The Southern California Earthquake Center (SCEC) in 2007 concluded that there is a 99.7 % probability that an earthquake of M6.7 or greater will hit California within 30 years. ¹	Likely	The most recent damaging earthquake was the M6.7 Northridge Earthquake in 1994.
Wildfire	Eastern Portion of the District is near the Wildland-Urban Interface	State/Local Responsibility Area designated as Very High Fire Hazard Severity Zone.	Likely	None
* Probability is defined as: Unlikely = 1:1,000 years, Possibly = 1:100-1:1,000 years, Likely = 1:10-1:100 years, Highly Likely = 1:1 year				
¹ Uniform California Earthquake Rupture Forecast				

Critical and Essential Facilities List

The Critical and Essential Facilities List was prepared for each of the water district offices and facilities within the project area. Hazard maps from the 2019 County of Los Angeles All-Hazards Mitigation Plan were used as a basis for determining whether or not a facility was located in or near a hazard. See additional language below on vulnerability to the identified hazards.



Table: Hazard Proximity to Critical and Essential Facilities

Source: District Planning Team, Emergency Planning Consultants, 2023

Y – Yes, area is within hazard zone

N – No, area is not within hazard zone

District Facilities	Earthquake	Wildfire	Drought
District Office & Yard 4843 Church Street, Pico Rivera	Y	N	Y
Well #2 4852 Church Street, Pico Rivera	Y	N	Y
Well #4A 9536 Brasher Street, Pico Rivera	Y	N	Y
Well #5A 6708 Rosemead Boulevard, Pico Rivera	Y	N	Y
Well #6 9327 Bermudez Street, Pico Rivera	Y	N	Y
Well #7 9038 Arma Street, Pico Rivera	Y	N	Y
Well #8 5514 Paramount Boulevard, Pico Rivera	Y	N	Y
Well #9A / Cate Reservoir 4823 Lexington Road, Pico Rivera	Y	N	Y
Well #10 4527 Tobias Avenue, Pico Rivera	Y	N	Y
Well #11 6602 Rosemead Boulevard, Pico Rivera	Y	N	Y

* See Base Plan for information regarding NFIP regulations.

Summary of Vulnerability

The MJHMP Base Plan – Risk Assessment provides a complete risk and vulnerability assessment for each of the project area hazards.

The following is a summary of vulnerability to the hazards identified as impacting the Pico Water District office, 9 wells, and 1 reservoir. Altogether, the structures and contents are valued at \$12,242,017. Note: these estimates are based on 2023.

Earthquake

The combination of plate tectonics and associated geology generates earthquakes as a result of the periodic release of tectonic stresses. Los Angeles County’s terrain lies in the center of the North American and Pacific tectonic plate activity. There have been earthquakes as a result of this activity in the historic past, and there will continue to be earthquakes in the future of California. Fault ruptures themselves contribute very little to damage unless the structure or system element crosses the active fault; however, liquefaction can occur further from the source of the earthquake. In general, newer construction is more earthquake resistant than older construction due to enforcement of improved building codes. Manufactured buildings are very



susceptible to damage because their foundation systems are rarely braced for earthquake motions. Locally generated earthquake motions and associated liquefaction, even from very moderate events, tend to be more damaging to smaller buildings, especially those constructed of unreinforced masonry (URM) and soft story buildings.

Impacts from earthquakes in the service area will vary depending on the fault that the earthquake occurs on, the depth of the earthquake strike, and the intensity of shaking. Should ground shaking be intense, District facilities and critical infrastructure could be damaged or destroyed. Of greater risk than the building is the students and staff who occupy those buildings; injury or loss of life could occur during a significant event. In addition to earthquakes causing structural damage, the District has multiple non-structural components that may be damaged during earthquake shaking. Nonstructural components include furnishings and equipment, electrical and mechanical fixtures, and architectural features such as suspended ceilings, partitions, cabinets, and shelves. In general, nonstructural components and building contents become hazards when they slide, break, fall, or tip over during an earthquake. Securing the nonstructural components and building contents will improve safety and security of the facility.

Drought

Drought is a slow moving hazard. Severe reductions and shutoffs can take place following a broken water main or during major repairs. It is possible that the district would need to resort to restrictions rather than just fines (e.g., discontinuing service, etc.).

Wildfire

The wildfire hazard is one of the highest priority hazards in Los Angeles County and is the hazard with the greatest potential for catastrophic loss. High fuel loads throughout the County, along with geographical and topographical features, create the potential for both natural and human-caused fires that can result in loss of life and property. These factors, combined with natural weather conditions common to the area, including periods of drought, high temperatures, low relative humidity, and periodic winds, can result in frequent and sometimes catastrophic fires. The more urbanized areas within the County are not immune from fire. The dry vegetation and hot and sometimes windy weather, combined with continued growth in the Wildland Urban Interface (WUI) areas, results in an increase in the number of ignitions. Any fire, once ignited, has the potential to quickly become a large, out-of-control fire. As development continues throughout the County, especially in these interface areas, the risk and vulnerability to wildfires will likely increase. Potential impacts from wildfire include loss of life and injuries; damage to structures and other improvements, natural and cultural resources, croplands, and timber; and loss of recreational opportunities. Wildfires can cause short-term and long-term disruption to the service area. Fires can have devastating effects on watersheds through loss of vegetation and soil erosion, which may impact the District by changing runoff patterns, increasing sedimentation, reducing natural and reservoir water storage capacity, and degrading water quality. Fires can also affect air quality in the area; smoke and air pollution from wildfires can be a severe health hazard.

Although the physical damage and casualties arising from wildland-urban interface fires may be severe, it is important to recognize that they also cause significant economic impacts by resulting in a loss of function of buildings and infrastructure. Economic impacts of loss of transportation and utility services may include traffic delays/detours from road and bridge closures and loss of electric power, potable water, and wastewater services. Schools and businesses can be forced to close for extended periods of time. Recently, the threat of wildfire, combined with the potential for high winds, heat, and low humidity, has caused Southern



California Edison to initiate a Public Safety Power Shutoff (PSPS) which can also significantly impact a community through loss of services, business closures, and other impacts associated with loss of power for an extended period. In addition, catastrophic wildfire can create favorable conditions for other hazards such as flooding, landslides, and erosion during the rainy season.

Capability Assessment

The agency will incorporate mitigation planning as an integral component of daily operations. This will be accomplished through the leadership of the agency’s Planning Team representative in coordination with agency departments and positions involved in integrating mitigation strategies into their planning documents and operational guidelines. FEMA identifies four types of capabilities (see MJHMP Base Plan for definitions of the four capabilities):

- ✓ Planning and Regulatory
- ✓ Administrative and Technical
- ✓ Financial
- ✓ Education and Outreach

The table below includes a broad range of capabilities within the agency to successfully accomplish mitigation.

Table: Capability Assessment for Pico Water District
Source: PWD Planning Team

Type of Capability				Name of Capability	Capability Description and Ability to Support Mitigation
Planning and Regulatory	Administrative and Technical	Finance	Education and Outreach		
X	X	X	X	Board of Directors	The District is governed by a five-member board. The Directors are elected by registered voters who reside within the District’s service area. The Board of Directors establishes District policy and makes decisions based on the District’s mission statement, goals and operational needs. The Board’s policies are administered and implemented by the General Manager, who is hired by the Board. Board elections are held every two years and Directors serve a four-year term of office. Terms are staggered to ensure continuity. Board members are obliged to uphold the Constitution of the United States and the Constitution of the State of California, and to act in accordance with local, state and federal laws regulating Board member conduct, including conflict of interests and financial disclosure laws. Board members should work in full cooperation with other public officials unless prohibited by law or prohibited by an officially recognized confidentiality of their work.



Type of Capability				Name of Capability	Capability Description and Ability to Support Mitigation
Planning and Regulatory	Administrative and Technical	Finance	Education and Outreach		
X	X	X	X	General Manager	Under general direction from the Board of Directors, the General Manager is in charge of the day to day activities of the District (administrative, public relations, personnel, and general affairs of the District); carries out the Board's policies and programs with employees, community organizations, and the general public; reviews budget requests and makes recommendations to the Board on final expenditure levels; and is responsible for employer-employee relations.
X	X	X		Director of Operations	Under general direction from the General Manager, plans, organizes, schedules, assigns, inspects; and reviews the construction, maintenance, repair and operation of water production and distribution systems; provides technical staff assistance and does related work as required.
X	X	X		Office Manager	Under general direction from the General Manager, plans and supervises the accounting, billing, payroll, data processing, customer service and collection activities. Also assures that complex and advanced financial record keeping and analysis is performed, and performs other related work as required.
X				Production Supervisor	Under general direction from the Director of Operations, the Production Supervisor performs a wide variety of duties that support the Field Superintendent with the operation and maintenance of the District's production system and fills in for the Superintendent when Superintendent is absent.
X				Water Maintenance Lead Worker	Under general supervision from the Director of Operations the Lead Worker performs the full range of maintenance, installation, and repair assignments with minimal supervision and training and provides coordination and work direction to field staff and leads field crews in the maintenance and repair of the District's distribution system.
X				Water Maintenance II Worker	Under general supervision from the Director of Operations, the Water Maintenance II classification performs the full range of water service system maintenance, installation, and repair assignments with minimal supervision and training.
X				Water Maintenance I Worker	Under close supervision from the Director of Operations or his designee, the Water Maintenance I classification performs the more routine and repetitive maintenance, installation, and repair assignments. As incumbents develop job knowledge and skills, they may begin performing duties and



Type of Capability				Name of Capability	Capability Description and Ability to Support Mitigation
Planning and Regulatory	Administrative and Technical	Finance	Education and Outreach		
					responsibilities characteristic of a more advanced job. When sufficient experience has been obtained, as well as all required certifications and an ability to work independently has been demonstrated, an incumbent may be eligible for promotion to a higher-level position.
X	X	X		Billing Clerk	Under general supervision of the Office Manager, performs clerical work in connection with the processing of bills; maintains detailed accounting records of customer accounts; responds to general customer inquiries and complaints; performs related duties as required.
X			X	Customer Service Representative	Under general supervision from the Office Manager, provides a variety of customer service duties, involving the processing of water applications and billings; responds to general customer complaints and inquiries; performs more advanced and technical customer service support to the office staff including backup to the Billing Clerk.

Expanding and Improving Capabilities

Planning and Regulatory Capabilities – The Pico Water District General Manager 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 Pico Water District’s interests involving new legislation, including developing and maintaining relationships with legislators and other local governing bodies. The Pico Water District’s Urban Water Management Plan was last updated in 2020. This plan outlines the water infrastructure needs until the District reaches build-out. The General Manager will be instrumental in supporting the development, maintenance, and implementation of the Hazard Mitigation Plan, including the mitigation actions.

Administrative and Technical - The Pico Water District has existing capabilities that are typical for water companies. The District has a General Manager who leads strategic planning and overall management of day-to-day activities. Third party consultants manage the information technology, engineering, engineering design, and Geographic Information Systems. The District also has a mix of in house and third-party consultants to manage inspections, water treatment operations, facilities operations, and fleet maintenance. Additionally, the District has an Emergency Response Plan to reference and guide operations during a major emergency impacting the company.



Finance - The Pico Water District long-term financial master plan is reviewed and updated annually basis to evaluate long-term goals, last conducted during FY 2022. The development, maintenance, and implementation of the Hazard Mitigation Plan will benefit from having mitigation projects outlined in the financial master plan.

Education and Outreach – Pico Water District has outsourced its strategic communications, community outreach, water conservation outreach, special events, school education programs, and media relations Mitigation actions related to the private construction of new structures or retrofits or improvements to existing structures may be supported with public education and other efforts of the Communications & Outreach Division.

Plan Implementation

As identified in the MJHMP Base Plan, the Planning Team has agreed to reconvene on a bi-annual basis to review the Base Plan and Annexes. In addition to those meetings, the agency representative will gather an Agency Planning Team together on a quarterly basis to discuss the Agency's Mitigation Actions Matrix. The members of the District's Planning Team will represent the departments/positions with responsibilities identified in the Mitigation Actions Matrix. See MJHMP Base Plan – Mitigation Strategies section for a description of the categories portrayed in the Matrix.

Integration with Existing Programs

The Mitigation Plan provides a series of recommendations - many of which are closely related to the goals and objectives of existing planning programs. The District's Local Mitigation Officer will be responsible for implementing recommended mitigation action items through existing programs and procedures.

Some of the goals and action items in the MJHMP will be achieved through activities recommended in the agency's policy, capital, and funding documents. The MJHMP will be reviewed on a bi-annual basis during a gathering of the various Local Mitigation Officers. Upon the bi-annual review, the District's Local Mitigation Officer will work with other agency departments/positions to identify areas that the Mitigation Actions Matrix items are consistent with the policy, capital, and funding documents to ensure the Plan goals and action items are implemented in a timely fashion.

Upon FEMA approval, the MJHMP Planning Team will begin the process of incorporating risk information and mitigation action items into existing planning mechanisms. The bi-annual meetings of the Team will provide an opportunity for Team members to report back on the progress made on the integration of mitigation planning elements into the planning documents and procedures of the various jurisdictions. Specifically, the District's Local Mitigation Officer will utilize the following sections of the Plan to make revisions to other documents within the agency:

- ✓ Risk Assessment Section (Base Plan), Agency Profile, Planning Process (stakeholders) – Emergency Response Plan, Facilities Maintenance Plans, Urban Water Management Plan, Risk and Resilience Assessment, etc.
- ✓ Mitigation Actions Matrix – Capital Projects, Grants, Bonds

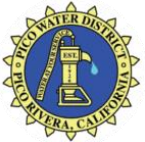


Mitigation Actions Matrix

Action Item	Lead Department/Division	Timeline	Goal: Protect Life and Property	Goal: Enhance Public Awareness	Goal: Protect Natural Environment	Goal: Protect Emergency Services	Goal: Encourage Partnerships	Benefit (L-Low, M-Medium, H-High)	Cost (L-Low, M-Medium, H-High)	Priority (L-Low, M-Medium, H-High)	Funding Source: GF-General Fund, CIP-Capital Improvement Project, HMGP-Hazard Mitigation Grant Program, BRIC-Building Resilient Infrastructure and Communities	Planning Mechanism: GF, CIP, HMGP, BRIC, SP - Strategic Plan	Buildings & Infrastructure: Does the Action item involve New and/or Existing Buildings and/or Infrastructure? Yes (Y), No (N)	Comments 2023
Multi-Hazard Action Items														
MH-1 Upgrade to Supervisory Control System and Data Acquisition (SCADA) system to allow more efficient management of the 24hour pumping operations.	General Manager & Director of Operations	1 – 5 Years	X		X	X		H	H	H	HMGP, BRIC, CIP	HMGP, BRIC, CIP	Y	
MH-2 Upgrade GIS Map of Facilities as needed.	General Manager & Director of Operations	1 – 5 Years	X		X	X		H	H	H	HMGP, BRIC	HMGP, BRIC		
MH-3 Install solar panel carports and solar panels Main District Office Building – 6500 square feet.	General Manager & Director of Operations	1 – 5 Years	X		X	X		H	H	H	HMGP, BRIC	HMGP, BRIC	Y	
Earthquake Action Items														
EQ-1 Fund and conduct Reservoir Seismic Vulnerability Study. Hire a	General Manager & Director of Operations	1 – 5 Years	X		X	X		H	H	H	HMGP, BRIC, CIP	HMGP, BRIC, CIP	Y	



Action Item	Lead Department/Division	Timeline	Goal: Protect Life and Property	Goal: Enhance Public Awareness	Goal: Protect Natural Environment	Goal: Protect Emergency Services	Goal: Encourage Partnerships	Benefit (L-Low, M-Medium, H-High)	Cost (L-Low, M-Medium, H-High)	Priority (L-Low, M-Medium, H-High)	Funding Source: GF-General Fund, CIP-Capital Improvement Project, HMGP-Hazard Mitigation Grant Program, BRIC-Building Resilient Infrastructure and Communities	Planning Mechanism: GF, CIP, HMGP, BRIC, SP - Strategic Plan	Buildings & Infrastructure: Does the Action item involve New and/or Existing Buildings and/or Infrastructure? Yes (Y), No (N)	Comments 2023
consultant to conduct a study on the structural stability of the existing reservoirs and System Pipelines.														
EQ-2 Seismic Upgrade to Reservoir 1. Construct retrofitting for Reservoir 1	General Manager & Director of Operations	1 – 5 Years	X		X	X		H	H	H	HMGP, BRIC	HMGP, BRIC	Y	
EQ-3 Mainline Replacement – AC / CIP Pipe vulnerable to Seismic activity.	General Manager & Director of Operations	1 – 5 Years	X		X	X		H	H	H	HMGP, BRIC, CIP	HMGP, BRIC, CIP	Y	
Drought Action Items														
DR-1 Feasibility Study to expand recycle water usage.	General Manager & Director of Operations	1 – 5 Years	X	X	X	X	X	H	H	H	HMGP, BRIC	HMGP, BRIC	Y	
DR-2 Construct – New Reservoir to serve Pressure Zone 1North at existing site, to store more Water to reducing pumping impact	General Manager & Director of Operations	1 – 5 Years	X		X	X		H	H	H	HMGP, BRIC	HMGP, BRIC	Y	



Action Item	Lead Department/Division	Timeline	Goal: Protect Life and Property	Goal: Enhance Public Awareness	Goal: Protect Natural Environment	Goal: Protect Emergency Services	Goal: Encourage Partnerships	Benefit (L-Low, M-Medium, H-High)	Cost (L-Low, M-Medium, H-High)	Priority (L-Low, M-Medium, H-High)	Funding Source: GF-General Fund, CIP-Capital Improvement Project, HMGP-Hazard Mitigation Grant Program, BRIC-Building Resilient Infrastructure and Communities	Planning Mechanism: GF, CIP, HMGP, BRIC, SP - Strategic Plan	Buildings & Infrastructure: Does the Action item involve New and/or Existing Buildings and/or Infrastructure? Yes (Y), No (N)	Comments 2023
during high demand.														
DR – 3 Interconnection with local agency for emergency usage.	General Manager & Director of Operations	1 – 5 Years	X			X	X	H	H	H	HMGP, BRIC	HMGP, BRIC	Y	
Wildfire Action Items														
WLD-1 Upgrade undersized water pipelines to current AWWA standards to better meet Fire Flow demands.	General Manager & Director of Operations	1 – 5 Years	X		X	X		H	H	H	HMGP, BRIC	HMGP, BRIC	Y	

PICO WATER DISTRICT

DISCUSSION ITEM - 7E

**E. Consider Board Approval of
District's Scholarship Application
Process**

**Recommended Action – Board
Discussion / Approve**

STAFF REPORT

To: Honorable Board of Directors
From: Joe D. Basulto, General Manager
Meeting Date: February 7, 2024
Subject: 7E - Consider Board Approval of District's Scholarship Application Process

Recommendation:

Board / Discussion & Approve

Fiscal Impact:

\$2,000.00 from General Fund

Background:

The Pico Water District Scholarship program has been on hold for about 3 years, I revisited the application process and updated the criteria, with the assistance of legal counsel.

The District in the past provided two (2) \$1,000 scholarships to graduating high school seniors who live within the District's service area and plan to attend a college or university after graduating from high school.

Would like the Board of Directors to review and recommend any changes if needed.



2024
PICO WATER DISTRICT
SCHOLARSHIPS
FOR GRADUATING HIGH SCHOOL SENIORS

Description: The Pico Water District (District) Board of Directors, in an effort to promote (i) continuing education regarding the District and its mission, as well as to educate the public regarding water-related issues, (ii) advancement of water conservation, and (iii) advancement of careers in the water industry through further education, is now seeking to provide scholarships to those individuals that meet all eligibility requirements, as stated below, and plan to continue their education after high school.

The District is proud each year to provide two (2) \$1,000 scholarships to graduating high school seniors who live within the District's service area and plan to attend a college or university after graduating from high school.

Application: On the application provided, please provide information on your involvement in community service, public service, volunteer work and/or environmental efforts. You must also address the questions provided on the application.

Submission & Deadline: To be considered for the District's Scholarship Program (Program) interested applicants must complete a District Scholarship Application, answer all questions and return back to the District Office located at 4843 Church Street, Pico Rivera, California 90660 or mail to P.O. Box 758, Pico Rivera, California 90660, no later than 4:30pm April 30, 2024. If you have any questions call (562) 692-3756 and ask to speak with Mrs. Sondra Tututi.

ELIGIBILITY REQUIREMENTS FOR THE PICO WATER DISTRICT SCHOLARSHIPS PROGRAM

- Will graduate from high school in 2024.
- Plan to enter a college or university in the fall of 2024.
- **APPLICANTS MUST RESIDE IN THE PICO WATER DISTRICT SERVICE AREA. Applicants must provide a copy of their residence's Pico Water District WATER bill with their application packet** (you must be a customer of the Pico Water District or be a member of a family that is a District customer to be considered).
- Upon approval, this scholarship will be sent directly to the college listed on your application, indicating that it can be used for tuition, fees, or books, and should be treated as a scholarship of additional funds to you, not simply to “replace” other college funds given in your financial packet. Provide / Submit proof of enrollment to Pico Water District and upon verification, scholarship award to your selected college will be sent within the first quarter or semester of the 2024-25 school year.

2024 PICO WATER DISTRICT SCHOLARSHIP APPLICATION FORM

I Type your information directly onto this form or attach typed information with this application.

1. Name:
2. Home Address/City/Zip Code:
3. Home Phone Number:
4. Email:
5. Name of High School:
6. High School Graduation Date:
7. College or University You Plan to Attend:

II Type your answers on this form or provide your typed answers on a different sheet with this form.

1. List school and extra-curricular activities over the past four years that demonstrate your involvement in Community/Public Service, Volunteer Work and/or Environmental Efforts.
2. List any other school or extra-curricular activities over the past four years.
3. List any honors, awards or recognition you have received over the past four years.
4. List any employment experience over the past four years.
5. Please provide any other information you feel is important for us to know.

III Please answer the following three (3) questions:

1. Who is the person who has most influenced you and why?
2. Describe the course of study or interest you plan to pursue. What or who inspired you to this field of study?
3. Write a typed 500-word essay on what conservation (water, ecosystems, etc.) means to you and why individuals should conserve resources?

INFORMATION ITEMS

INFORMATIONAL ITEMS

- A. PFAS Project / Well #5A – Update
- B. Board of Directors – Committee Assignment

PICO WATER DISTRICT

PFAS PROJECT / WELL

#5A

UPDATE

INFORMATION

PROVIDED

DAY of MEETING

PICO WATER DISTRICT

BOARD OF DIRECTORS COMMITTEE ASSIGNMENTS

PICO WATER DISTRICT BOARD

OFFICERS 2024

PRESIDENT	Raymond Rodriguez
VICE PRESIDENT	Victor Caballero
BOARD SECRETARY	Joe D. Basulto
BOARD TREASURER	Tomas A. Rivera

Committee Assignments

1. Administrative Committee:

- i. Raymond Rodriguez – Chair
- ii. Victor Caballero– Vice Chair
- iii. Pete Ramirez – Alternate

2. Finance Committee:

- i. Victor Caballero– Chair
- ii. Raymond Rodriguez– Vice Chair
- iii. David Gonzales– Alternate

3. Committee External Affairs:

2024 JPIA Board Rep.

- i. Raymond Rodriguez– Representative
- ii. Pete Ramirez– Alternate Representative

4. Engineering Committee:

- i. David Angelo– Chair
- ii. Raymond Rodriguez – Vice Chair
- iii. Pete Ramirez– Alternate

5. Water Resource & Conservation Committee:

- i. David Gonzales – Chair
- ii. Raymond Rodriguez – Vice Chair
- iii. David Angelo– Alternate

6. Cyber Security Ad-Hoc Committee:

- i. Raymond Rodriguez– Chair
- ii. David Angelo– Vice Chair
- iii. David Gonzales– Alternate