REVISED

BOARD OF DIRECTORS
SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
REGULAR MEETING
1402 N. VOSBURG DR. AZUSA, CA 91702
MONDAY, FEBRUARY 10, 2025
8:00 AM – 10:00 AM (PDT)

This meeting will be held in person at the District office, located at 1402 North Vosburg Drive, Azusa, California. While the Boardroom is open for public attendance, you are strongly encouraged to participate in the meeting virtually through the remote Zoom link provided below. If you attend the Board meeting in person, please maintain appropriate social distancing to the extent feasible (i.e., maintain a six-foot distance between yourself and other individuals). Face coverings are encouraged but not required for attendees. Lastly, if you are experiencing any COVID-19 symptoms, including fever or chills, cough, shortness of breath or difficulty breathing, fatigue, muscle or body aches, headache, new loss of taste or smell, sore throat, congestion or runny nose, nausea or vomiting or diarrhea, please do not attend the meeting in person.

Join Zoom Meeting
https://us02web.zoom.us/j/89013306120?pwd=SUZJRzFFSDRXUVVTY0NhOXQ0c1l6QT09
Meeting ID: 890 1330 6120
Passcode: 512838
Dial by your location
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PLEDGE OF ALLEGIANCE

ROLL CALL: Eng, Knoles, Paulson, Placido, Prince

PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA

UPDATES FROM CITY REPRESENTATIVES

CONSENT CALENDAR: The following matters are expected to be routine and will be acted upon by a single motion with little discussion unless any Director or citizen requests a separate action:

Minutes of the Regular Board Meeting of January 13, 2025
Financial Statements for January 2025
Disbursements of the Revolving Fund Dated January 23, 2025, Check Nos. 12635 – 12638, EFTs and Wires
Disbursements of the Revolving Fund Dated February 06, 2025, Check Nos. 12639 - 12644, EFTs, and Wires
Disbursements of the Revolving Fund Dated February 10, 2025, Check Nos. 12645 - 12648, and Wires
Disbursements of the General Fund Dated January 14 - 31, 2025, Check Nos. 44980 - 44999, and EFTs
Disbursements of the General Fund Dated February 01 - 10, 2025, Check Nos. 45000 - 45036, and EFTs
Disbursements of the State Water Project (SWP) Dated: January 27, 2025, Check No. 1013, in the amount of $1,962,119.00
Visa Recap
Treasury Report

Future Meeting Attendance Approval: None

ACTION ITEMS

1. Schedule 1 Pipeline Condition Assessment
2. Approve 2023-2024 Audit and Travel Expense Report
3. Purchase of Standby Generators
4. Purchase of New Pickup Truck
5. Considered Continued Membership in SGVCOG as an Affiliate Member

INFORMATION ITEMS

External Affairs Update

UNFINISHED BUSINESS

1. Report on Basin Management
2. Report on WQA
3. Report on the Attorney
4. Report on General Manager/Assistant Manager
5. Report on State Water Contractors

COMMITTEE MEETING REPORTS

DIRECTOR REPORTS ON EVENTS ATTENDED

DIRECTORS COMMENTS

CLOSED SESSION

Personnel Issue – Government Code Section 54957

ADJOURNMENT

THIS AGENDA WAS POSTED ON FEBRUARY 06, 2025, AT SGVMWD.
THE NEXT REGULAR BOARD MEETING WILL BE ON MARCH 10, 2025.

MINUTES
BOARD OF DIRECTORS
SAN GABRIEL VALLEY MUNICIPAL
WATER DISTRICT
REGULAR BOARD MEETING
1402 N. VOSBURG DR. AZUSA, CA 91702
MONDAY, JANUARY 13, 2025
8:00 A.M.

At 8:00 a.m. on January 13, 2025, the Board of Directors meeting was held in person at the District office, located at 1402 North Vosburg Drive, Azusa, California. While the Boardroom was open for public attendance, the District strongly encouraged attendees wanting to attend the meeting to participate in the meeting virtually through the remote Zoom link provided below. Attendees in person were asked to please maintain appropriate social distancing to the extent feasible (i.e., maintain a six-foot distance between yourself and other individuals). Face coverings were encouraged but not required for attendees.

https://us02web.zoom.us/j/89013306120?pwd=SUZJRzFFSDRXUVVTY0NhOXQ0c1l6QT09
Meeting ID: 890 1330 6120
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PLEDGE OF ALLEGIANCE

CALL TO ORDER:

President Paulson called the meeting to order at 8:00 a.m.

ROLL CALL:

Directors present at Roll Call: Eng, Knoles, Paulson, Placido, Prince

ALSO PRESENT:

Darin Kasamoto, General Manager; Steve Kiggins, Assistant General Manager; Maria “Gigi” Jarmin, Executive Assistant; Evelyn Reyes, External Affairs Manager, SGVMWD; Jim Ciampa, Lagerlof LLP; Russ Bryden, Main San Gabriel Basin Watermaster.

Via telephone/Zoom: Christopher Brown, C.J. Brown & Company; Steven McGee, City of Sierra Madre.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

None.

UPDATES FROM THE CITY REPRESENTATIVES

None.

CONSENT CALENDAR:

Minutes of the Regular Board Meeting of December 09, 2024
Financial Statements for December 2024
Disbursements of the Revolving Fund Dated:
December 12, 2024, Check Nos. 12616 - 12621, EFT, and Wires in the amount of $71,774.84
December 26, 2024, Check Nos. 12622 - 12627, EFT's, and Wires in the amount of $72,101.75
January 09, 2025, Check Nos. 12628 – 12631, and EFT, and Wires in the amount of $152,643.84
January 13, 2025, Check Nos. 12632 – 12634, and Wires in the amount of $3,496.00
Disbursements of the General Fund Dated:
December 10 - 31, 2024, Check Nos. 44915 – 44938, and EFTs in the amount of $152,242.47
January 01 - 13, 2025, Check Nos. 44939 – 44979, in the amount of $828,764.39
Disbursements for State Water Project (SWP) expenses, dated: December 23, 2024, Check No. 1012, in the amount of $590,823.00.

Future Meeting Attendance Approval: None

On the motion of Director Eng, seconded by Director Placido, and unanimously carried 5 - 0, the Consent Calendar was approved.

ACTION AGENDA ITEM

2023 – 2024 DRAFT AUDIT AND TRAVEL EXPENSE REPORT

Christopher Brown from C. J. Brown & Company CPAs presented to the Board a draft of the 2023-2024 Audit and Travel Expense Report. The auditors' report concluded, in their opinion, that the District's financial statements present fairly, in all material respects, the financial position of the District as of June 30, 2024. The 2023-2024 Audit will be considered for approval by the Board at the February Board meeting.

ELECTION OF OFFICERS AND COMMITTEE APPOINTMENTS

On motion of Director Knoles, seconded by Director Prince, and unanimously carried 5-0, Director Steven Placido, DDS was elected as the District's President for 2025.

On motion of Director Knoles, seconded by Director Paulson, and unanimously carried 5-0, Director Miles Prince was elected as the District's Vice President for 2025.

On motion of Director Knoles, seconded by Director Paulson, and unanimously carried 5-0, Director Bruce Knoles was elected as the District's Secretary for 2025.

On motion of Director Knoles, seconded by Director Paulson, and unanimously carried 5-0, Director Mike Eng was elected as the District's Treasurer for 2025.

On motion of Director Paulson, seconded by Director Knoles, and unanimously carried 5-0, General Manager Darin Kasamoto was elected as the District's Deputy Secretary and Deputy Treasurer for 2025.

On motion of Director Paulson, seconded by Director Knoles, and unanimously carried 5-0, the District's 2025 Committee Assignments listed below were approved, to be unchanged from the 2024 appointments.

Water Quality Authority	
Director	Mark R. Paulson
Alternate	Steven T. Placido
Main San Gabriel Basin Watermaster	
Director	Steven T. Placido, DDS (No Provisions for Alternate)
ACWA/JPIA	
Director	Miles L. Prince
Alternate	Darin J. Kasamoto
ACWA Region 8	
Delegate	Miles L. Prince
Alternate	Darin J. Kasamoto
San Gabriel Valley Protective Association	Darin J. Kasamoto
San Gabriel Valley Water Association	
Liaison	Bruce H. Knoles
State Water Project Contractors Authority	
Liaison	Darin J. Kasamoto
San Gabriel Valley Economic Partnership	Mike Eng
Independent Cities Association	Mark R. Paulson / Steven T. Placido, DDS / Miles L. Prince
San Gabriel Valley Council of Governments	Steven T. Placido, DDS
San Gabriel Valley Civic Alliance	Bruce H. Knoles

2025 District Committees

Engineering & Operations Committee	Steven T. Placido, DDS & Mark R. Paulson
External Affairs Committee	Miles L. Prince & Mike Eng
Administrative/Finance Committee	Bruce H. Knoles & Mike Eng

PER DIEM CONFERENCES FOR 2025

On motion of Director Prince, seconded by Director Knoles, and unanimously carried 5-0, the District's 2025 Per-Diem Conferences listed below were approved.

ACWA		
Spring	May 13 - 15	Monterey, CA
Fall	Dec 2 - 4	San Diego, CA

Legislative Symposium	Mar 26	Sacramento, CA
DC Annual	Feb 25 – 27	Washington D. C.
AWWA ACE 25 Annual Conference	Jun. 8 - 11	Denver, CO
AWWA Water Infrastructure	Sep 14 - 17	Orlando, FL
<u>CA-NV Section</u> Water Conference of the West	April 7 - 10	Anaheim, CA
Fall Conference	TBA	
<u>OTHERS</u>		
UESI Pipeline Conference	Aug 9 – 13	Tampa, FL
CSDA Annual Conference	Aug 25 – 28	Monterey
AGWA-AGWT Annual Conf.	Feb 3 - 4	Ontario, CA
So. California Water Committee Quarterly Meeting		TBA
Annual Meeting & Dinner	TBA	TBA
Urban Water Institute Spring	Feb 26 - 28	Palm Springs, CA
Annual Conference	Aug 20 – 22	San Diego, CA
San Gabriel Valley Economic Partnership	TBA	All Directors
San Gabriel Valley Water Association	Quarterly luncheon meetings, Annual BBQ	All Directors
Alhambra Education Foundation Awards Dinner and Gala		TBA
Garvey Education Foundation Gala		TBA
2025 California Water Law Symposium	Feb 15	Berkeley, CA
San Gabriel Valley Civic Alliance Awards Lunch	TBA	TBA
CORO Water Conference	TBA	TBA
Orange County Water Summit	TBA	TBA
WELL 2025 Annual Conference	Mar 7 - 8	Garden Grove, CA

WaterSmart Innovation Conference	Oct 7 - 9	Las Vegas, NV
Three Valleys Leadership Breakfast	Qtrly	Sheraton Hotel, Pomona
Council for Watershed Health	All Events	
Intl. LGBTQ Leaders Conference	TBA	TBA
CA Water Data Collaborative	All Events	
Climate Resolve	TBA	TBA
SCAG 2025 Regional Conf	May 1 - 2	JW Marriott Desert Springs, CA
CSDA: Special District Leadership Academy	Apr 21 – 24 Nov 16 - 19	La Quinta, CA Monterey, CA
CSDA: Special District Legislative Days	May 20 - 21	Sacramento, CA
Alliance for Water Efficiency Water Efficiency and Conservation Symposium	Aug 6 – 8	Chicago, IL
2025 Water Reuse Symposium	Mar 16 - 19	Tampa, FL
Water Quality Association Convention and Exposition	Apr 22 -24	Long Beach, CA
Southern California Water Utilities Association	All Events	

RESOLUTION NO. 01-2025-844 AMENDING DISTRICT ADMINISTRATIVE CODE

Legal Counsel Ciampa explained that the proposed amendments to the Administrative Code are to incorporate recent changes Code necessitated by new laws enacted by the State Legislature in 2024.

On motion of Director Prince, seconded by Director Eng, and unanimously carried 5-0, A RESOLUTION NO. 01-2025-844 AMENDING DISTRICT ADMINISTRATIVE CODE was approved.

Passed and Adopted by the Board of Directors of the San Gabriel Valley Municipal Water District at their regular meeting held on January 13, 2025, by the following roll call vote:

Ayes: Eng, Knoles, Paulson, Placido, Prince
Noes: None
Absent: None
Abstain: None

DECLARE SURPLUS INVENTORY

On motion of Director Paulson, seconded by Director Eng, and unanimously carried 5-0, the Disposal of Surplus Inventory was approved as presented.

INFORMATION ITEMS

EXTERNAL AFFAIRS

External Affairs Report in Agenda Packet
Ms. Reyes reported the governor submitted his proposed budget to the Legislature for expenditures of $322.2 billion. She also mentioned that out of $322.2 billion, he has allocated $173.5 million for water storage projects, groundwater replenishment and other resilience projects. The budget will be voted on and finalized in June after the May revise is completed and negotiations with the Legislature occur.
Ms. Reyes also reminded the Board of the upcoming Lunar Year Festival on February 8, 2025, in City of Alhambra.

UNFINISHED BUSINESS

REPORT ON BASIN MANAGEMENT

Director Placido stated that there were two new Board Members on the Watermaster board. He mentioned that the Key Well levels are up to 248 feet which is almost as high as it was 20 years ago.

Mr. Bryden added that through teamwork and working together, the Basin is in a very good position.

REPORT OF WQA

No Report

REPORT OF THE ATTORNEY

Legal Counsel Ciampa clarified that the District is not subject to Proposition 218, as was stated in the report on the audit. Instead, the District's rates are subject to Proposition 26 and no public hearing is required under that law.

REPORT OF THE GENERAL MANAGER/ASSISTANT GENERAL MANAGER

The General Manager's written report is in the Agenda Packet.
The General Manager reported that Mr. Kiggins has started working with Corrpro, the corrosion engineer, to start that project. The first step in the process is a corrosion analysis, replacement assessment and determination of replacement cost. Staff will aim to have a presentation on that project at the next Board meeting, to see how successful that analysis was before moving forward.

The Assistant General Manager's written report is in the Agenda Packet.
The Assistant General Manager reported that Metropolitan Water District was going to cease cyclic deliveries at the end of December. One of the few things that can benefit the Basin is to utilize the District's capacity on behalf of other agencies. The decision was made to carry over 1600 acre-feet of water into this year. At the end of December 2024, the District was able to deliver over 3000 acre-feet for Three Valleys Municipal Water District.

REPORT OF THE STATE WATER CONTRACTORS

The General Manager's written report is in the Agenda Packet.
The General Manager provided a participation list for the next round of Delta Conveyance Project planning funding. He mentioned Metropolitan Water District approved its funding participation in December.

COMMITTEE MEETING REPORTS

None.

DIRECTOR REPORTS ON EVENTS ATTENDED

No Report

DIRECTORS COMMENTS

None.

CLOSED SESSION at 9:25 a.m.

Conference with Legal Counsel - Anticipated Litigation – Government Code Section 54956.9(d)(4): One potential case

Conference with Legal Counsel – Pending Litigation – Government Code Section 54956.9(d)(1) – California Sportfishing Alliance, et al. v. California Department of Water Resources and California Department of Fish and Wildlife.

Personal Issue – Government Code Section 54957

CLOSED SESSION ADJOURNED at 9:48 a.m.

CLOSED SESSION REPORT: General Counsel Ciampa reported that the closed session was held on those three items and no reportable action was taken.

ADJOURNED at 9:48 a.m.

There being no further business, the meeting was duly adjourned at 9:48 a.m. The next Regular Board Meeting of the San Gabriel Valley Municipal Water District's Board of Directors will be on February 10, 2025, at 8:00 a.m.

_____.
President

ATTEST:

_____
Secretary

San Gabriel Valley Municipal Water District
Balance Sheet
As of January 31, 2025

	Jan 31, 25
ASSETS	
Current Assets	
Checking/Savings	
1001 · General Fund Bank of America	5,584,151.25
1002 · SWP Fund Account	8,307,651.72
1005 · Revolving Cash Fund	84,767.45
1008 · Petty Cash	442.00
1009 · LAIF	11,247,145.96
1009.01 · LAIF FMV Adjustment	-40,026.03
1011 · UBS Resource Management Account	
1012 · Cash with Broker	46,019.70
1013 · Certificates of Deposit	9,971,470.67
Total 1011 · UBS Resource Management Acco...	10,017,490.37
1014 · UBS Accrued Interest	-41,913.67
Total Checking/Savings	35,159,709.05
Accounts Receivable	
1603 · Accounts Receivable	-451,889.93
Total Accounts Receivable	-451,889.93
Other Current Assets	
1605 · Taxes Receivable	437,634.69
1606 · Interest Receivable	41,913.67
1620 · Prepaid Expenses	217,585.51
1660 · Water Inventory	583,561.82
Total Other Current Assets	1,280,695.69
Total Current Assets	35,988,514.81
Fixed Assets	
1862.1 · A/D Safety Project Assets	-2,396.51
1701 · State Water Project Engineering	156,789.28
1702 · State Water Prj Wtr Cntrct Pmts	5,627,376.00
1701.1 · Accum Ammort - State Water Proj	-4,779,973.25
1750 · SCADA 2013	966,165.05
1750.1 · Accum Depreciaton - SCADA 13	-904,976.08
1801 · Pipeline	27,227,652.85
1801.1 · Accum Depreciation - Pipeline	-17,595,937.92
1840 · SCADA Telemetry	48,442.01
1840.1 · Accum Depreciation -SCADA	-17,158.78
1860 · Repaving	3,950.00
1860.1 · A/D Paving	-1,404.82
1861 · Computer	9,865.84
1861.1 · A/D Computers	-6,901.83
1862 · Safety - Protection	47,955.32
1863 · SanDimas Hydro Deflec Batteries	35,595.25
1863.1 · A/D San Dimas Hydro	-17,503.63
1901 · Land	735,931.46
1902 · Buildings	2,320,676.42
1902.1 · Accum Depr - Buildings	-2,312,482.45
1904 · Furniture and Fixtures	182,299.76
1904.1 · Accum Depr - Furn and Fixtures	-142,742.19
1907 · Vehicles	257,156.24
1907.1 · Accum Depr - Vehicles	-217,721.80
1910 · Pipeline Misc Equipment	223,817.49
1910.1 · Accum Depr - Pipeline Misc Equi	-159,626.77
1923 · Hydroelectric Facility San Dima	1,343,986.21
1923.1 · Accum Depr Hydro Elect San D	-124,634.04
1925 · Roof	58,390.47
1925.1 · A/D Roof	-25,057.64
1920 · Construction in Process	
1921.12 · Sch 1 Joint Bond Est Comp 8/24	2,125,400.29

San Gabriel Valley Municipal Water District
Balance Sheet
As of January 31, 2025

	Jan 31, 25
Total 1920 · Construction in Process	2,125,400.29
Total Fixed Assets	15,062,932.23
Other Assets	
1931 · City Of Monterey Park Loan 2021	4,000,000.00
1925.04 · Monterey Park ADV NR Discount	-322,824.00
1932 · City Of Sierra Madre 2020 Loan	2,160,000.00
1927.01 · Sierra Madre NR Discount	-144,057.00
1998.99 · Deferred Outflows -OPEB	179,366.00
1999.99 · 1999.Deferred Outflows of Res	1,469,639.00
Total Other Assets	7,342,124.00
TOTAL ASSETS	**58,393,571.04**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2001 · Accounts Payable	91,620.77
Total Accounts Payable	91,620.77
Other Current Liabilities	
2010 · Accrued Payroll - V&SL	444,820.47
24000 · Payroll Liabilities	2,492.25
Total Other Current Liabilities	447,312.72
Total Current Liabilities	538,933.49
Long Term Liabilities	
1698.99 · Deferred Inflows- OPEB	439,848.00
2219.99 · Net Pension Liability	1,792,852.00
1699.99 · Deferred Inflow of Resources	414,233.00
2209 · Other Post-Employment Benefits	4,114,418.31
Total Long Term Liabilities	6,761,351.31
Total Liabilities	7,300,284.80
Equity	
2301 · Fund Balance	4,292,024.73
2302 · San Bernardino Contribution	1,781,730.83
2970 · Retained Earnings	45,462,431.49
2973 · Contribution Aid Capital	1,280,323.11
Net Income	-1,723,223.92
Total Equity	51,093,286.24
TOTAL LIABILITIES & EQUITY	**58,393,571.04**

San Gabriel Valley Municipal Water District
Income Statement - Actual vs. Budget
January 2025

	Jan 25	Budget	Jul '24 - Jan 25	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
General Operations					
3002 · Property Tax Revenue	620,297.66	500,000.00	3,123,442.44	3,500,000.00	6,000,000.00
3003 · Water Sales	30,774.80	166,667.00	158,792.40	1,166,669.00	2,000,000.00
3004 · Interest Income	129,303.54	83,333.00	452,581.77	583,331.00	1,000,000.00
3005 · Ready to Serve Revenue	990.00	990.00	6,930.00	6,930.00	11,880.00
3006 · RDA Prop Tax Trust Fund Alloc	0.00	58,333.00	354,675.49	408,331.00	700,000.00
3008 · SBVMWD Pipeline Maintenance R...	0.00	2,500.00	0.00	17,500.00	30,000.00
3016 · Unrealized Gain (Loss) on Inves	0.00	0.00	93,154.23	0.00	0.00
Total General Operations	781,366.00	811,823.00	4,189,576.33	5,682,761.00	9,741,880.00
Power Revenue Sales					
3210 · Hydro Power Sales	0.00	4,167.00	0.00	29,169.00	50,000.00
Total Power Revenue Sales	0.00	4,167.00	0.00	29,169.00	50,000.00
Restricted Revenue - SWP					
3306 · Tax Revenue - State Water Proje	1,035,536.27	833,333.00	5,139,207.66	5,833,331.00	10,000,000.00
Total Restricted Revenue - SWP	1,035,536.27	833,333.00	5,139,207.66	5,833,331.00	10,000,000.00
Total Income	1,816,902.27	1,649,323.00	9,328,783.99	11,545,261.00	19,791,880.00
Gross Profit	1,816,902.27	1,649,323.00	9,328,783.99	11,545,261.00	19,791,880.00
Expense					
Unrestricted G.O. Expenses					
4001 · Director Fees	3,200.00	5,000.00	21,800.00	35,000.00	60,000.00
4010 · Salaries- Administrative	25,204.80	27,305.00	182,734.80	191,135.00	327,659.00
4014 · Field Supervision	18,310.40	19,436.00	128,172.40	136,052.00	233,229.00
4020 · Salaries Office	96,634.73	21,255.00	241,424.85	148,785.00	255,054.00
4021 · External Affairs Wages	11,766.40	12,723.00	86,353.21	89,061.00	152,672.00
4022 · Part Time Employee	0.00	0.00	0.00	0.00	0.00
4023 · External Affairs Specialist	6,398.40	6,932.00	45,095.61	48,524.00	83,179.00
4027 · Office Supplies - Equipment Mai	1,053.23	3,667.00	24,682.04	25,669.00	44,000.00
4028 · Water Forum	0.00		0.00	0.00	0.00
4029 · Election Expenses	0.00	6,833.00	0.00	47,831.00	82,000.00
4031 · Legal Services	3,375.00	4,167.00	15,262.50	29,169.00	50,000.00
4032 · State Water Contract Services	3,028.79	3,917.00	21,201.55	27,419.00	47,000.00
4033 · Public Relations	32,931.27	11,250.00	56,675.72	78,750.00	135,000.00
4034 · Governmental Relations Consulti	8,130.00	8,167.00	56,361.00	57,169.00	98,000.00
4035 · Consulting & Engineering Expens	25,055.00	83,333.00	69,339.03	583,331.00	1,000,000.00
4036 · Medicare Tax Expense	2,718.20	1,708.00	12,859.05	11,956.00	20,491.00
4039 · PERS - Retiremement Expenses	29,577.20	31,012.00	208,471.97	217,084.00	372,142.00
4040 · Social Security Tax Expense	11,622.66	6,327.00	40,069.58	44,289.00	75,920.00
4041 · State Compensation Fund	422.90	1,583.00	14,481.03	11,081.00	19,000.00
4042 · State Unemployment Insurance Ta	1,049.58	146.00	1,206.38	1,022.00	1,748.00

San Gabriel Valley Municipal Water District
Income Statement - Actual vs. Budget
January 2025

	Jan 25	Budget	Jul '24 - Jan 25	YTD Budget	Annual Budget
4043 · Health Insurance Expense	33,650.17	32,000.00	224,679.43	224,000.00	384,000.00
4044 · Dental/ Vision Benefit Expense	15,965.78	7,667.00	42,644.51	53,669.00	92,000.00
4045 · Insurance - Liability, Casualty	4,058.78	4,583.00	50,416.48	32,081.00	55,000.00
4046 · Blue Cross Employee Reimburse...	7,168.92	7,500.00	53,427.62	52,500.00	90,000.00
4048 · Life Insurance	419.55	375.00	2,586.95	2,625.00	4,500.00
4050 · Dues and Associations	8,382.69	8,167.00	61,906.85	57,169.00	98,000.00
4051 · Travel and Conferences -Dir	158.30	2,083.00	10,445.88	14,581.00	25,000.00
4052 · Publications and Periodicals	0.00	25.00	0.00	175.00	300.00
4053 · State Water Contractors Audit	0.00	875.00	10,812.00	6,125.00	10,500.00
4054 · Financial Audit Expense	759.23	1,667.00	13,632.73	11,669.00	20,000.00
4055 · Travel & Conference -Staff	0.00	2,500.00	10,351.44	17,500.00	30,000.00
4057 · Taxes - Annual Fee	0.00	5,167.00	66,400.46	36,169.00	62,000.00
4058 · Tax Collection Fees	0.00	3,333.00	5,807.53	23,331.00	40,000.00
4059 · Property Tax Expense	0.00	71.00	809.61	497.00	850.00
4060 · Telephone Expense	2,132.52	3,083.00	17,785.94	21,581.00	37,000.00
4061 · Utilities - Gas, Electric, and	1,933.98	1,833.00	11,765.53	12,831.00	22,000.00
4063 · Safety Program	68.05	1,667.00	5,248.19	11,669.00	20,000.00
4065 · Water Conservation/Rebates Prog	16,529.00	24,583.00	85,423.75	172,081.00	295,000.00
4067 · OPEB -Other Post Employment Ben	23,333.33	65,000.00	663,333.31	455,000.00	780,000.00
4090 · SWP Transportation Cost	16,040.90	375,000.00	1,129,843.72	2,625,000.00	4,500,000.00
4093 · Uniform and Material Rentals	225.23	333.00	2,059.08	2,331.00	4,000.00
4095 · Vehicle Maintenance, Operating	2,210.88	2,833.00	25,510.42	19,831.00	34,000.00
4096 · Communication Expense	236.34	817.00	5,150.48	5,719.00	9,800.00
4099 · Facility Maintenance	1,762.40	2,500.00	21,615.50	17,500.00	30,000.00
4100 · Salaries - Field Workers	25,721.29	26,968.00	176,815.08	188,776.00	323,618.00
4108 · Grounds Maintenance and Materia	6,417.00	4,907.00	17,466.10	34,349.00	58,883.00
4112 · Depreciation Expense	49,457.00	0.00	342,815.00	0.00	0.00
4113 · Pipeline Maintenance & Material	13.22	4,167.00	1,282.28	29,169.00	50,000.00
4114 · SCADA Maintence	0.00	833.00	28,425.67	5,831.00	10,000.00
4120 · Grants	0.00	166,667.00	10,000.00	1,166,669.00	2,000,000.00
Total Unrestricted G.O. Expenses	497,123.12	1,011,965.00	4,324,652.26	7,083,755.00	12,143,545.00
Riverside Facility					
4300 · Salaries - Riverside	75.42	563.00	2,430.64	3,941.00	6,760.00
4301 · Riverside Maintenance and Mater	172.29	500.00	327.36	3,500.00	6,000.00
Total Riverside Facility	247.71	1,063.00	2,758.00	7,441.00	12,760.00
Hydro Expenses					
4402 · Salaries - Hydro	150.84	1,300.00	1,422.77	9,100.00	15,600.00
4403 · Hydro Maintenance Materials	0.00	2,083.00	2,676.00	14,581.00	25,000.00
4406 · Hydro So Cal Edison (8800)	326.11	833.00	2,595.88	5,831.00	10,000.00
Total Hydro Expenses	476.95	4,216.00	6,694.65	29,512.00	50,600.00

San Gabriel Valley Municipal Water District
Income Statement - Actual vs. Budget
January 2025

	Jan 25	Budget	Jul '24 - Jan 25	YTD Budget	Annual Budget
Restricted Expense					
4510 · State Project Expense	1,962,119.00	733,333.00	6,605,241.00	5,133,331.00	8,800,000.00
4511 · State Project Amortization	8,034.00	8,083.00	56,238.00	56,581.00	97,000.00
4591 · State Project Cost of Water Adj	9,404.00	0.00	56,424.00	0.00	0.00
Total Restricted Expense	1,979,557.00	741,416.00	6,717,903.00	5,189,912.00	8,897,000.00
66000 · Payroll Expenses	0.00	0.00	0.00	0.00	0.00
66900 · Reconciliation Discrepancies	0.00		0.00	0.00	0.00
Total Expense	2,477,404.78	1,758,660.00	11,052,007.91	12,310,620.00	21,103,905.00
Net Ordinary Income	-660,502.51	-109,337.00	-1,723,223.92	-765,359.00	-1,312,025.00
Other Income/Expense					
Other Expense					
6001 · COVID-19 Expense	0.00		0.00	0.00	0.00
6002 · Employee Appreciation	0.00		0.00	0.00	0.00
4700 · Interest Expense	0.00	0.00	0.00	0.00	0.00
Total Other Expense	0.00	0.00	0.00	0.00	0.00
Net Other Income	0.00	0.00	0.00	0.00	0.00
Net Income	**-660,502.51**	**-109,337.00**	**-1,723,223.92**	**-765,359.00**	**-1,312,025.00**

SAN GABRIEL MUNICIPAL WATER DISTRICT

REVOLVING FUND RECAP

January 23, 2025

Check No.	Date	Description	Amount
12635-12638	01/23/25	Payroll Expense	$ 34,224.81
EFT	01/23/25	Payroll Expense - PERS	$ 9,903.80
Wires	01/23/25	Federal & State Payroll Taxes	$ 20,422.32
EFT	01/23/25	State Compensation Ins	$ 2,150.60
January 23, 2025 GRAND TOTAL DISBURSEMENTS.....			$ 66,701.53

REVOLVING FUND RECAP

February 06, 2025

Check No.	Date	Description	Amount
12639-12642	02/06/25	Payroll Expense	$ 34,740.39
EFT	02/06/25	Payroll Expense - PERS	$ 10,026.73
Wires	02/06/25	Federal & State Payroll Taxes	$ 20,350.23
12643	02/06/25	Frontier	$ 418.82
EFT	02/06/25	Pers-SSA	$ 70.00
12644	02/06/25	The Gas Company	$ 37.77
February 06, 2025 GRAND TOTAL DISBURSEMENTS.....			$ 65,643.94

REVOLVING FUND RECAP

February 10,2025

Check No.	Date	Description	Amount
12645	02/10/25	Bruce H Knoles	$1,026.80
12646	02/10/25	Mark R Paulson	$911.50
12647	02/10/25	Michael F Eng	$911.50
12648	02/10/25	Miles L.Prince	$1,823.00
Wires	02/10/25	Federal & State Payroll Taxes	$1,008.20
February 10, 2025 GRAND TOTAL DISBURSEMENTS.....			$5,681.00

San Gabriel Valley Municipal Water District
Transactions by Account
As of January 31, 2025

Type	Date	Num	Name	Amount
1001 · General Fund Bank of America				
Bill Pmt -Check	01/14/202	EFT	BeniComp (Corp)	-1,741.72
Bill Pmt -Check	01/14/202	EFT	BeniComp (Corp)	-1,839.04
Bill Pmt -Check	01/14/202	EFT	ExxonMobil	-1,386.50
Bill Pmt -Check	01/17/202	EFT	BeniComp (Corp)	-3,717.54
Bill Pmt -Check	01/23/202	EFT	BeniComp (Corp)	-1,631.44
Bill Pmt -Check	01/23/202	EFT	BeniComp (Corp)	-203.44
Bill Pmt -Check	01/24/202	EFT	BeniComp (Corp)	-2,346.22
Bill Pmt -Check	01/28/202	EFT	BeniComp (Corp)	-263.73
Bill Pmt -Check	01/28/202	EFT	BeniComp (Corp)	-2,903.66
Bill Pmt -Check	01/31/202	EFT	BeniComp (Corp)	-1,078.95
Bill Pmt -Check	01/27/202	44980	Alliance Communication Ser...	-130.00
Bill Pmt -Check	01/27/202	44981	Axis Pest & Termite Solutions	-3,835.00
Bill Pmt -Check	01/27/202	44982	Azusa Light & Water (Utilitie...	-1,171.63
Bill Pmt -Check	01/27/202	44983	Battery Sales Unlimited	-881.78
Bill Pmt -Check	01/27/202	44984	CAT Specialities, Inc.	-253.40
Bill Pmt -Check	01/27/202	44985	Cintas	-142.40
Bill Pmt -Check	01/27/202	44986	Dave Johnson	-4,192.80
Bill Pmt -Check	01/27/202	44987	Frontier	-637.39
Bill Pmt -Check	01/27/202	44988	Grainger (Corp)	-50.53
Bill Pmt -Check	01/27/202	44989	Jim Frei	-5,870.40
Bill Pmt -Check	01/27/202	44990	Linda Flowers-Armour	-4,192.80
Bill Pmt -Check	01/27/202	44991	Linda S Glau, CPA	-759.23
Bill Pmt -Check	01/27/202	44992	Meier Enterprises Inc	-1,530.00
Bill Pmt -Check	01/27/202	44993	San Gabriel Valley Water As...	-100.00
Bill Pmt -Check	01/27/202	44994	SCE	-358.50
Bill Pmt -Check	01/27/202	44995	Securitas Technology Corpo...	-744.48
Bill Pmt -Check	01/27/202	44996	South Coast AQMD	-707.00
Bill Pmt -Check	01/27/202	44997	Spectrum Enterprise	-239.98
Bill Pmt -Check	01/27/202	44998	Verizon Wireless (M2M)	-846.23
Bill Pmt -Check	01/27/202	44999	Yolanda McVicar	-4,192.80
Total 1001 · General Fund Bank of America				-47,948.59
TOTAL				**-47,948.59**

San Gabriel Valley Municipal Water District
Transactions by Account
As of February 10, 2025

Type	Date	Num	Name	Amount
1001 · General Fund Bank of America				
Bill Pmt -Check	02/05/202	EFT	BeniComp (Corp)	-406.56
Bill Pmt -Check	02/10/202	45000	A-1 Printing & Graphics (Corp)	-711.75
Bill Pmt -Check	02/10/202	45001	ACWA JPIA Medical/Life	-38,245.92
Bill Pmt -Check	02/10/202	45002	Albert Lo	-85.00
Bill Pmt -Check	02/10/202	45003	Alhambra Educational Foun...	-300.00
Bill Pmt -Check	02/10/202	45004	Applied Technology Group, I...	-320.00
Bill Pmt -Check	02/10/202	45005	Athens (Corporation)	-522.74
Bill Pmt -Check	02/10/202	45006	Azusa Light & Water (Utilitie...	-57.10
Bill Pmt -Check	02/10/202	45007	BOA-Visa	-1,723.73
Bill Pmt -Check	02/10/202	45008	Brian Wood Automotive (Cor...	-789.38
Bill Pmt -Check	02/10/202	45009	California Advocates, Inc. (C...	-8,000.00
Bill Pmt -Check	02/10/202	45010	California Underground Facil...	-73.03
Bill Pmt -Check	02/10/202	45011	Cell Business Equipment	-424.54
Bill Pmt -Check	02/10/202	45012	Cintas	-142.40
Bill Pmt -Check	02/10/202	45013	City of Alhambra (Public Wo...	-5,000.00
Bill Pmt -Check	02/10/202	45014	Civiltec Inc (Corp)	-2,305.00
Bill Pmt -Check	02/10/202	45015	Corrpro Companies, Inc	-22,750.00
Bill Pmt -Check	02/10/202	45016	DigAlert (Corporation)	-178.35
Bill Pmt -Check	02/10/202	45017	DWR	-9,404.00
Bill Pmt -Check	02/10/202	45018	Grainger (Corp)	-304.26
Bill Pmt -Check	02/10/202	45019	Hai Lan Xu	-85.00
Bill Pmt -Check	02/10/202	45020	Joe Reichenberger	-4,192.80
Bill Pmt -Check	02/10/202	45021	Lagerlof, LLP (Atty)	-2,596.25
Bill Pmt -Check	02/10/202	45022	Main SanGabriel Basin Wat...	-7,716.23
Bill Pmt -Check	02/10/202	45023	Maria Vasquez	-74.34
Bill Pmt -Check	02/10/202	45024	Mark Paulson (Expense)	-23.80
Bill Pmt -Check	02/10/202	45025	Michael F Eng (Expense)	-59.50
Bill Pmt -Check	02/10/202	45026	Miles L Prince (Expense)	-533.10
Bill Pmt -Check	02/10/202	45027	Millennium Knight, Inc	-145.46
Bill Pmt -Check	02/10/202	45028	Minh Tran	-85.00
Bill Pmt -Check	02/10/202	45029	Mission ACE Hardware (Corp)	-69.12
Bill Pmt -Check	02/10/202	45030	OCA-GLA	-500.00
Bill Pmt -Check	02/10/202	45031	San Gabriel Valley W Q A	-7,716.23
Bill Pmt -Check	02/10/202	45032	The Gas Company	-31.24
Bill Pmt -Check	02/10/202	45033	Three Valleys Municipal Wat...	-7,716.23
Bill Pmt -Check	02/10/202	45034	Upper San Gabriel Valley M...	-7,716.23
Bill Pmt -Check	02/10/202	45035	Water Wise Consulting, Inc	-15,699.00
Bill Pmt -Check	02/10/202	45036	Western Pest Control Speci...	-627.00
Total 1001 · General Fund Bank of America				-147,330.29
TOTAL				**-147,330.29**

SAN GABRIEL MUNICIPAL WATER DISTRICT

SWP FUND RECAP

January 27, 2025

Check No.	Date	Description	Amount
1013	01/27/25	DWR	$ 1,962,119.00
January 27, 2025		*Total Amount*	$ 1,962,119.00

VISA RECAP
DECEMBER 21, 2024 - JANUARY 20, 2025

DATE	GL/ACCT	NAME OF GL/ACCT	DESCRIPTION	REFERENCE	CHARGED AMT	REFERENCE	CHARGED AMT	REFERENCE	CHARGED AMT	REFERENCE	CHARGED AMT	TOTAL
12/21/2024	4027	Office Supply	Microsoft	Monthly Fee	$1.99							$1.99
1/1/2025	4027	Office Supply	Google	Monthly Subscription	$93.60							$93.60
1/3/2025	4027	Office Supply	Intuit	Annual Membership	$91.00							$91.00
1/6/2025	4033	Public Relations	Foiled Again Chocolate	Milk Chocolate Foiled Coins	$1,354.60							$1,354.60
1/8/2025	4113	Pipeline Maint	Amazon	Rubber U Channel Edge Trim	$13.22							$13.22
1/10/2025	4027	Office Supply	Apple.com	Icloud	$2.99							$2.99
1/10/2025	4027	Office Supply	Staples	Office supplies	$58.51							$58.51
1/16/2025	4027	Office Supply	BOA credit card statement	Late Payment fee	$49.00							$49.00
1/20/2025	4027	Office Supply	BOA credit card statement	Purchase Finance charge	$58.82							$58.82
												$0.00
												$0.00
												$0.00
												$0.00
												$0.00
												$0.00
												$0.00
												$0.00
												$0.00
												$0.00
												$0.00
												$0.00
												$0.00
Total					$1,723.73		$0.00		$0.00		$0.00	$1,723.73

San Gabriel Valley Municipal Water District

TREASURERS INVESTMENT REPORT
(Activity ending December 31, 2024)

Report Date December 31, 2024

Account EM05573

CUSIP#	ACCT. NO.	QUANTITY PURCHASED	BANKING INSTITUTION	RATE	DATE OF PURCHASE	DATE OF MATURITY	RATE OF INTEREST	YIELD TO MATURITY	INTEREST REC'D TTD	QUANTITY PURCHASED
87164XD29	1013	$200,000	SYNCHRONY BK UT US	Fixed Rate	10/15/2021	10/15/2024	0.650%	0.650%	$ 1,303.56	MATURED
90355UCJ2	1013	$240,000	US BK BA OH US	Fixed Rate	02/02/2024	11/04/2024	4.950%	4.950%	$ 8,983.23	MATURED
62452AFQ8	1013	$240,000	MOUNTAINNONE BANK MA US	Fixed Rate	02/14/2024	11/14/2024	4.850%	4.850%	$ 8,737.97	MATURED
795451CK7	1013	$240,000	SALLIE MAE BANK UT US	Fixed Rate	11/18/2022	11/18/2024	4.950%	4.950%	$ 23,792.55	MATURED
95144PGY1	1013	$240,000	WEST BANK IA US	Fixed Rate	02/16/2024	08/15/2025	4.950%	4.950%	$ 8,918.14	MATURED
949764MR2	1013	$240,000	WELLS FARGO BK NA SD US	Fixed Rate	07/01/2024	12/05/2024	5.250%	5.250%	$ 9,493.15	MATURED
523744AW0	1013	$240,000	LEA CNTY ST BK HOB NM US	Fixed Rate	12/10/2022	12/10/2024	0.750%	0.750%	$ 5,099.29	MATURED
02007GH55	1013	$240,000	ALLY BANK UT US	Fixed Rate	12/22/2023	12/23/2024	4.700%	4.700%	$ 18,005.92	MATRUED
06279WAJ9	1013	$240,000	BANK OF IOWA WEST DES IA U	Fixed Rate	12/17/2019	06/15/2029	5.300%	5.300%	$ 6,377.42	MATURED
920133AN5	1013	$240,000	VALLEY STRONG CRED CA US	Fixed Rate	02/10/2023	02/10/2025	5.100%	5.100%	$ 20,355.29	$240,000
12547CAN8	1013	$240,000	CIBC BANK USA IL US	Fixed Rate	02/24/2023	02/24/2025	4.750%	4.750%	$ 11,400.00	$240,000
31657FAU1	1013	$240,000	FIELDPOINT PRVT B&CT US	Fixed Rate	09/29/2023	03/31/2025	5.600%	5.600%	$ 15,686.16	$240,000
02589AB68	1013	$240,000	AMER EXPRESS NATL UT US	Fixed Rate	03/31/2020	03/31/2025	1.550%	1.550%	$ 16,755.29	$240,000
465076UJ4	1013	$240,000	ISRAEL DISCOUNT BK NY US	Fixed Rate	09/29/2023	04/21/2025	5.500%	5.500%	$ 13,236.17	$240,000
856285TF8	1013	$200,000	STATE BK INDIA NY US	Fixed Rate	04/29/2020	04/29/2025	1.600%	1.600%	$ 1,604.38	$200,000
81258PKJ1	1013	$240,000	SEATTLE BANK WA US	Fixed Rate	06/02/2020	06/02/2025	0.750%	0.750%	$ 7,648.94	$240,000
29278TPN4	1013	$240,000	ENERBANK UT US	Fixed Rate	06/19/2020	06/19/2025	0.650%	0.650%	$ 6,500.64	$240,000
22766ARV9	1013	$240,000	CROSSFIRST BANK KS US	Fixed Rate	09/30/2024	06/30/2025	4.000%	4.000%	$ -	$240,000
07371BF71	1013	$240,000	BEAL BK PLANO TEX US	Fixed Rate	10/09/2024	07/09/2025	4.050%	4.050%	$ -	$240,000
37149CAY3	1013	$240,000	GENERATIONS BK AR US	Fixed Rate	07/29/2022	07/29/2025	3.400%	3.400%	$ 19,069.74	$240,000
66405SEP1	1013	$240,000	NORTHEAST BANK ME US	Fixed Rate	08/21/2024	02/15/2025	4.550%	4.550%	$ -	$240,000
91134CCE9	1013	$240,000	UNITED PRAIRIE BK MN US	Fixed Rate	03/25/2020	08/25/2025	1.050%	1.050%	$ 207.12	$240,000
48128UNC9	1013	$240,000	JPMORGAN CHASE & C DE US	Fixed Rate	09/30/2020	09/30/2025	0.400%	0.400%	$ 3,842.64	$240,000
05890QCP7	1013	$240,000	BANC OF CALIFORNIA CA US	Fixed Rate	10/07/2024	10/07/2025	3.900%	3.900%	$ -	$240,000
06279MEE8	1013	$240,000	BANK OF INDIA NY US	Fixed Rate	12/27/2024	12/03/2024	4.100%	4.100%	$ -	$240,000
67054NBD4	1013	$240,000	NUMERICA CREDIT UN WA US	Fixed Rate	12/29/2022	12/29/2025	4.750%	4.750%	$ 21,863.05	$240,000
867352BR6	1013	$240,000	SUNFLOWER BK NA CO CO US	Fixed Rate	12/30/2024	12/30/2025	4.400%	4.400%	$ -	$240,000
919853ND9	1013	$240,000	VALLEY NATL BK NJ US	Fixed Rate	07/30/2024	01/30/2026	4.600%	4.600%	$ -	$240,000
40102PAJ6	1013	$240,000	GUARANTY BK & TR MS US	Fixed Rate	03/13/2024	03/13/2026	5.200%	5.200%	$ 8,342.80	$240,000
90348JG53	1013	$240,000	UBS BANK UT US	Fixed Rate	04/07/2021	04/07/2026	0.950%	0.950%	$ 7,795.34	$240,000
06051XCR1	1013	$240,000	BANK OF AMERICA NA NC US	Fixed Rate	04/19/2024	04/20/2026	5.200%	5.200%	$ 6,257.09	$240,000
90407LAL7	1013	$240,000	UNMASSIVE COLLEGE MA US	Fixed Rate	11/22/2024	05/22/2026	4.200%	4.200%	$ 828.49	$240,000
39573LBL1	1013	$245,000	GREENSTATE CREDIT IA US	Fixed Rate	06/16/2021	06/16/2026	0.950%	0.950%	$ 7,261.27	$245,000
89235MLE9	1013	$240,000	TOYOTA FINL SVG BK NV US	Fixed Rate	07/29/2021	07/29/2026	0.950%	0.950%	$ 5,696.91	$240,000
028402DD4	1013	$240,000	AMER NATL BK OMA NE US	Fixed Rate	09/20/2024	09/18/2026	4.400%	4.400%	$ 2,632.78	$240,000
32065RAW5	1013	$240,000	FIRST KEYSTONE CMN PA US	Fixed Rate	10/08/2024	10/08/2026	4.100%	4.100%	$ 1,644.50	$240,000
9475473L7	1013	$240,000	WEBANK UT US	Fixed Rate	11/13/2024	11/18/2026	4.400%	4.400%	$ 867.95	$240,000

San Gabriel Valley Municipal Water District **TREASURERS INVESTMENT REPORT (Activity ending December 31, 2024)** **Report Date December 31, 2024**

61765Q6N4	1013	$240,000	MORGAN STANLEY BK UT US	Fixed Rate	11/19/2022	11/19/2026	1.100%	1.100%	$ 7,927.23	$240,000
67462QBB7	1013	$240,000	OCEAN BANK FL US	Fixed Rate	12/10/2024	12/10/2026	4.500%	4.500%	$ -	$240,000
90353EBF9	1013	$240,000	USF FED CREDIT UNI FL US	Fixed Rate	03/28/2024	03/29/2027	5.250%	5.250%	$ 7,490.98	$240,000
50625LAZ6	1013	$240,000	LAFAYETTE FED CRED MD US	Fixed Rate	03/30/2022	03/30/2027	2.400%	2.400%	$ 14,912.88	$240,000
61768U4Z7	1013	$240,000	MORGAN STANLEY PRI NY US	Fixed Rate	06/30/2022	06/30/2027	3.750%	3.750%	$ 13,512.33	$240,000
44330U3E0	1013	$240,000	HSBS BK USA VA US	Fixed Rate	08/30/2024	08/23/2027	4.200%	4.200%		$240,000
45673RAD3	1013	$240,000	INFIRST FED CREDIT VA US	Fixed Rate	10/11/2022	10/11/2027	5.000%	5.000%	$ 22,980.83	$240,000
72221MAF0	1013	$240,000	PINAL CNTY FED CRE AZ US	Fixed Rate	12/13/2024	12/13/2027	4.600%	4.600%	$ -	$240,000
24951TAX3	1013	$240,000	DEPARTMENT OF COMM DC U	Fixed Rate	05/30/2023	05/30/2028	5.350%	5.350%	$ 18,086.81	$240,000
36266LAB2	1013	$240,000	GHS FED CREDIT UNI NY US	Fixed Rate	08/17/2023	08/17/2028	5.600%	5.600%	$ 14,618.32	$240,000
320437AT3	1013	$240,000	FIRST GTY BK HAMMO LA US	Fixed Rate	11/06/2024	11/06/2028	4.350%	4.350%	$ -	$240,000
64017ABG8	1013	$240,000	NEIGHBORS FED CRED LA US	Fixed Rate	01/31/2024	01/31/2029	5.300%	5.300%	$ 11,674.53	$240,000
09776DAG9	1013	$200,000	BOM BANK LA US	Fixed Rate	06/25/2024	06/25/2029	5.350%	5.350%	$ 5,365.16	$200,000
86400LAL2	1013	$240,000	STUDIO BK TN US	Fixed Rate	09/18/2024	09/18/2029	4.500%	4.500%	$ 2,692.60	$240,000
								GRAND TOTAL CD'S PURCHASED		$10,005,000

Money Market Account

When CD is in transition from maturity to repurchasing, it is entered into a money market account & this is the interest earned while in that account:

	Balance Forward	$	4,302.18
* 10/07/24-12/30/24	UBS BANK USA DEPOSIT ACCOUNT ENTRY AS OF 10/07/24-12/27/24 INTEREST INCOME $ 6.48 SECURITY/SYMBOL MMPFDI-919446	$	6.48
	UBS SELECT TREASURY INSTITUTIONAL FUND ENTRY AS OF 10/10/24-12/30/24 DIVIDEND INCOME $ 2029.83 SECURITY/SYMBOL SETXX	$	2,029.83
	G.T. Money Market Interest Received Total To Date:		$6,338.49

Recap of All CD Interest Received

TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2008-2009	$19,619.98
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2009-2010	$144,944.73
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2010-2011	$96,652.58
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2011-2012	$56,675.75
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2012-2013	$51,793.98
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2013-2014	$73,466.67
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2014-2015	$86,491.81
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2015-2016	$101,469.27
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2016-2017	$123,833.68
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2017-2018	$151,379.14
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2018-2019	$201,846.40
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2019-2020	$233,862.14
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2020-2021	$148,118.57
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2021-2022	$87,497.64
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2022-2023	$139,596.40
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2023-2024	$303,132.72
TOTAL INTEREST RECEIVED FOR FISCAL YEAR 2024-2025 AT DECEMBER 31, 2024	$222,723.75
GRAND TOTAL INTEREST RECEIVED FOR ALL FY'S TO DATE	**$2,243,105.21**

San Gabriel Valley Municipal Water District **TREASURERS INVESTMENT REPORT (Activity ending December 31, 2024)** **Report Date December 31, 2024**

Local Agency Investment Fund (LAIF)

ACCT. NO.	INSTITUTION	PMIA AVERAGE MONTHLY 12/2024 EFFECTIVE YIELD	DAILY YIELD AT 12/31/2024	BALANCE GEN. LEDGER
1009	LOCAL AGENCY INVESTMENT FUND - (GENERAL FUND)	4.434%	4.400%	$11,247,145.96
	GRAND TOTAL LOCAL AGENCY INVESTMENT FUND (SEE REPORT ATTACHED)			$11,247,146

SUMMARY	BALANCES
Local Agency Investment Fund - General Fund	$ 11,247,145.96
UBS Certificates of Deposit Summary Total	$ 10,005,000.00
UBS Select Treasury Notes	$ -
UBS Certificates of Deposit Interest Fiscal Year 2024-2025 At Date December 31, 2024	$ 222,723.75
UBS Bank USA Deposit Account/UBS Select Treasury Investor Fund	$ 2,036.31
Money Balance Activities minus total dividend and interest income	$ -
TOTAL INVESTMENTS	$ 21,476,906.02
Cash Bank of America General Fund	$5,769,378
Cash Bank of America Revolving Fund	$237,609
Cash Bank of America SWP Fund Account	$9,234,234
Petty Cash Fund	$300
GRAND TOTAL INVESTMENTS AND CASH LESS RESTRICTED FUNDS	$ 36,718,427.71

I certify that this report accurately reflects all pooled investments and is in compliance with California Government Code Sections 53601(i), 53601.1, 53635(i) and 53646 and is in conformity with the San Gabriel Valley Municipal Water District's investment policy as stated in Resolution 10-95-489, dated 10/23/95.

As Treasurer of San Gabriel Valley Municipal Water District, I hereby certify that sufficent liquidity and anticipated revenues are available to meet the next six month's estimated expenditures.

Darin J. Kasamoto
Deputy Treasurer

1/30/25
Date

Type of Investment with title held in the name of San Gabriel Valley Municipal Water District:

CD'S	Certificates of Deposit
LAIF	Local Agency Investment Fund
MM	Money Market Account

PMIA/LAIF Performance Report as of 01/22/25

Quarterly Performance Quarter Ended 12/31/24

LAIF Apportionment Rate[2]:	4.62
LAIF Earnings Ratio[2]:	0.00012664187216722
LAIF Administrative Cost[1]*:	0.28
LAIF Fair Value Factor[1]:	0.999621985
PMIA Daily[1]:	4.40
PMIA Quarter to Date[1]:	4.48
PMIA Average Life[1]:	252

PMIA Average Monthly Effective Yields[1]

December	**4.434**
November	4.477
October	4.518
September	4.575
August	4.579
July	4.516

Pooled Money Investment Account Monthly Portfolio Composition [1] 12/31/24 $155.4 billion

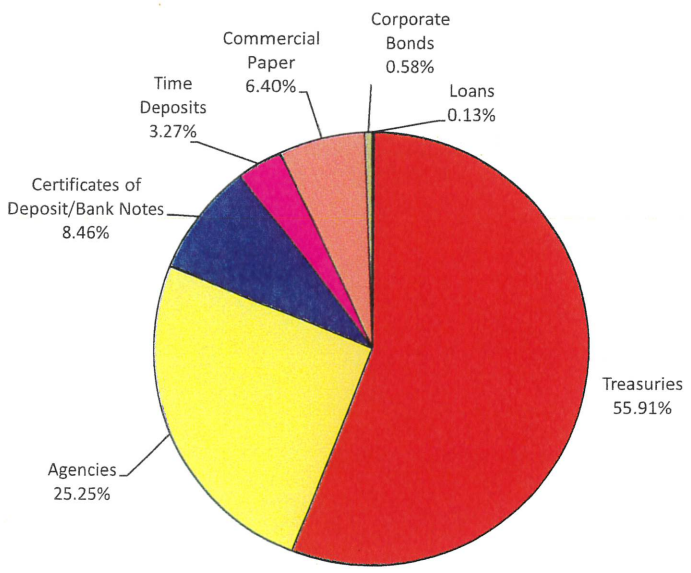


Chart does not include $1,239,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

Daily rates are now available here. View PMIA Daily Rates

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

**The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.*

Source:
[1] State of California, Office of the Treasurer
[2] State of California, Office of the Controller

LOCAL AGENCY INVESTMENT FUND

PMIA Average Monthly Effective Yields

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1977	5.770	5.660	5.660	5.650	5.760	5.850	5.930	6.050	6.090	6.090	6.610	6.730
1978	6.920	7.050	7.140	7.270	7.386	7.569	7.652	7.821	7.871	8.110	8.286	8.769
1979	8.777	8.904	8.820	9.082	9.046	9.224	9.202	9.528	9.259	9.814	10.223	10.218
1980	10.980	11.251	11.490	11.480	12.017	11.798	10.206	9.870	9.945	10.056	10.426	10.961
1981	10.987	11.686	11.130	11.475	12.179	11.442	12.346	12.844	12.059	12.397	11.887	11.484
1982	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
1983	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
1984	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
1985	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
1986	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7.586	7.432	7.439
1987	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
1988	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
1989	8.698	8.770	8.870	8.992	9.227	9.204	9.056	8.833	8.801	8.771	8.685	8.645
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
1995	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378	0.385	0.401	0.382
2012	0.385	0.389	0.383	0.367	0.363	0.358	0.363	0.377	0.348	0.340	0.324	0.326
2013	0.300	0.286	0.285	0.264	0.245	0.244	0.267	0.271	0.257	0.266	0.263	0.264
2014	0.244	0.236	0.236	0.233	0.228	0.228	0.244	0.260	0.246	0.261	0.261	0.267
2015	0.262	0.266	0.278	0.283	0.290	0.299	0.320	0.330	0.337	0.357	0.374	0.400
2016	0.446	0.467	0.506	0.525	0.552	0.576	0.588	0.614	0.634	0.654	0.678	0.719
2017	0.751	0.777	0.821	0.884	0.925	0.978	1.051	1.084	1.111	1.143	1.172	1.239
2018	1.350	1.412	1.524	1.661	1.755	1.854	1.944	1.998	2.063	2.144	2.208	2.291
2019	2.355	2.392	2.436	2.445	2.449	2.428	2.379	2.341	2.280	2.190	2.103	2.043
2020	1.967	1.912	1.787	1.648	1.363	1.217	0.920	0.784	0.685	0.620	0.576	0.540

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	0.458	0.407	0.357	0.339	0.315	0.262	0.221	0.221	0.206	0.203	0.203	0.212
2022	0.234	0.278	0.365	0.523	0.684	0.861	1.090	1.276	1.513	1.772	2.007	2.173
2023	2.425	2.624	2.831	2.870	2.993	3.167	3.305*	3.434	3.534	3.670	3.843	3.929
2024	4.012	4.122	4.232	4.272	4.332	4.480	4.516	4.579	4.575	4.518	4.477	4.434

* Revised

State of California
Pooled Money Investment Account
Market Valuation
12/31/2024

Description	Carrying Cost Plus Accrued Interest Purch.	Amortized Cost	Fair Value	Accrued Interest
United States Treasury:				
Bills	$ 37,200,362,729.27	$ 37,578,467,975.08	$ 37,598,038,116.50	NA
Notes	$ 49,665,562,393.13	$ 49,643,342,570.29	$ 49,613,793,037.00	$ 456,248,631.50
Federal Agency:				
SBA	$ 222,988,043.71	$ 222,988,043.71	$ 224,917,838.54	$ 986,692.09
MBS-REMICs	$ 1,239,158.24	$ 1,239,158.24	$ 1,224,593.17	$ 5,405.72
Debentures	$ 7,776,611,325.51	$ 7,776,123,304.68	$ 7,750,461,150.00	$ 83,135,528.50
Debentures FR	$ -	$ -	$ -	$ -
Debentures CL	$ 2,550,000,000.00	$ 2,550,000,000.00	$ 2,548,389,000.00	$ 21,607,623.50
Discount Notes	$ 25,790,437,970.76	$ 26,046,333,391.63	$ 26,049,911,000.00	NA
Supranational Debentures	$ 2,896,697,399.81	$ 2,896,274,656.75	$ 2,873,776,000.00	$ 30,191,592.50
Supranational Debentures FR	$ -	$ -	$ -	$ -
CDs and YCDs FR	$ -	$ -	$ -	$ -
Bank Notes	$ -		$ -	$ -
CDs and YCDs	$ 13,150,000,000.00	$ 13,150,000,000.00	$ 13,151,991,371.89	$ 189,510,569.41
Commercial Paper	$ 9,942,308,583.28	$ 10,047,868,071.48	$ 10,051,627,805.51	NA
Corporate:				
Bonds FR	$ -	$ -	$ -	$ -
Bonds	$ 898,812,556.16	$ 898,667,140.88	$ 888,168,435.00	$ 8,541,998.72
Repurchase Agreements	$ -	$ -	$ -	$ -
Reverse Repurchase	$ -	$ -	$ -	$ -
Time Deposits	$ 5,088,500,000.00	$ 5,088,500,000.00	$ 5,088,500,000.00	NA
PMIA & GF Loans	$ 194,249,000.00	$ 194,249,000.00	$ 194,249,000.00	NA
TOTAL	$ 155,377,769,159.87	$ 156,094,053,312.74	$ 156,035,047,347.61	$ 790,228,041.94

Fair Value Including Accrued Interest $ 156,825,275,389.55

Repurchase Agreements, Time Deposits, PMIA & General Fund loans, and
Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (0.999621985).
As an example: if an agency has an account balance of $20,000,000.00, then the agency would report its participation in the LAIF valued at $19,992,439.69 or $20,000,000.00 x 0.999621985.

AGENDA ACTION ITEM NO. 1

SCHEDULE I CONDITION ASSESSMENT FIELD VALIDATIONS AND UPDATED FAILURE RISK ANALYSIS AND REPAIR PRIORITIZATION

RECOMMENDED ACTION: None; this is an information-only item.

BACKGROUND: A PowerPoint presentation of PICA's Condition Assessment and SGH's Updated Failure Risk Analysis and Repair Prioritization reports will provide details of the field validation results of two pipe segments in Schedule I, how they compared to the 2022 Condition Assessment, and the impact on the Failure Risk Analysis and Repair Prioritization report.

BUDGET IMPACT: N/A

PRIOR BOARD ACTION: N/A

SAN GABRIEL VALLEY
MUNICIPAL
WATER DISTRICT
AZUSA | SIERRA MADRE | MONTEREY PARK | ALHAMBRA

Schedule I Condition Assessment Field Validations and Updated Failure Risk Analysis and Repair Prioritization

History

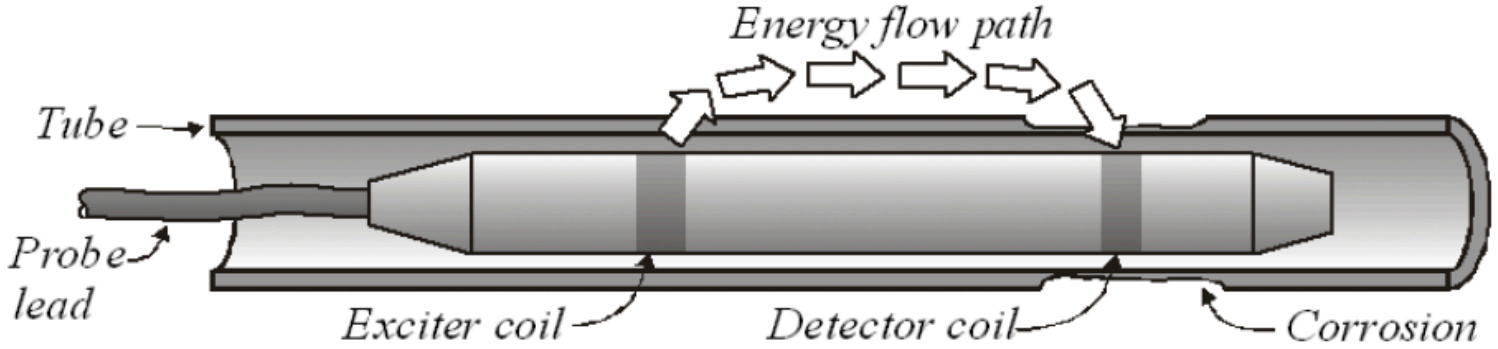
- 2000s- Changes in annual ETS readings led to additional corrosion testing by Schiff & Associates/HDR Engineering to identify potential causes.
- 2012- Two pipeline joints were excavated on Wabash Avenue. Active corrosion was observed, and weeping at one of the joints required repair.
- HDR continued testing over several years. It was determined that the pipeline was electrically discontinuous - all non-welded joints require bonding before a corrosion protection system can be designed/installed.

Condition Assessment Pilot

- 2022 A pilot condition assessment of Schedule I was conducted to evaluate different technologies.
- SeeSnake- Remote Field-Testing tool
- Pipers- Acoustic, pressure and metallic sensors
- CCTV- Video inspection
- Failure risk analysis and repair prioritization based on inspection data


Receive: STA 126+40
Sierra Madre Ave.
36” Launch Barrel
Gate Valve
Flow From Hydrant
Inspection Direction
36” Receive Barrel
Gate Valve
Inspection Direction
Discharge Flow
Launch: STA 355+56
Compromise Line Rd. & Sellers St.

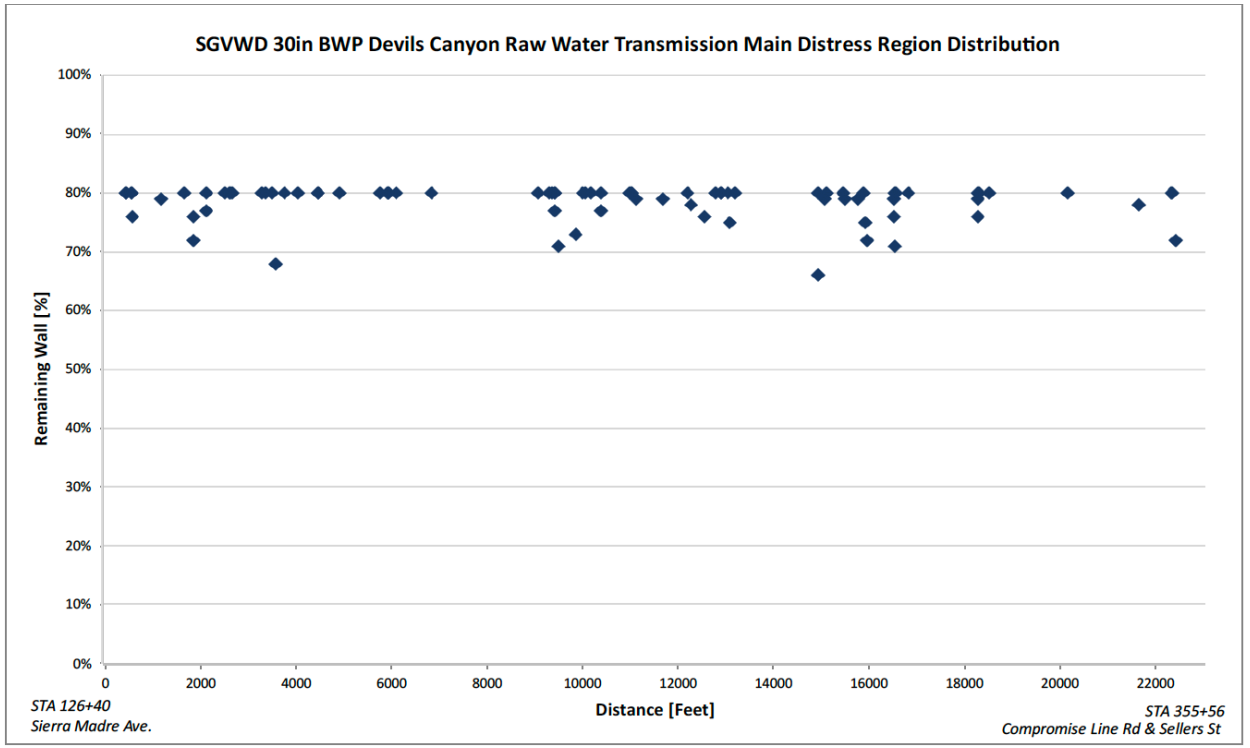
- PICA's 30" SeeSnake is nicknamed "Chimera".
- From Greek mythology, chimera describes a mythical creature with parts from various animals. A chimera can be any hybrid creature. "Chimera", Wikipedia, February 3, 2025, https://en.wikipedia.org/wiki/Chimera_(mythology)

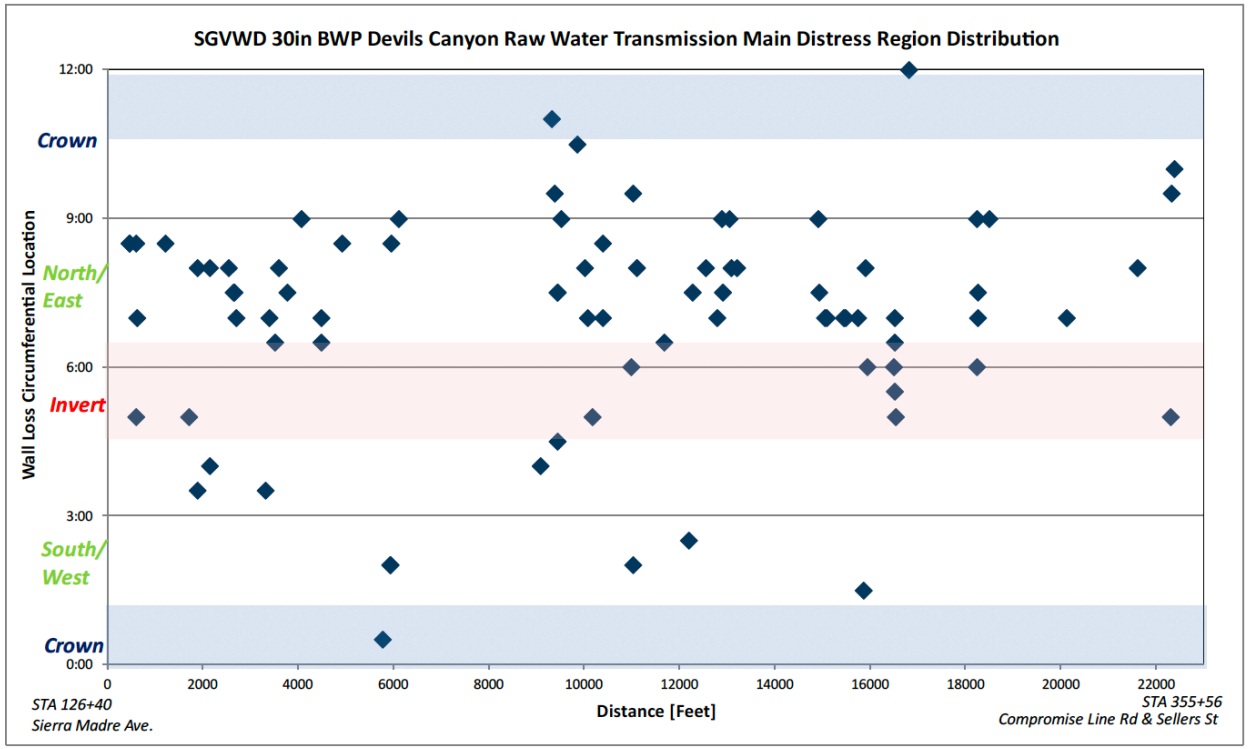


Overview of RFT findings from the inspected portion

Table 1: Feature Indication Summary	
Total Inspected Length:	**22,955.06 ft**
Pipe Nominal Wall Thickness:	**0.1345-inch**
Number of Pipe Segments (excluding features):	**597**
Number of Analyzed Pipe Sections: **Encased pipe segments were not analyzed*	**582**
Number of Pipes with Local Distressed Regions:	**63**
Total Number of Local Distressed Regions Reported:	**83**
• *Number of Regions with corrosion measuring 61-80% Remaining Wall:*	*83*
• *Number of Regions with corrosion measuring 41-60% Remaining Wall:*	*0*
• *Number of Regions with corrosion measuring 21-40% Remaining Wall:*	*0*
• *Number of Regions with corrosion measuring ≤20% Remaining Wall:*	*0*
Number of Stress Anomalies: **Suspected to be related to either manufacturing or installation.*	**14**
Number of Concrete Liner Defects Observed: **From CCTV inspection.*	**5**
Construction Feature Summary	
Number of Pipeline Construction Features:	**78**
• *Number of Horizontal Bends:*	*26*
• *Number of Vertical Bends:*	*21*
• *Number of 20" Manholes*	*11*
• *Number of Blow-off Valves*	*10*
• *Number of Air Release Valves*	*9*
• *Number of 20" Outlets*	*1*
Number of Encased Pipe Segments:	*15*

RFT-Identified Distressed Region Distribution





After the RFT Inspection, two free-floating Ingu Pipers were deployed.

Pipers

Sensors detect leaks, metallic features, geometric defects, and deposits that affect performance.

The leak detection survey did not identify any leaks within the sensitivity of the Pipers.

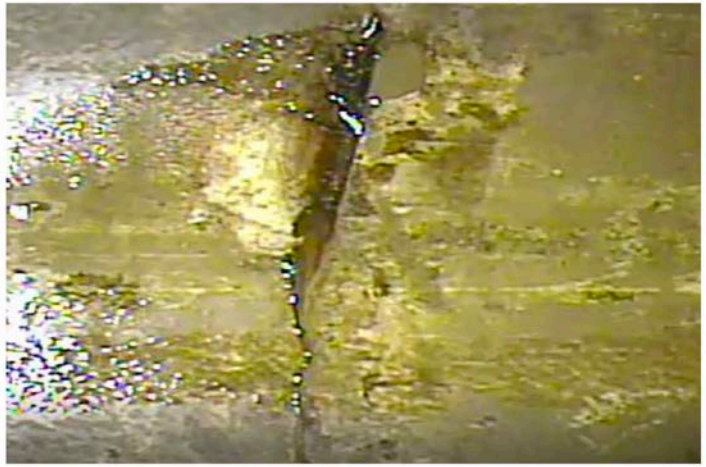
The survey identified 29 metallic features, which correlated well with the as-built drawings, RFT data and CCTV footage.

Operations:	
Project reference	22212-001
Conducted for	PICA Corp. on behalf of the San Gabriel Valley Municipal Water District
Instrumentation and analysis	Ingu Solutions Inc.
Pipers® Survey:	
Tool used	INGU Pipers® (free-floating)
Launch site	34.129499°, -117.833805°
Receive site	34.146907°, -117.889040°
Survey date	August 4, 2022
Survey length	22,841 ft
Survey durations (hh:mm)	Run #1: 04:13 Run #2: 04:12
Pipeline:	
Line identification	DCAP SCH I Pipeline
Pipeline length	22,841 ft
Pipeline material	Bar Wrap Concrete Cylinder
Pipeline diameter (OD)	31 7/8 inch
Wall thickness	0.9375 inch
Liner type	N/A
Liner thickness	N/A
Survey fluid	Raw water
Regular operating fluid	Raw water
Survey pressure	50 – 101 PSI
Project Management:	
PICA Corp.	Tim Andrews
Ingu Solutions Inc.	Anouk van Pol

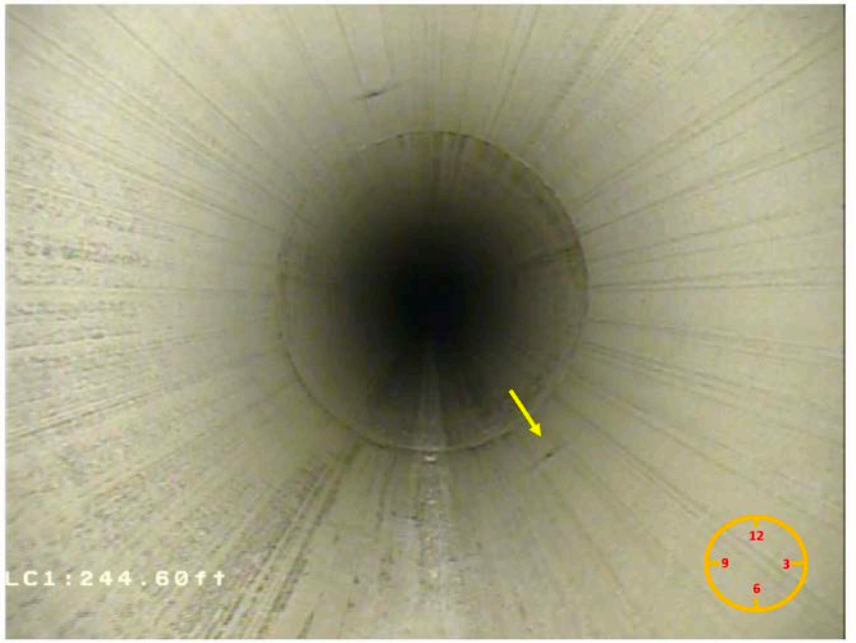
CCTV Inspection: August 23, 2022 - September 2, 2022

Two of five observed concrete liner defects:

Client	San Gabriel Valley Water District (SGVWD)					Survey Date	2022-09-02
Project	30in BWP Devil Canyon Raw Water Transmission Main					Project Number	7162
Section Surveyed	303+40 to 324+00		Survey Direction	Downstream of 303+40		Image Ref #	V-0040
Observation	Crack in concrete					Image Orientation	Facing D/S
Comments							
Segment #	4710	Clock Position	6:00 (Facing D/S)			CCTV Timestamp	00:13:08
Distance from U/S Joint	16.7 ft	Distance from D/S Joint	23.3 ft	Distance from MH STA 303+40	309.51 ft	Distance from MH STA 324+00	1,687.09 ft



Client	San Gabriel Valley Water District (SGVWD)					Survey Date	2022-09-02
Project	30in BWP Devil Canyon Raw Water Transmission Main					Project Number	7162
Section Surveyed	284+50 to 303+70		Survey Direction	Downstream of 284+50		Image Ref #	V-0030
Observation	Damaged concrete					Image Orientation	Facing D/S
Comments							
Segment #	4190	Clock Position	5:00 (Facing D/S)			CCTV Timestamp	00:08:29
Distance from U/S Joint	38.4 ft	Distance from D/S Joint	1.7 ft	Distance from MH STA 284+50	174.83 ft	Distance from MH STA 303+70	1,709.27 ft



RFT/CCTV Consolidated Reporting

- Analysis results from the RFT inspection and all notable observations from the CCTV inspections were consolidated into a comprehensive Excel spreadsheet.

- CCTV- The location of all five (5) liner defects were later reviewed in the RFT data. None of the liner observations correlated with distress, corrosion, or other anomalous signals in the electromagnetic data and were deemed superficial.

- RFT- All areas of distress or anomalies in the RFT data were closely reviewed in the CCTV footage.

RFT/CCTV Consolidated Reporting

Pipeline Owner	San Gabriel Valley Water District
Pipeline Designation	30in BWP Devil Canyon Raw Water Transmission Main
Report Revision	1
Start Stationing	125+80
End Stationing	355+71
Reported Length [ft]	22,955.06

PICA Pipeline Inspection and Condition Analysis Corporation

Segment Details																RFT & CCTV Inspection Observations										
									Stationing Location	CCTV Location																
Pipe Type	Steel Thickness (in)	Pipe Class	Segment ID	RFT Length (ft)	Pitch (°)	PARW (%)	Distance from US Manhole (ft)	Distance from DS Manhole (ft)	Upstream Connection	Downstream Connection	Upstream Connection Timestamp	Upstream Video File	Downstream Connection Timestamp	Downstream Video File	Construction Feature	Segment ID	Observation Type	Anomaly ID	Approximate Anomaly Station	Distance from US Connection (ft)	Distance from DS Connection (ft)	Clock Position	Orientation (°)	Remaining Wall (% NWT)	Estimated Anomaly Length (in)	RFT & CCTV Comments
30" Bar Wrapped Pipe	0.1345	200	Unlabeled	12.00	N/A	N/A	N/A	N/A	125+80	125+92	N/A	N/A	0:01:30	V1: 123+00 to 144+00 Re-inspection	STA 125+80 Excavation											
30" Bar Wrapped Pipe	0.1345	200	0010	40.15	-0.2	96	12.00	1,707.91	125+92	126+40	0:01:30	V1: 123+00 to 144+00 Re-inspection	0:02:43	V1: 123+00 to 144+00 Re-inspection	A wye was installed at approximately STA 125+80 to facilitate the removal of the RFT tool. The zero-datum point of the RFT inspection is located at the easternmost connection of the segment containing the wye.											
30" Bar Wrapped Pipe	0.1345	200	0020	40.06	-0.2	95	52.16	1,667.85	126+40	126+87	0:02:43	V1: 123+00 to 144+00 Re-inspection	0:04:00	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0030	40.09	-0.6	95	92.22	1,627.75	126+87	127+35	0:04:00	V1: 123+00 to 144+00 Re-inspection	0:05:15	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0040	39.93	-0.4	95	132.32	1,587.82	127+35	127+82	0:05:15	V1: 123+00 to 144+00 Re-inspection	0:06:31	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0050	40.15	-0.2	95	172.25	1,547.67	127+82	128+29	0:06:31	V1: 123+00 to 144+00 Re-inspection	0:07:47	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0060	40.12	0.5	96	212.40	1,507.55	128+29	128+77	0:07:47	V1: 123+00 to 144+00 Re-inspection	0:09:04	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0070	40.13	0.4	96	252.52	1,467.43	128+77	129+25	0:09:04	V1: 123+00 to 144+00 Re-inspection	0:10:20	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0080	40.13	0.3	97	292.64	1,427.29	129+25	129+72	0:10:20	V1: 123+00 to 144+00 Re-inspection	0:11:36	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0090	40.10	0.1	97	332.78	1,387.19	129+72	130+20	0:11:36	V1: 123+00 to 144+00 Re-inspection	0:12:54	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0100	40.21	1.1	99	372.88	1,346.98	130+20	130+60	0:12:54	V1: 123+00 to 144+00 Re-inspection	0:14:12	V1: 123+00 to 144+00 Re-inspection	4" Air Vac and ARV - STA 130+58	0100	Air Valve	CF-0010	130+58	38.3	1.9	1:00	30	Does not apply	4.0	
30" Bar Wrapped Pipe	0.1345	200	CF	4.97	0.4	N/A	413.09	1,342.01	130+60	130+65	0:14:12	V1: 123+00 to 144+00 Re-inspection	0:14:30	V1: 123+00 to 144+00 Re-inspection	45° horizontal bend - STA 130+68; RFT data and CCTV video indicates the elbow is located at approximately STA 130+63											
30" Bar Wrapped Pipe	0.1345	200	0110	22.99	5.5	110	418.06	1,319.02	130+65	130+88	0:14:30	V1: 123+00 to 144+00 Re-inspection	0:15:08	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	CF	4.86	6.2	N/A	441.05	1,314.16	130+88	130+93	0:15:08	V1: 123+00 to 144+00 Re-inspection	0:15:17	V1: 123+00 to 144+00 Re-inspection	45° horizontal bend - STA 130+90											
30" Bar Wrapped Pipe	0.1345	200	0120	3.34	6.7	N/A	445.91	1,310.82	130+93	130+96	0:15:17	V1: 123+00 to 144+00 Re-inspection	0:15:26	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0130	3.91	7.7	N/A	449.25	1,306.91	130+96	131+00	0:15:26	V1: 123+00 to 144+00 Re-inspection	0:15:40	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0140	40.06	7.2	98	453.16	1,266.85	131+00	131+40	0:15:40	V1: 123+00 to 144+00 Re-inspection	0:16:55	V1: 123+00 to 144+00 Re-inspection		0140	Local Wall Loss	LWL-0010	131+31	31.6	8.4	8:30	255	80	3.4	
																0140	Local Wall Loss	LWL-0020	131+34	33.9	6.1	8:30	255	80	2.3	
30" Bar Wrapped Pipe	0.1345	200	0150	40.08	6.2	101	493.22	1,226.78	131+40	131+80	0:16:55	V1: 123+00 to 144+00 Re-inspection	0:18:34	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0160	40.07	5.5	101	533.29	1,186.70	131+80	132+19	0:18:34	V1: 123+00 to 144+00 Re-inspection	0:20:50	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0170	40.07	5.4	100	573.37	1,146.63	132+19	132+59	0:20:50	V1: 123+00 to 144+00 Re-inspection	0:23:24	V1: 123+00 to 144+00 Re-inspection		0170	Local Wall Loss	LWL-0030	132+53	33.8	6.3	5:00	150	80	3.4	
																0170	Local Wall Loss	LWL-0040	132+54	34.9	5.2	8:30	255	80	3.4	
30" Bar Wrapped Pipe	0.1345	200	0180	40.10	6.1	101	613.44	1,106.53	132+59	132+99	0:23:24	V1: 123+00 to 144+00 Re-inspection	0:25:46	V1: 123+00 to 144+00 Re-inspection		0180	Local Wall Loss	LWL-0050	132+73	14.0	26.1	7:00	210	69	5.2	
30" Bar Wrapped Pipe	0.1345	200	0190	40.02	6.8	100	653.54	1,066.51	132+99	133+39	0:25:46	V1: 123+00 to 144+00 Re-inspection	0:27:58	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0200	40.12	5.0	99	693.56	1,026.40	133+39	133+79	0:27:58	V1: 123+00 to 144+00 Re-inspection	0:30:24	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0210	40.09	5.0	101	733.67	986.31	133+79	134+19	0:30:24	V1: 123+00 to 144+00 Re-inspection	0:32:38	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0220	40.11	5.5	99	773.76	946.20	134+19	134+59	0:32:38	V1: 123+00 to 144+00 Re-inspection	0:34:52	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0230	40.09	5.4	101	813.87	906.10	134+59	134+99	0:34:52	V1: 123+00 to 144+00 Re-inspection	0:36:49	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0240	40.13	5.3	102	853.97	865.98	134+99	135+39	0:36:49	V1: 123+00 to 144+00 Re-inspection	0:38:38	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0250	40.13	4.6	101	894.09	825.85	135+39	135+79	0:38:38	V1: 123+00 to 144+00 Re-inspection	1:05:40	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0260	40.10	6.6	106	934.22	785.75	135+79	136+19	1:05:40	V1: 123+00 to 144+00 Re-inspection	1:08:00	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0270	40.12	6.7	97	974.32	745.62	136+19	136+59	1:08:00	V1: 123+00 to 144+00 Re-inspection	1:10:12	V1: 123+00 to 144+00 Re-inspection												
30" Bar Wrapped Pipe	0.1345	200	0280	40.19	6.4	98	1,014.45	705.43	136+59	136+99	0:41:43	V2: 144+00 to 123+00 WYE	0:37:26	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	200	0290	40.07	3.8	101	1,054.64	665.36	136+99	137+39	0:37:26	V2: 144+00 to 123+00 WYE	0:35:05	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	200	0300	40.06	5.4	100	1,094.71	625.30	137+39	137+78	0:35:05	V2: 144+00 to 123+00 WYE	0:31:57	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	200	0310	40.11	4.8	101	1,134.77	585.19	137+78	138+18	0:31:57	V2: 144+00 to 123+00 WYE	0:28:45	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	200	0320	40.14	4.8	100	1,174.88	545.05	138+18	138+58	0:28:45	V2: 144+00 to 123+00 WYE	0:25:42	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	200	0330	40.05	5.4	101	1,215.02	504.99	138+58	138+98	0:25:42	V2: 144+00 to 123+00 WYE	0:23:38	V2: 144+00 to 123+00 WYE		0330	Local Wall Loss	LWL-0060	138+70	11.8	28.3	8:30	255	73	3.1	
30" Bar Wrapped Pipe	0.1345	200	0340	40.15	6.3	102	1,255.08	464.85	138+98	139+38	0:23:38	V2: 144+00 to 123+00 WYE	0:21:30	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	200	0350	40.04	4.8	103	1,295.22	424.80	139+38	139+78	0:21:30	V2: 144+00 to 123+00 WYE	0:19:12	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	200	0360	40.12	4.4	100	1,335.27	384.68	139+78	140+18	0:19:12	V2: 144+00 to 123+00 WYE	0:17:00	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	200	0370	40.09	3.7	101	1,375.39	344.59	140+18	140+58	0:17:00	V2: 144+00 to 123+00 WYE	0:15:09	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	225	0380	40.06	3.7	102	1,415.48	304.53	140+58	140+98	0:15:09	V2: 144+00 to 123+00 WYE	0:14:04	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	225	0390	40.12	3.6	101	1,455.54	264.41	140+98	141+38	0:14:04	V2: 144+00 to 123+00 WYE	0:13:05	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	225	0400	40.09	3.2	105	1,495.66	224.31	141+38	141+78	0:13:05	V2: 144+00 to 123+00 WYE	0:11:12	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	225	0410	40.07	4.1	102	1,535.76	184.24	141+78	142+18	0:11:12	V2: 144+00 to 123+00 WYE	0:09:53	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	225	0420	40.12	3.1	102	1,575.83	144.12	142+18	142+58	0:09:53	V2: 144+00 to 123+00 WYE	0:06:05	V2: 144+00 to 123+00 WYE												
30" Bar Wrapped Pipe	0.1345	225	0430	40.06	3.7	103	1,615.95	104.06	142+58	142+97	0:06:05	V2: 144+00 to 123+00 WYE	0:04:49	V2: 144+00 to 123+00 WYE												

Following SGH's Failure Risk Analysis report, discussions between PICA, SGH, Civiltec, and SGVMWD took place.

One of the recommendations was to field validate the RFT results to confirm the accuracy of the reported wall loss estimates. A total of 13 pipes were recommended by SGH for further inspection, pipes 940 and 4750 were selected by the group.

A hydraulic transient analysis was also recommended and was conducted by Civiltec Engineering in 2024.

SGH

FAILURE RISK ANALYSIS AND REPAIR PRIORITIZATION OF 30 IN. DIAMETER BWP

Devil Canyon-Azusa Pipeline, Schedule I
San Gabriel Valley Municipal Water District (SGVMWD)
Azusa, CA

31 January 2023

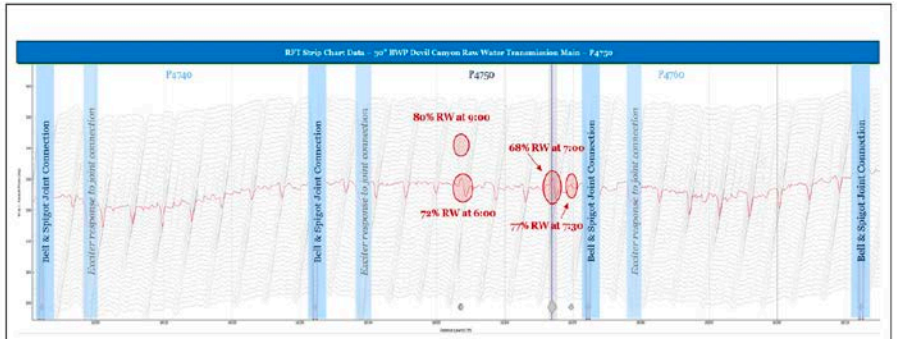
SGH Project 221000

PREPARED FOR
PICA Corp (USA)
2801 Youngfield Street, Suite 370
Golden, CO 80401

PREPARED BY
Simpson Gumpertz & Heger Inc.
480 Totten Pond Road
Waltham, MA 02451
O: 781.907.9000

Pipe 4750 (4) Defects: 72% @ 6:00, 68% @ 7:00, 77% @ 7:30, 80% @ 9:00

Appendix E: RFT Stripchart - 4750 (STA 308+39 to 30878)

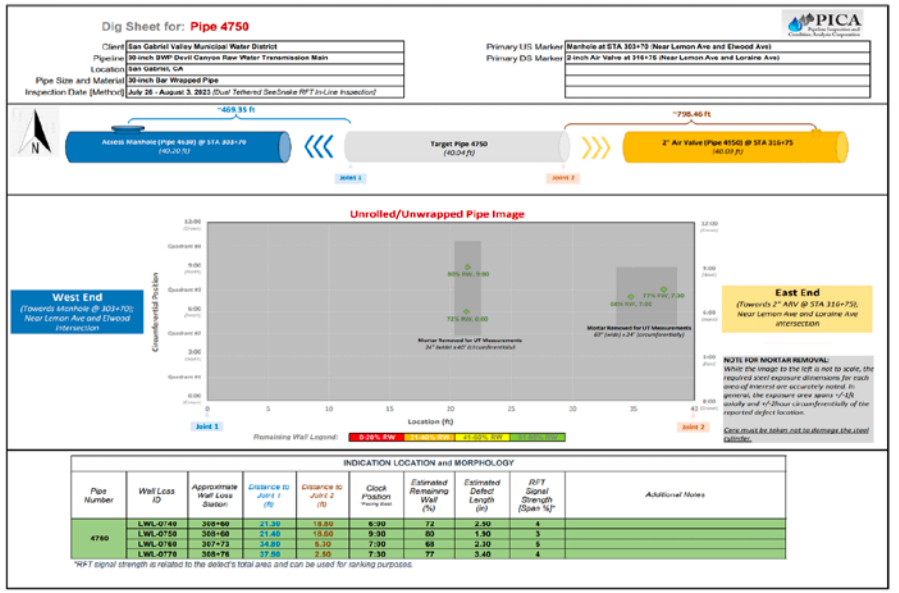


RFT & CCTV Inspection Observations

Segment ID	Observation Type	Anomaly ID	Approximate Anomaly Station	Distance from Low STA Joint (ft)	Distance from High STA Joint (ft)	Clock Position	Orientation (°)	Remaining Wall (% NWT)	Estimated Anomaly Length (in)	RFT & CCTV Comments
4750	Local Wall Loss	LWL-0740	308+60	21.3	18.8	6:00	180	72	2.5	
4750	Local Wall Loss	LWL-0750	308+60	21.4	18.6	9:00	270	80	1.9	
4750	Local Wall Loss	LWL-0760	308+73	34.8	5.3	7:00	210	68	2.3	
4750	Local Wall Loss	LWL-0770	308+76	37.5	2.5	7:30	225	77	3.4	

Pipe Segment 4750: STA 308+39 to STA 308+78 (RP1B)

Appendix D: Dig Sheet - 4750 (STA 308+39 to 30878)



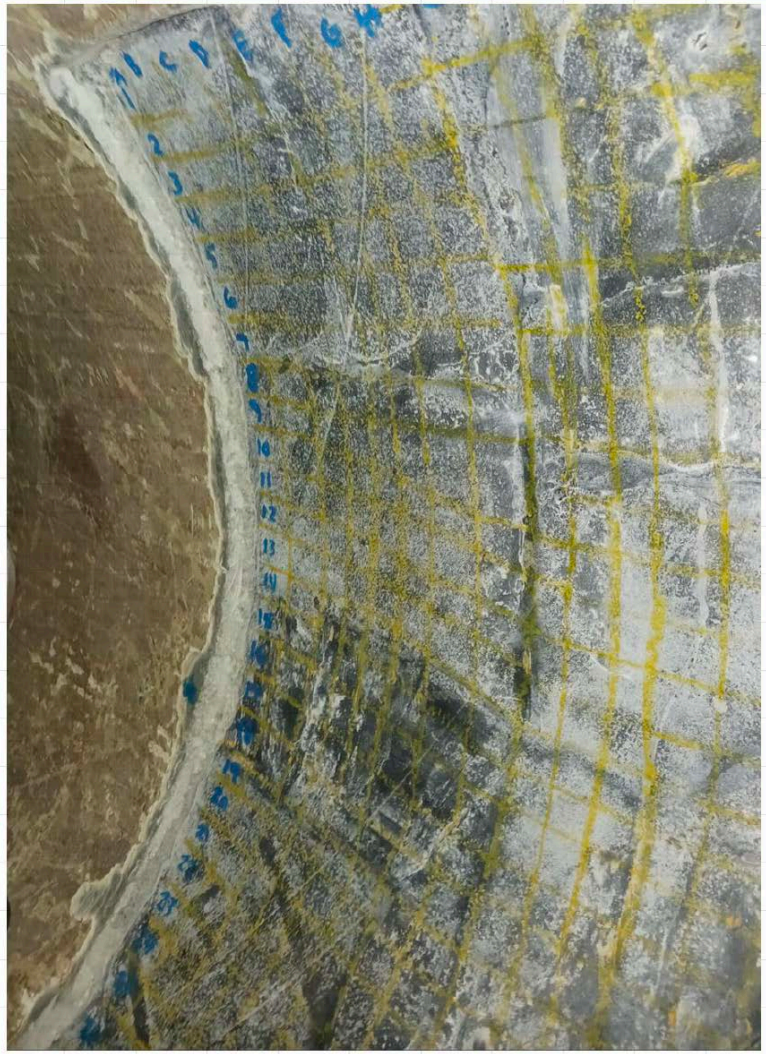
INDICATION LOCATION and MORPHOLOGY

Pipe Number	Wall Loss ID	Approximate Wall Loss Station	Distance to Joint 1 (ft)	Distance to Joint 2 (ft)	Clock Position (Facing Ahead)	Estimated Remaining Wall (%)	Estimated Defect Length (in)	RFT Signal Strength (Span %)*	Additional Notes
4750	LWL-0740	308+60	21.30	18.80	6:00	72	2.50	4	
	LWL-0750	308+60	21.40	18.60	9:00	80	1.90	3	
	LWL-0760	307+73	34.80	5.30	7:00	68	2.30	5	
	LWL-0770	308+76	37.50	2.50	7:30	77	3.40	4	

*RFT signal strength is related to the defect's total area and can be used for ranking purposes.

Pipe 4750 Interior Validation- December 13, 2023

9:00 (North)		1%	101%	100%
101%	101%	100%	100%	99%
101%	101%	101%	100%	99%
101%	101%	101%	100%	96%
101%	101%	101%	100%	99%
101%	101%	100%	100%	100%
101%	101%	100%	100%	99%
101%	100%	99%	100%	99%
100%	100%	99%	99%	99%
100%	99%	99%	99%	99%
100%	100%	100%	99%	99%
101%	99%	100%	99%	99%
101%	96%	97%	99%	99%
100%	100%	99%	99%	99%
100%	100%	97%	92%	99%
101%	100%	98%	99%	98%
101%	100%	99%	99%	93%
101%	100%	99%	99%	99%
101%	100%	99%	98%	99%
101%	99%	99%	99%	99%
101%	99%	99%	99%	99%
6:00 (Invert)		3%	99%	99%
<< Low STA (West) <<			>> High STA (East) >>	



Pipe 4750 Validation

Two mortar sections were removed: a 60” x 24” section near the upstream joint and a mid-pipe 24” x 40” section.

The UT readings located two spots with thinner wall readings (0.127” and 0.129”) aligned with the two defects identified in the RFT data near the joint.

No internal corrosion was observed in either exposed section.

The UT readings were shallower than the reported measurements (~92% RW [UT] vs. 68%-77% RW [RFT]).
Note: UT readings typically yield an averaged wall thickness over the size/diameter of the transducer, while RFT provides higher resolution, leading to slightly more accurate measurements compared to UT.

Only one of the two defects in the mid-pipe section was observed — a visible groove/gouge measuring 0.25” x 1.0” was identified at the location of the 80% RW @ 9:00. The 72% RW defect at 6:00 was not validated since the exposed test window missed the location by a few inches.

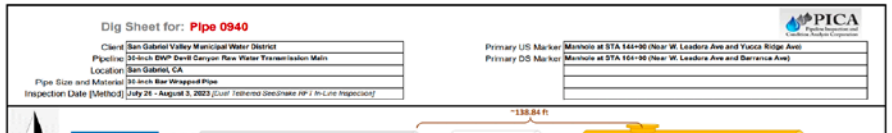
Pipe 940 (1) Defect: 58% RW @ 8:00

Appendix B: Dig Sheet - Pipe 940 (STA 162+22 t0 162+62)

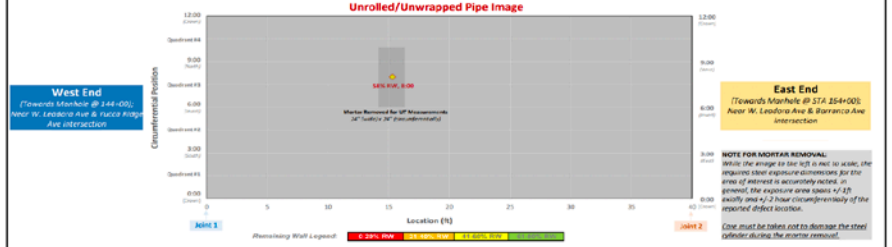
Dig Sheet for: **Pipe 0940**

PICA

Client	San Gabriel Valley Municipal Water District
Pipeline	30-Inch DIW Devil Canyon Raw Water Transmission Main
Location	San Gabriel, CA
Pipe Size and Material	30-Inch Bar Wrapped Pipe
Inspection Date (Method)	July 26 - August 3, 2023 (Quail Tethered SeaSnake RP-1 In-Line Inspection)
Primary US Marker	Manhole at STA 144+90 (Near W. Leadora Ave and Yucca Ridge Ave)
Primary DS Marker	Manhole at STA 164+90 (Near W. Leadora Ave and Barranca Ave)



Unrolled/Unwrapped Pipe Image

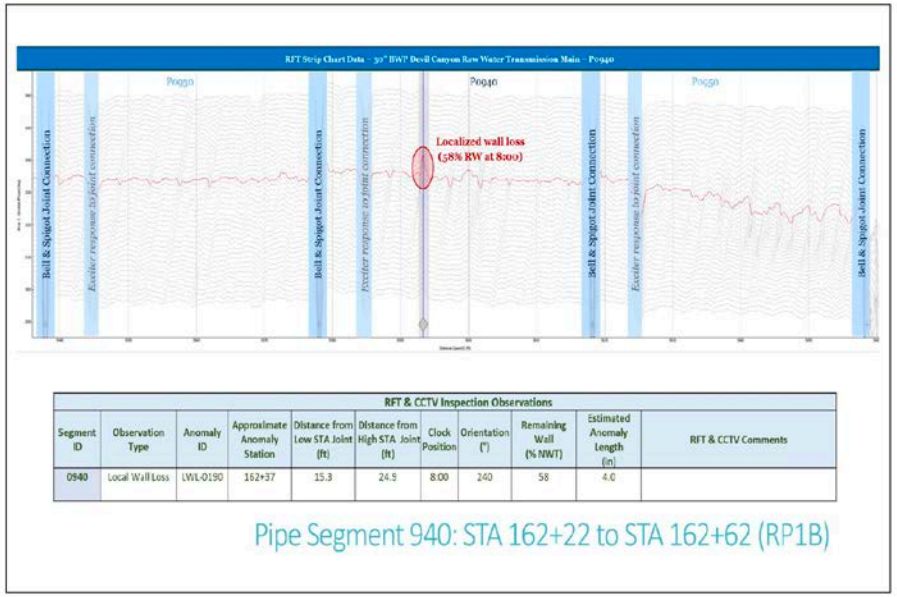


INDICATION LOCATION and MORPHOLOGY

Pipe Number	Wall Loss ID	Approximate Wall Loss Station	Distance to Joint 1 (ft)	Distance to Joint 2 (ft)	Clock Position	Estimated Remaining Wall (%)	Estimated Defect Length (in)	RFT Signal Strength (Steen %)*	Additional Notes
0940	LWL-0190	162+37	15.38	24.90	8:09	58	4.00	6	

*RFT signal strength is related to the defect's total area and can be used for ranking purposes.

Appendix C: RFT Stripchart - Pipe 940 (STA 162+22 t0 162+62)



RFT & CCTV Inspection Observations

Segment ID	Observation Type	Anomaly ID	Approximate Anomaly Station	Distance from Low STA Joint (ft)	Distance from High STA Joint (ft)	Clock Position	Orientation (°)	Remaining Wall (% NWT)	Estimated Anomaly Length (in)	RFT & CCTV Comments
0940	Local Wall Loss	LWL-0190	162+37	15.3	24.9	8:00	240	58	4.0	

Pipe Segment 940: STA 162+22 to STA 162+62 (RP1B)

Pipe 940 Interior Validation- December 13, 2023
Exterior Validation- March 8, 2024

102%	103%	107%	104%	104%	103%	104%	101%	101%	97%	100%	96%	97%	99%	99%	Weld	104%	101%
101%	102%	103%	100%	104%	100%	100%	100%	100%	99%	99%	99%	99%	98%	99%	107%	100%	101%
100%	99%	99%	98%	100%	99%	101%	99%	100%	98%	98%	98%	97%	102%	Weld	102%	100%	103%
99%	103%	97%	99%	99%	99%	100%	99%	99%	99%	98%	97%	100%	104%	101%	98%	101%	100%
101%	101%	99%	100%	99%	101%	100%	99%	100%	99%	97%	99%	103%	Weld	100%	100%	101%	100%
101%	99%	99%	101%	100%	104%	98%	97%	99%	96%	96%	97%	Weld	103%	96%	102%	101%	101%
102%	99%	99%	101%	99%	100%	99%	98%	99%	96%	96%	102%	105%	99%	99%	102%	98%	99%
99%	101%	98%	101%	101%	102%	99%	99%	96%	96%	96%	Weld	99%	98%	97%	99%	102%	99%
101%	100%	99%	100%	101%	101%	100%	99%	96%	95%	97%	107%	97%	97%	99%	99%	99%	101%
101%	100%	99%	99%	102%	101%	98%	97%	96%	68%	Weld	102%	98%	97%	101%	103%	103%	99%
103%	99%	98%	100%	99%	99%	98%	96%	95%	95%	105%	99%	98%	98%	100%	101%	100%	101%
104%	98%	99%	100%	99%	101%	99%	96%	96%	99%	96%	99%	106%	101%	99%	103%	104%	100%
101%	99%	99%	101%	100%	100%	100%	96%	96%	Weld	99%	100%	104%	100%	99%	102%	101%	101%
103%	99%	99%	100%	101%	100%	98%	96%	95%	101%	98%	102%	102%	101%	101%	98%	99%	101%
101%	99%	100%	100%	100%	100%	100%	96%	Weld	99%	99%	107%	105%	101%	101%	100%	102%	99%
101%	99%	100%	98%	100%	99%	96%	95%	96%	96%	99%	99%	101%	102%	101%	102%	100%	99%
101%	98%	99%	98%	99%	99%	96%	Weld	97%	97%	98%	98%	102%	99%	101%	100%	99%	100%
99%	99%	98%	99%	101%	96%	96%	99%	99%	98%	99%	99%	100%	100%	100%	100%	100%	99%
101%	99%	99%	99%	104%	97%	Weld	99%	97%	99%	98%	104%	104%	100%	101%	99%	99%	100%
100%	100%	98%	102%	101%	99%	105%	97%	99%	98%	99%	102%	97%	101%	101%	99%	100%	100%
99%	97%	98%	99%	99%	106%	97%	96%	97%	99%	100%	100%	101%	99%	102%	101%	101%	101%
101%	99%	99%	100%	99%	Weld	99%	99%	99%	98%	99%	99%	100%	103%	100%	101%	100%	100%
101%	97%	99%	97%	Weld	99%	99%	99%	99%	99%	99%	101%	101%	99%	99%	101%	97%	100%
99%	97%	97%	96%	105%	97%	97%	96%	98%	98%	99%	97%	102%	101%	101%	99%	98%	100%
101%	96%	95%	Weld	95%	98%	98%	97%	99%	99%	98%	97%	98%	99%	99%	100%	98%	99%
100%	96%	95%	98%	98%	96%	96%	97%	99%	97%	97%	98%	99%	100%	98%	99%	99%	99%
96%	96%	Weld	96%	97%	97%	99%	97%	98%	97%	97%	100%	98%	98%	99%	103%	101%	101%
6:00 (Invert)	%	96%	99%	97%	97%	97%	100%	96%	97%	98%	97%	99%	100%	99%	99%	101%	

9:00 (North)

<< Low STA (West) <<

>> High STA (East) >>

Pipe 940 Validation

One mortar section was removed: an 18” x 28” mid-pipe section adjacent to a spiral weld.

The UT reading of 0.092” (~68% RW) located a localized area at the location of the reported defect.

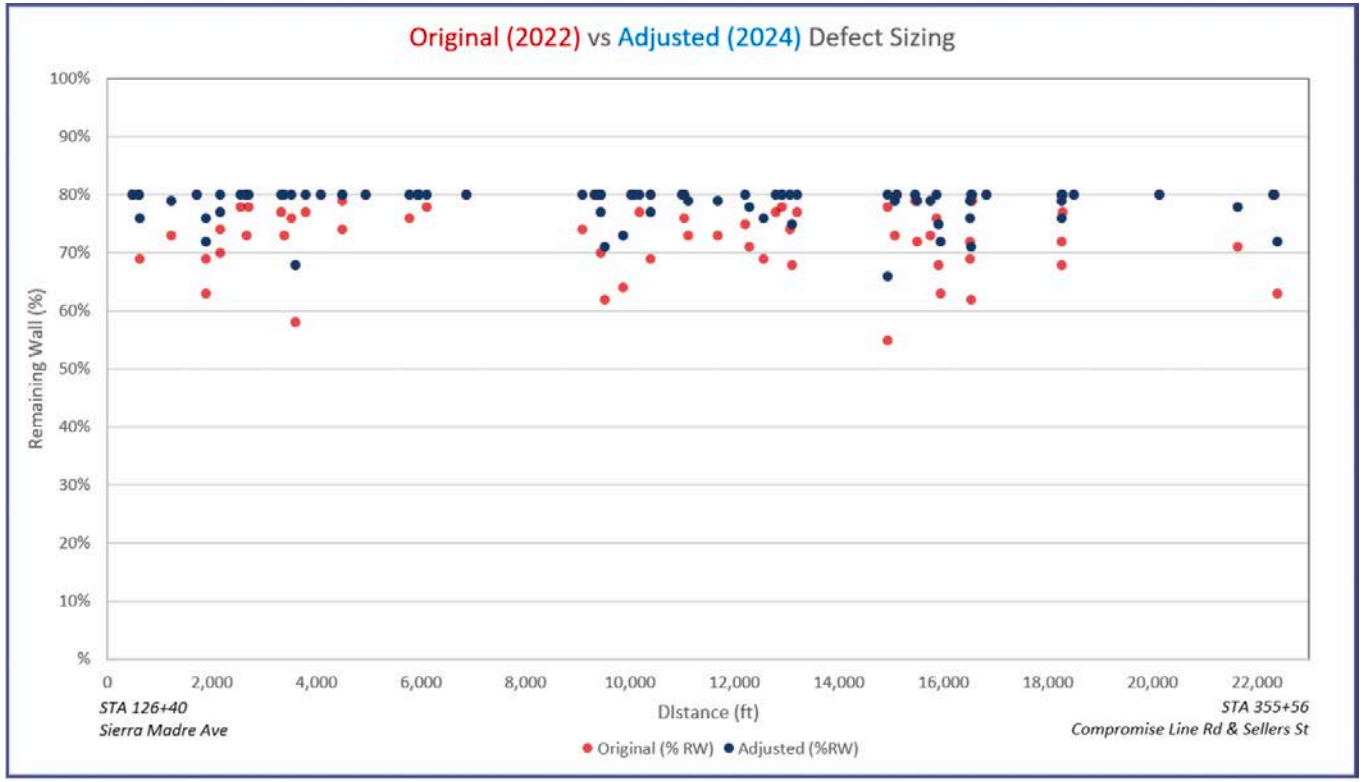
Since no internal pitting was observed, PICA requested an external validation to verify if corrosion existed between the bars and the cylinder.

No corrosion was observed in either the interior or exterior exposed sections.

A small cluster of shallow pits (0.5” x 1.0”) (~68% RW) was observed at the location of the defect identified by both the RFT inspection data and the UT validation.

Revision to the Reported RFT Results

- Utilizing the field validation results , PICA adjusted the sizing model, resulting in ~10% shallower defects.
- PICA also adjusted the axial scaling factor to 8X, which is more representative of the physical dimensions of the validated defects.



SGH 2023 Failure Risk Report Recommendations

- Perform hydraulic transient analysis to determine maximum pressures in the pipeline. (There wasn't an existing hydraulic analysis report; therefore, the report was based on the HGL in the as-built drawings and transient pressure equal to 50% of the design pressure.)
- Perform an external inspection of at least two of the three pipes expected to be in RP1 in five years (Pipes 170, 580, and 1170).
- If the results of the external inspection are consistent with the RFT inspection results, reinspect the pipeline in five years and repair pipes as needed. Otherwise, reinspect the pipeline in three years.
- If there is potential that the pipeline may be subjected to the design pressure (static head), inspect and/or repair Pipes 170, 580, 1170 as soon as practical and Pipes 510, 940, 1510, 1820, 2690, 2870, 2890, 4030, 4150, and 4750 within a year.

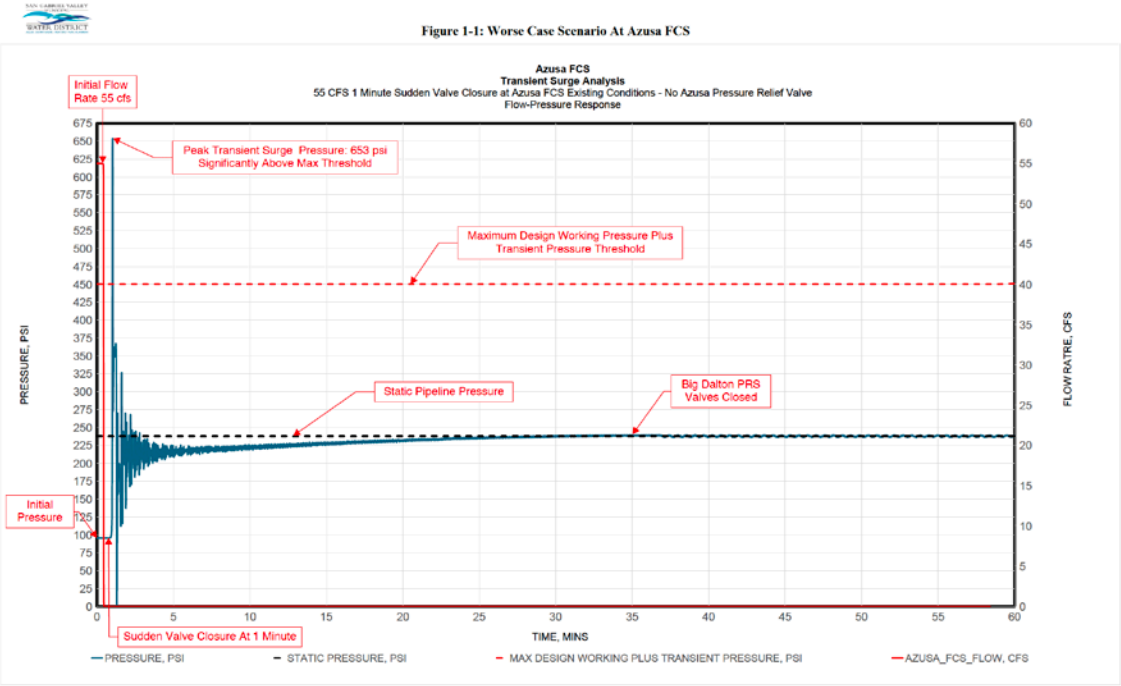
2024 SGH Structural Evaluation, Failure Risk Curves & Repair Prioritization

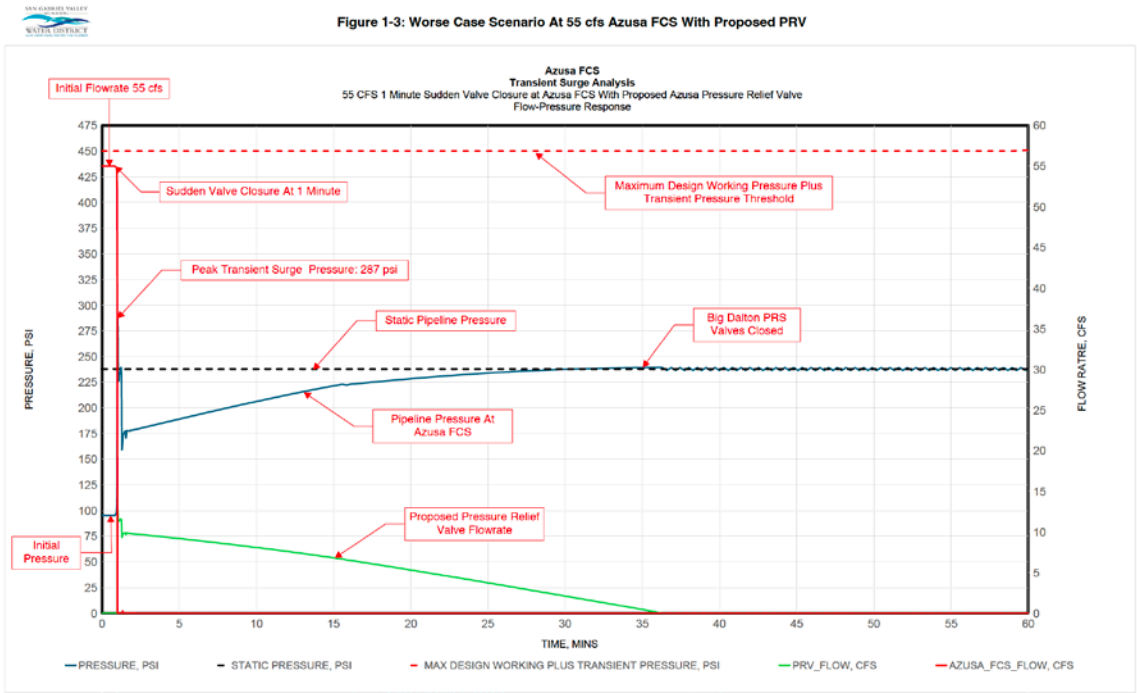
Purpose & Scope

- Review the results of the validation inspections, revised RFT results, and hydraulic transient analysis.
- Revise uncertainty analysis factors and failure risk curves if justified by the validation inspections.
- Evaluate the risk of pipe failure and assign a repair priority to each distressed pipe using the failure risk curves and PICA's inspection results.
- The repair priority is a measure of how close the distressed pipe is to failure and provides a measure of the expected time to failure.
- Prepare a report with the results of our analysis and recommendations for future work, as needed.

Hydraulic Transient Analysis

- Civiltec performed a transient wave analysis. The modeling considered the worst-case scenario of 55 CFS being discharged at Azusa Flow Control Structure (AFCS) at the end of the pipeline and a sudden valve closure.
- Two scenarios were provided: the existing pipeline condition and another condition with a proposed pressure relief valve at Azusa Flow Control Station.
- The pressures were tabulated at each of the pipes identified to have local wall loss.
- Civiltec recommends the installation of the PRV at AFCS to reduce transient waves in the pipeline.
- Failure risk analysis and repair prioritization considered both scenarios.





Failure Risk Curves

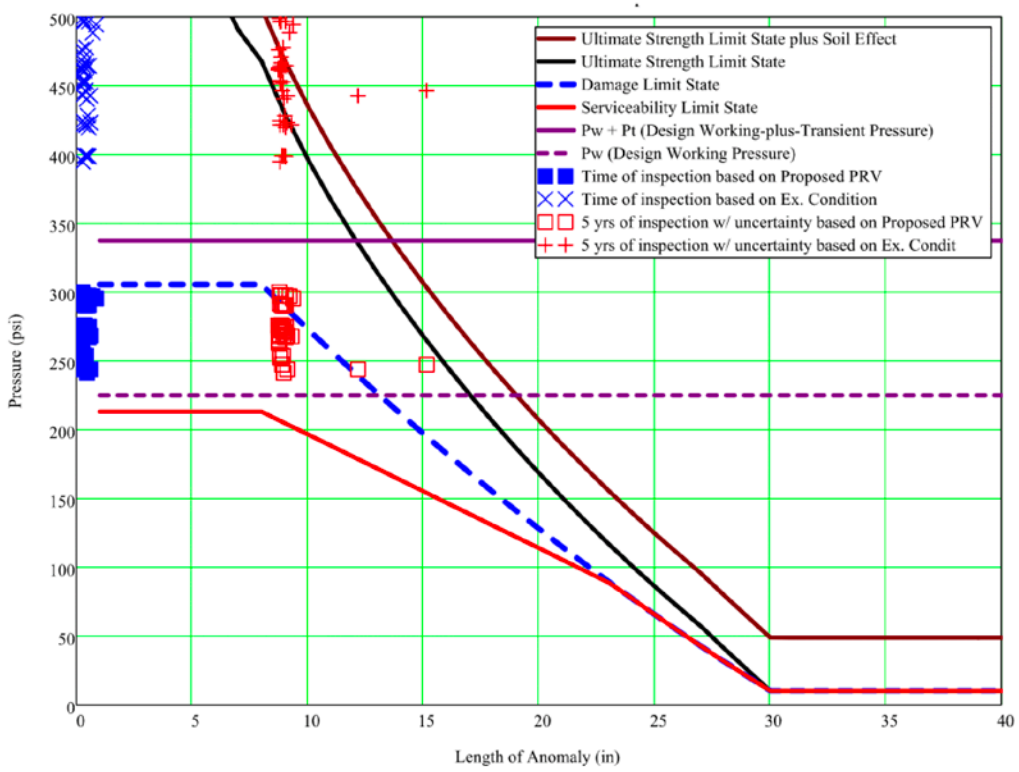


Figure 5 – Failure Risk Curve for Class 225, 7 ft of Soil Cover, 2024 Results

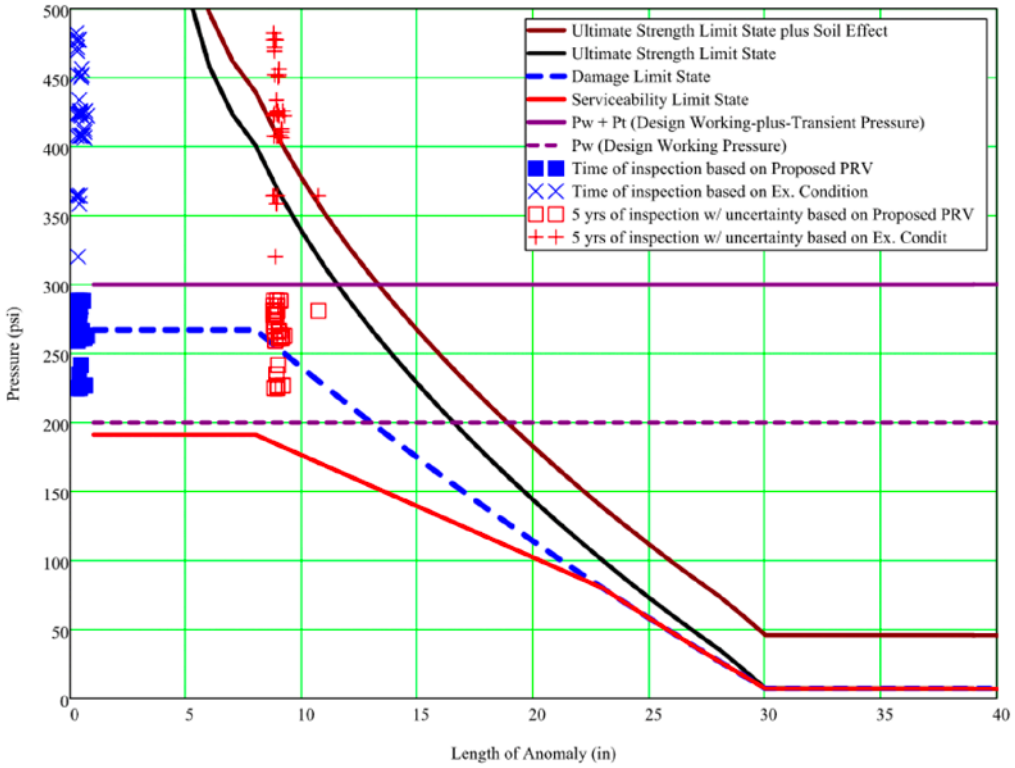


Figure 3 – Failure Risk Curve for Class 200, 7 ft of Soil Cover, 2024 Results

SGH Repair Prioritization

- **RP1**- The maximum pressure in the pipe exceeds the ultimate strength limit with soil resistance (RP1A) or without soil resistance (RP1B). Pipes in RP1A should not be relied on for any length of time and should be repaired immediately. Pipes in RP1B should be repaired within a short period.

- **RP2**- The maximum pressure in the pipe exceeds the damage limit state but is less than the ultimate strength limit state. In general, repair should be performed based on the time period needed to reach the strength limit state curve from the inspected state, but not more than five years, accounting for all the uncertainties in the electromagnetic inspection and risk analysis.

- **RP3**- The maximum pressure in the pipe exceeds the serviceability limit state but is less than the damage limit state. The failure of the pipe, if it occurs at all, is after a much longer time period than RP2. The pipe should be monitored periodically, i.e., electrically inspected on a five-year inspection cycle.

- **RP4**- The maximum pressure in the pipe is less than the serviceability limit state. The failure of the pipe is not expected, and monitoring can be limited to infrequent inspections.

SGH Repair Prioritization

Table A.3 - Results of Failure Risk Analysis and Repair Prioritization for Pipe Class 225 – 7 ft

Pipe #	Approx. Anomaly Station (ft)	Existing Estimated Max. Pressure (psi)	Proposed Max. Pressure (psi)	Remaining Wall Thickness (%)	Measured Length of Anomaly per Zone (in.)	At Time of Inspection (2022), with Uncertainties		5 Years from Inspection (2027) with Uncertainties and Growth		Repair Priority in 5 yrs	
						# of Anomalies Combined per Zone	Effective Length of Anomaly per Zone (in.)	# of Anomalies Combined per Zone	Effective Length of Anomaly per Zone (in.)	At Existing Max. Pressure	At Proposed Max. Pressure
450	143+62	440	241	80	0.45	1	3.6	1	9.0	1	3
510	145+42, 145+42	443	244	72, 76	0.27, 0.59	2	6.8	2	12.2	1	2
580	148+06, 148+06	446	247	80, 77	0.39, 0.39	1, 1	3.57, 3.57	2	15.1	1	2
680	151+93	451	252	80	0.29	1	3.5	1	8.8	1	3
700	152+97	453	254	80	0.42	1	3.6	1	8.9	1	3
710	153+16	453	254	80	0.3	1	3.5	1	8.8	1	3
720	153+55	454	255	80	0.28	1	3.5	1	8.8	1	3
870	159+61	462	263	80	0.24	1	3.4	1	8.8	1	3
890	160+35	463	264	80	0.23	1	3.4	1	8.7	1	3
1510	184+20	495	296	80	0.85	1	4.0	1	9.4	1	2
1550	185+76, 185+80, 185+82	497	298	80, 80, 80	0.28, 0.53, 0.34	1, 1, 1	3.46, 3.71, 3.52	1, 1, 1	8.8, 9, 8.9	1	2
1600	187+49	499	300	80	0.25	1	3.4	1	8.8	1	2
1820	194+96	489	297	80	0.7	1	3.9	1	9.2	1	2
2370	217+08	428	271	80	0.49	1	3.7	1	9.0	2	3
2430	219+52	425	269	80	0.28	1	3.5	1	8.8	2	3
2440	220+05	423	269	80	0.6	1	3.8	1	9.1	2	3
2460	220+62, 220+66, 220+66	422	268	80, 77, 80	0.28, 0.42, 0.43	1, 2	3.47, 3.97	1, 2	8.8, 9.3	~~2~~1	3
2480	221+41	420	267	71	0.53	1	3.7	1	9.0	2	3
3210	248+20	478	272	80	0.42	1	3.6	1	8.9	1	3
3230	248+91	476	272	78	0.23	1	3.4	1	8.7	1	3
3300	251+78	471	274	76	0.34	1	3.5	1	8.9	1	3
3360	254+03	467	275	80	0.34	1	3.5	1	8.9	1	3
3390	255+13, 255+21	465	275	80, 80	0.54, 0.44	1, 1	3.72, 3.62	1, 1	9.1, 9	1	3
3430	256+66	462	276	80	0.21	1	3.4	1	8.7	1	3
3440	257+04	461	276	75	0.36	1	3.5	1	8.9	1	3
3470	258+19	464	275	80	0.3	1	3.5	1	8.8	1	3
4310	291+16, 291+25, 291+35, 291+40	399	290	76, 79, 80, 71	0.5, 0.38, 0.38, 0.43	1, 1, 1, 1	3.68, 3.56, 3.56, 3.61	1, 1, 1, 1	9, 8.9, 8.9, 8.9	2	2
4320	291+54	399	291	80	0.53	1	3.7	1	9.0	2	2
4390	294+25	395	292	80	0.28	1	3.5	1	8.8	2	2* (Note 1)

[1] RP 2* is RP3, but nearly RP2, therefore it is more critical than RP3.

SGH 2024 Updated Recommendations

- Civiltec recommended installing a PRV at AFCS. If this scenario is implemented, the working-plus-transient pressures will be within design pressure and none of the pipes will be in RP1 within five years
- Perform a follow-up inspection within five years and reanalyze the data to evaluate pipe-specific wall loss growth rates.
- Additional validation inspections should be conducted to achieve a statistically significant sample size. This will reduce some of the uncertainty factored into the risk analysis.
- Inspections should include chemical and petrographic analysis of the mortar lining/coating to evaluate its quality and chloride content.
- Soil testing at validation sites should also be conducted to evaluate its corrosivity.

SGH Conclusions

The area of steel bars in Class 200 and Class 225 pipe would not be sufficient to resist the high maximum pressures estimated by the hydraulic analysis. If maximum pressures of that magnitude occurred in the pipeline, we would expect more widespread distress.

The revised failure risk analysis and repair prioritization indicate the following about the pipes identified to have local wall loss by the RFT inspection:

- About 80% of the pipes could be at a high risk of failure (RP1) within five years if the pipeline experiences the existing maximum pressures estimated by the hydraulic analysis, plus conservative estimates of uncertainty and growth over time. Without uncertainties and growth over time, the distressed pipes may be in RP2 or RP3. We expect that these two cases bound the likely condition and priority of repairs.

- If the transient pressures are controlled to the rated pressures of the pipe, the distressed pipes may be at RP2 or RP3 within 5 years. These pipes within RP2 and RP3 can be monitored by a follow-up inspection in five-year intervals (starting with 2027).

Questions?

SAN GABRIEL VALLEY
MUNICIPAL
WATER DISTRICT
AZUSA | SIERRA MADRE | MONTEREY PARK | ALHAMBRA

San Gabriel Valley Municipal Water District

30-inch Bar Wrapped Pipe Devil Canyon Raw Water Transmission Main

Condition Assessment Report, Standard Analysis

PICA – Pipeline Inspection & Condition Analysis Corporation
(A Subsidiary of Russell NDT Holdings Ltd.)

Remote Field-Testing Inspection - 30-inch Potable Water SeeSnake Tool

Sierra Madre Ave. to Compromise Line Rd./Sellers St. Intersection

STA 126+40 to STA 355+56

Azusa, California

PICA Project: 7162

Report:	SGVMWD 30in BWP Devil Canyon Raw Water Transmission Main PICA Report
Submission Date:	May 5th, 2024
Revision:	1.2; 1.1 February 24th, 2023; 1.0 (December 3rd, 2022)
Inspection Dates:	RFT: July 26th - August 3rd, 2022 Pipers Leak Detection, Metallic Surveys: August 4th, 2022 CCTV: August 23rd – September 2nd, 2022
Operators:	RFT: G. Bouchard, D. Burton, C. Russell, B. Senka Pipers Leak Detection, Metallic Surveys: David Burton CCTV: Y. Munoz, L. Olchove, E. Torres
Analysts:	E. Murray, S. Pannitto, S. Popovic
Reviewers:	J. Regala

Table of Contents

Report Revision Summary

Revision No.	Submission Date	Revision Notes
1.0	December 3, 2022	PICA's initial report submission.
1.1	February 24, 2023	The report was revised after receiving feedback from CIVILTEC and SGVMWD. Most of the changes were minor. A revised version of the supplementary Results spreadsheet (version 1.7) was also provided.
1.2	May 5, 2024	The report was updated to include the Dec 2023 and March 2024 field validations on Pipes 940 and 4750. A revised version of the supplementary Results spreadsheet (version 1.8) was also provided.

San Gabriel Valley Municipal Water District - SGVMWD:

30" Bar Wrapped Pipe Devil Canyon Raw Water Transmission Main

Condition Assessment Report, Standard Analysis

Executive Summary

Between July 26th and September 2nd, 2022, PICA (USA), under contract with Civiltec Engineering, performed a series of inspections on a section of the 30" Bar-Wrapped Pipe Devil Canyon Raw Water Transmission Main. The transmission main is owned and operated by the San Gabriel Valley Municipal Water District (SGVMWD). Access to the transmission main was gained through two access points constructed by SGVMWD, Civiltec Engineering, and C.P. Construction. Access points were located at the northeast corner of the intersection of Compromise Line Rd. and Sellers St (STA 355+56), and on Sierra Madre Ave, west of Yucca Ridge Rd. (STA 126+40). The inspection that PICA performed were the following:

- **Remote Field Testing (RFT) inspection**: RFT was used as the primary condition assessment technology to assess the transmission main for distress and corrosion. The electromagnetic data collected provides high-resolution condition information on the transmission main. The RFT inspection was conducted between July 26th and August 3rd, 2022.
- **Pipers Leak Detection and Metallic Surveys:** These surveys were intended to look for any leaks on the main, as well as a high-level wall thickness assessment of the line. These surveys were conducted on August 4th, 2022.
- **CCTV Inspection:** This inspection was intended to visually assess the condition of the concrete liner and any other internal defects. This work was done between August 23rd and September 2nd, 2022.

While separate reporting deliverables were submitted for each inspection, this report provides an overview of all findings. Additionally, for the RFT and CCTV results, detailed findings were consolidated into a comprehensive results spreadsheet ***SGVMWD 30in BWP Devil Canyon Raw Water Transmission Main PICA Results***, which was submitted separately on October 22nd, 2022. Results from the Pipers inspection were submitted in a separate report - ***22212-001 - 220830 San Gabriel Valley - DCAP SCH I Pipeline.*** Below is an overview of the findings from each inspection:

- **RFT Inspection:** Analysis of the RFT (electromagnetic) data identified a total of eighty-three (83) localized distress indications across sixty-one (61) pipe segments. Within these reported localized distressed regions, PICA observed and analyzed localized corrosion. Most of the measured corrosion was shallow, with eighty-one (81) of the indications measuring between 61% and 80% remaining wall (RW). The remaining two (2) distressed regions were found with corrosion measuring between 41% and 60% RW. In addition to the reported localized corrosion, PICA also identified a total of fourteen (14) stress anomalies. *Note that PICA correlated the location of all identified distressed regions and stress anomalies with the CCTV footage and did not observe any visible damage or abnormalities in the concrete liner.*
- **Pipers Leak Detection Survey:** The leak detection survey did not identify any leaks within the sensitivity of the Pipers.
- **Pipers Metallic Survey:** This survey identified a total of twenty-nine (29) metallic features along the inspected portion. The location of all identified features correlated well with the provided Sch I As-Builts, and the collected RFT data and CCTV footage.
- **CCTV Inspection:** The review of the inspection footage identified a total of five (5) concrete liner defects across four (4) pipe segments. The observed defect types were either minor chipping or circumferential cracking in the liner, all of which are deemed to be superficial and not suspected to have any impact on the structural integrity of the pipe.

Table 1. Overview of the RFT findings from the inspected portion.

Table 1: Feature Indication Summary	
Total Inspected Length:	**22,955.06 ft**
Pipe Nominal Wall Thickness:	**0.1345-inch**
Number of Pipe Segments (excluding features):	**597**
Number of Analyzed Pipe Sections: **Encased pipe segments were not analyzed*	**582**
Number of Pipes with Local Distressed Regions:	**63**
Total Number of Local Distressed Regions Reported:	**83**
• *Number of Regions with corrosion measuring 61-80% Remaining Wall:*	*83*
• *Number of Regions with corrosion measuring 41-60% Remaining Wall:*	*0*
• *Number of Regions with corrosion measuring 21-40% Remaining Wall:*	*0*
• *Number of Regions with corrosion measuring ≤20% Remaining Wall:*	*0*
Number of Stress Anomalies: **Suspected to be related to either manufacturing or installation.*	**14**
Number of Concrete Liner Defects Observed: **From CCTV inspection.*	**5**
Construction Feature Summary	
Number of Pipeline Construction Features:	**78**
• *Number of Horizontal Bends:*	*26*
• *Number of Vertical Bends:*	*21*
• *Number of 20" Manholes*	*11*
• *Number of Blow-off Valves*	*10*
• *Number of Air Release Valves*	*9*
• *Number of 20" Outlets*	*1*
Number of Encased Pipe Segments:	*15*

Following the initial submission of this report in December 2022, field validations on Pipes 940 and 4750 were performed on three (3) occasions (November 29-31, December 13, 2023 and March 8, 2024) to confirm the accuracy of the reported results. The non-destructive field validations were done internally for both pipes using UT to locally measure remaining wall thickness and externally on Pipe 940 to visually assess the condition of both the cylinder and bars over a 24" x 24" exposed area. Appendix A (pages 22-28) details the field validation process and findings, as well as the changes made to the RFT results. Appendices B to E include the dig sheets and stripchart image of the RFT data that were previously presented. Below's a summary of the field validation findings.

- ***Pipe 940:*** *This pipe was originally reported with a 58% RW defect. The internal UT validation located a localized area that measured 68% RW. An external visual validation was also performed to assess the condition of the bars and cylinder within a 24" x 24" exposed area. While the overall condition of the bars and cylinder were found to be in excellent condition, a small cluster of pits was found at the location of the reported defect.*
- ***Pipe 4750:*** *This pipe was originally reported with two areas comprised of shallow defects ranging in depths between 68% and 80% RW. The internal UT confirmed the presence of two shallow OD defects (~90% RW) in the exposed area near the east joint. The second exposed area, near mid-pipe, revealed a shallow groove/gouge at the location of the reported 80% RW defect, while the second 72% RW defect could not be validated as it was determined to be located just outside of the exposed area. External validations were not performed on this pipe.*

The field validations successfully verified the effectiveness and accuracy of RFT. While the UT-measured depths of the defects were slightly shallower than the initial estimates, they are well within PICA's sizing error margin of 20%. PICA did update the original sizing in this latest report to account for the field validation results. Additionally, the reported defect dimensions have been refined to reflect the physical dimensions of the two defects that the PICA technicians were able to directly measure.

Figures 1 illustrates the distribution of local distressed regions along the inspected section with respect to the depth of the observed corrosion (presented as remaining wall), while Figure 2 illustrates the disitribution with respect to circumferential location. There may be some (partially) overlapping data points due to promiximity between distress regions.

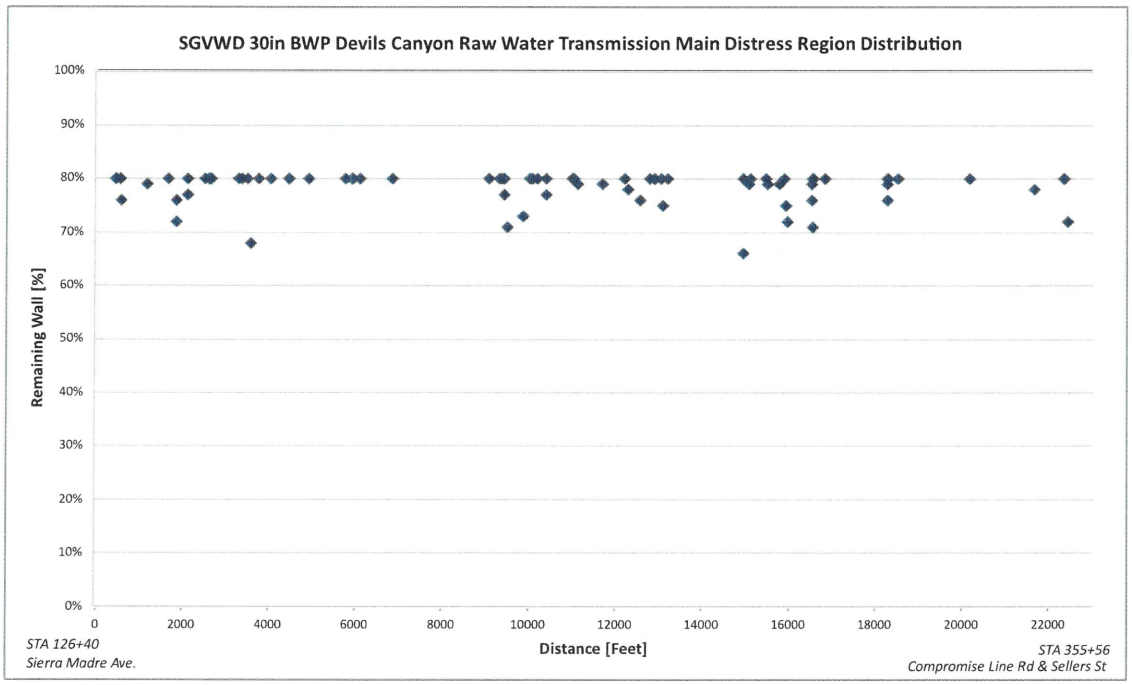


Figure 1. Distribution of local distressed regions with respect to remaining wall along the inspected section.

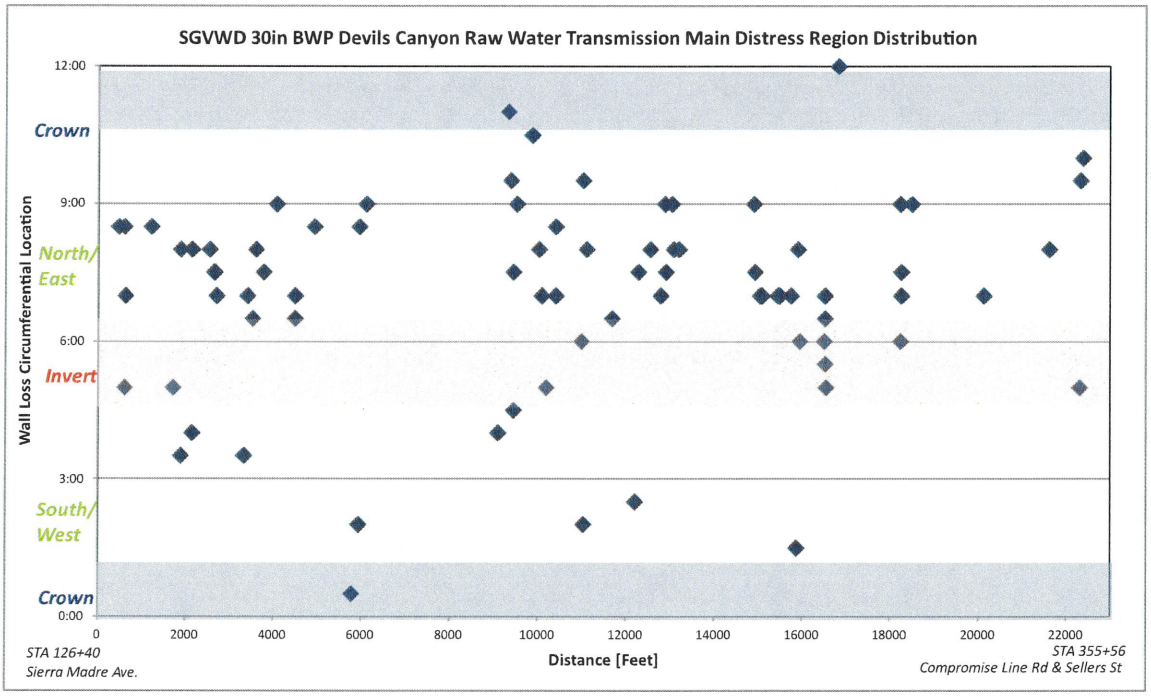


Figure 2. Distribution of local distressed regions with respect to clock position along the inspected section.

Table 2. RFT Inspection Overview			
Client:	San Gabriel Valley Municipal Water District (SGVMWD)	**Location:**	San Gabriel, California
Line Identifier:	Devil Canyon Raw Water Transmission Main	**Construction Date:**	Early 1970's
Pipe Diameter and Material:	30" Bar-Wrapped Pipe (C303)	**Pipe Class:**	Class 200 & 225
Steel Cylinder Thickness (in):	0.1345-inch	**Liner Type and Thickness:**	Cement Mortar Lined ~3/4"
RFT Inspection Date(s):	July 26th – August 3rd 2022	**Inspected Length:**	22,955 ft
Access Locations:	Launch Location: STA 355+56 - Compromise Line Rd & Sellers St (34.129540°, -117.834025°) Receive Location: STA 126+40 – Sierra Madre Ave (34.146850°, -117.889318°)		
PICA Technicians:	G. Bouchard, D. Burton, C. Russell, B. Senka		

Inspection Overview:

- ***July 26th, 2022:*** *The first foam cleaning pig was successfully propelled through the transmission main, traveling at a speed of approximately 100 ft/min (8.2 CFM (RMS), 1.7 FPS, 100 FPM). Upon arriving at the receive location, the pig had become stuck in the receiver wye, with broken pieces of the pig traveling into the 12" discharge piping. The line was depressurized, and pieces of the foam pig were removed. Additional disassembly was required to remove all the remaining pieces.*
- ***July 27th, 2022:*** *Crews worked to disassemble the 12" discharge piping and remove the remaining foam pig pieces. During disassembly, it was observed that the diverter in the wye had been damaged by the foam pig and required immediate repair. C.P. Construction began work to fabricate a new strainer to be installed the following day.*
- ***July 28th, 2022:*** *C.P Construction crews installed the newly fabricated strainer in the receive wye. Four (4) additional 3" hoses were connected to the 36" receive barrel to aid with flow discharge in future pigging or inspection runs.*
- ***July 29th, 2022:*** *PICA technicians launched the second foam pig through the transmission main. Attempts were made to track the pig as it travelled through the main using Above Ground Monitor's (AGMs). Technicians suspect the pig arrived at the receive barrel but may be stuck at the diverter. C.P. Construction disassembled the barrel the following day to remove the pig.*
- ***July 30th, 2022:*** *After disassembling the receive barrel, it was discovered that the pig was not stuck at the diverter as initially suspected. It was also not visible in the approximately 160 ft line upstream of the wye. C.P. Construction disassembled the launch piping and discovered that the pig had failed to launch. Plans were made to proceed with the gauge run the following day despite the failed cleaning run. PICA technicians worked to refine tracking procedures for future gauging and inspection runs.*
- ***August 1st, 2022:*** *PICA's gauge tool was successfully propelled through the transmission main, traveling at a speed of approximately 100 ft/min. Using refined tracking procedures and more sensitive AGM , technicians were able to track the gauge tool as it moved through the main. The gauge tool showed no signs of damage upon removal from the main, greenlighting the RFT inspection for the next day.*
- ***August 2nd, 2022:*** *The SeeSnake RFT tool was launched into the transmission main shortly after 10:00 AM, traveling at an inspection speed of approximately 13 ft/min (1.2 CFS (ETI), 0.25 CFS, 14.7 FPM). PICA technicians closely tracked the tool as it moved through the transmission main without issue. At approximately 8:00 PM, PICA's night crew relieved the day crew. At the time, the RFT tool was traveling along E. Carrol Ave.*
- ***August 3rd, 2022:*** *At approximately 8:00 AM, the night crew was relieved by the day crew. The RFT tool was travelling west along W. Leadora Ave at the time of the shift change. At approximately 3:00 PM, the SeeSnake arrived in the receive barrel where it was removed. The tool was taken to C.P. Construction's yard where the data was downloaded and sent to an off-site analyst for review. The data download was expected to take approximately 9 hours, with review of the data due to be completed the following morning.*
- ***August 4th, 2022:*** *Data collected by the SeeSnake RFT tool was reviewed and confirmed to be of excellent quality for analysis. PICA technicians begin demobilization from site*

Line Overview:

Figure 3. Overview map of the inspected portion of the 30" BWP Devil Canyon Raw Water Transmission Main.

Note: *The above map is a general overview of the inspection path and may not accurately represent the exact location of the pipeline.*

RFT Inspection Overview

Launch and Receive Locations

Prior to PICA's arrival on site, San Gabriel Valley Municipal Water District (SGVMWD), Civiltec Engineering Inc., and C.P. Construction constructed access points for launching and receiving inspection equipment into the transmission main.

- **Launch location – STA 355+56 Compromise Line Road and Sellers St Intersection**: An excavation was made near the northeast corner of the Compromise Line Rd. and Sellers St. intersection. Within the excavated access pit, a section of pipe was cut out and replaced with a vertical wye. Temporary 30" piping and a 45° vertical elbow were connected to the newly installed wye to bring the line above grade. The above grade launch piping was comprised of an oversized 36" pipe, 36" x 30" reducer and a full-bore gate valve for isolating the launch barrel. Appurtenances on the launch barrel allowed for the connection of fire hoses from a nearby hydrant, to fill and pressurize the barrel and propel the inspection equipment into the main.
- **Receive location – STA 126+40 Sierra Madre Avenue:** An excavation was made on Sierra Madre Ave. east of Macneil Dr. Within the excavated access pit, a section of pipe was cut out and replaced with a vertical wye. A custom strainer/diverter was installed in the wye to ensure that all inspection equipment was directed into the temporary receive piping. Like the launch piping configuration, the above grade receive piping was comprised of an oversized 36" pipe, 36" x 30" reducer and a full-bore gate valve for isolating the barrel. In addition, 12" piping was connected to the end (downstream) of the barrel to route the discharge flow to the nearest storm water catch basin. Four (4) 3" outlets were also present on the barrel to act as redundant and finer discharge control points.

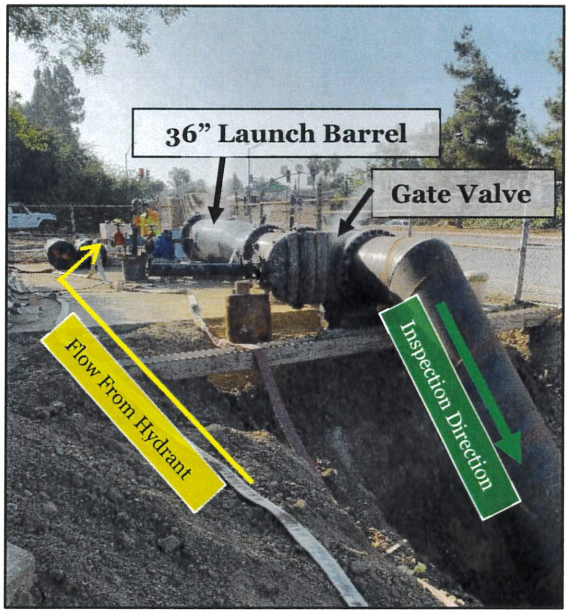


Figure 4. Launch location at the corner of Compromise Line Rd. & Sellers St. The RFT inspection equipment was inserted into the 36" launch barrel, which was sealed and pressurized using flow from a nearby hydrant.

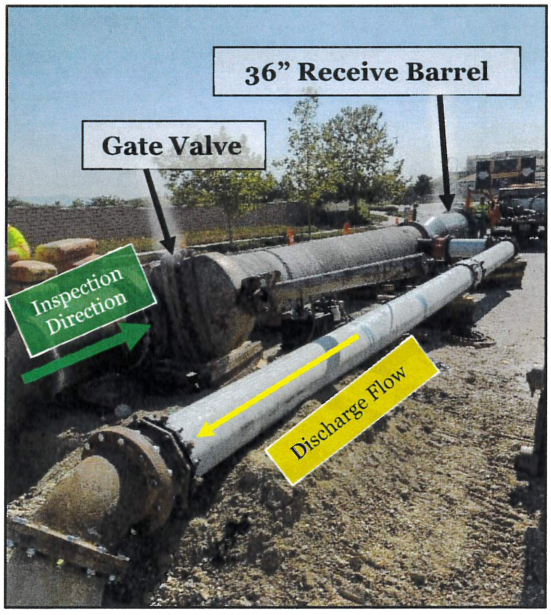


Figure 5. Receive location on Sierra Madre Ave. A custom strainer installed in the wye guided the inspection equipment into the above grade piping. Discharge flow was redirected through the 12" piping and into the nearest storm water catch basin.

Cleaning and Gauging Runs

On the morning of July 26th, 2022, PICA technicians inserted a cleaning pig into the launch barrel near the intersection of Compromise Line Rd. and Sellers St. The pig was manually pushed into the launch barrel until it was fully seated inside the 30" x 36" reducer. The barrel was then sealed shut and pressurized using flow from a nearby hydrant. Once fully pressurized, the gate valve was opened and the flow from the hydrant propelled the pig out of the launch barrel, through the wye, and into the main. With the pig situated in the transmission main, the main flow was used to convey the pig through the line at a speed of approximately 100 ft/min. PICA technicians placed Above Ground Monitors (AGMs) at several locations along the transmission main to track the pig's progress. While tracking helped confirm the launch of the pig, tracking during the rest of its travel along the main was difficult and at certain points impossible (presumably due to the buried depth). The last detected tracking signal was when the tool passed ~STA 164+00, which is approximately 3,760ft from the WYE.

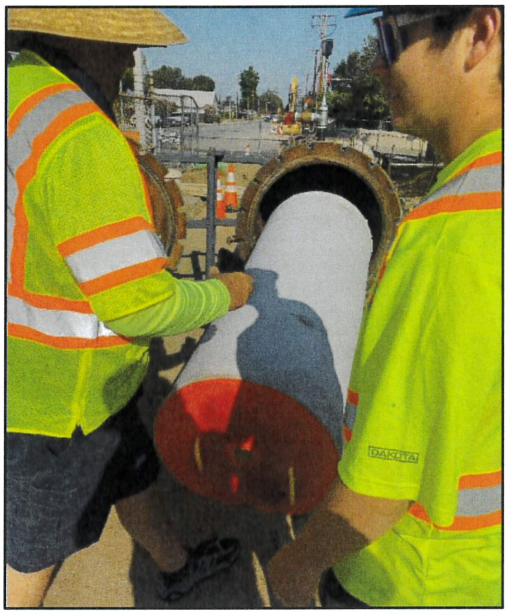


Figure 6. Technicians insert the cleaning pig into the launch barrel.

Due to the inability to regularly monitor the tool's location, PICA was not able to refine the flow at the receive end. This resulted in the pig's unexpected early arrival at the wye and at a high velocity. The sound of the pig in the strainer / diverter was the only indication of pig location. After several attempts to dislodge the pig, several foam pieces broke off, and were diverted and became stuck in the 12" discharge piping. The torn foam in the discharge valve caused an immediate high-pressure event resulting in the blown door o-ring, embedded pig and bent strainer. The decision was made to return the following day to disassemble the receive piping and remove the foam pig. On July 27th & 28th, crews worked to disassemble the receive piping. During the disassembly, technicians discovered that the strainer/diverter in the vertical wye had been significantly damaged by the pig and would need to be replaced. C.P Construction worked to fabricate and install a new strainer, while PICA revised the receive procedure to avoid the same pigging complications. A large part of the new receive procedure involved substantially reducing the flow as the pigging/inspection equipment approached the wye. *It is suspected that high flow rates during the initial cleaning run led to the pig engaging the strainer at a high velocity, damaging it and then eventually becoming lodged in the wye.*

Figure 7. After being removed from the transmission main, the first pig showed significant damage, with large chunks of foam missing from the front/leading end. The foam was removed by hand out of the strainer by CP Construction personnel.

On July 29th, PICA launched a second cleaning pig into the main. Technicians once again placed AGMs at locations along the transmission main to track the pig's progress. Numerous faint tracking signals were

heard at the launch, which suggested that the pig had left the launch piping. These signals were later determined to be false positives. Upon depressurizing and opening the receive barrel, the crews did not see the pig. Like the first cleaning run, PICA suspected that the pig was once again stuck in the strainer at the receive wye. Crews agreed to return the following morning to disassemble the receive piping and retrieve the pig.

On July 30th, after disassembling the receive piping, crews discovered the cleaning pig *was not* in the wye or at the strainer as suspected. The crews later determined that the pig failed to leave the launch barrel. The pig was removed from the launch barrel and all parties convened to determine the path forward following the failed pig launch.

Despite the failed pig run, all parties (PICA, Civiltec, C.P Construction, and SGVMWD) agreed that the best course of action was to proceed with the gauging run the following day. This decision was based on the following factors:

- *The initial cleaning run, which was successful, showed little sign of turbidity in the water. Additional cleaning pig runs may be of minimal benefit.*
- *The two (2) foam tow pigs on the front of the gauge tool will also provide some cleaning of the main.*
- *The gauge tool, which contains a stronger and larger transmitter than the cleaning pigs, was expected to be easier to track in the event that the tool struggles to navigate the launch or receive piping. Additionally, the stronger transmitter was expected to better communicate with PICA's Above Ground Monitors (AGM) while the gauge tool was travelling along the buried portion.*
- *PICA improved its above-ground tracking procedure by not only utilizing stronger transmitters but also with the use of tighter tracking location intervals. This will result in a near-real time monitoring of the tool's movement along the main.*

On August 1st, PICA prepared for the launch of the gauge tool. The gauge tool, which was attached to two (2) foam tow pigs (Figure 8.), contained two aluminum plates designed to mimic the hard outer diameter of the Chimera inspection tool and are used to verify the bore of the transmission main, ensuring safe passage for the RFT tool.

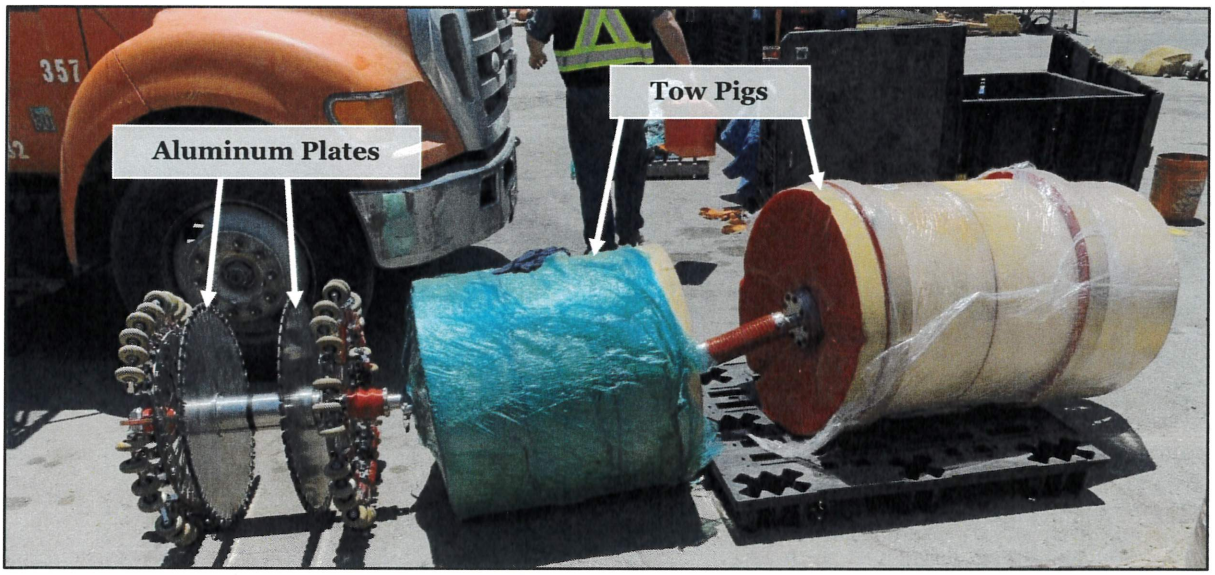


Figure 8. PICA's 30" gauge tool prior to being inserted into the 30" Devil Canyon Raw Water Transmission Main. The aluminum plates mimic the hard body diameter of the Chimera inspection tool. The sealing foam tow pigs act like a piston within the pipeline, propelling the gauge tool through the main with the flow.

The gauge tool was launched using the same procedure as the cleaning runs. As noted earlier, PICA used additional AGM's to closely monitor the gauge tool as it traveled through the main. While this effort helped, PICA lost contact with the tool on Yucca Ridge due to pipeline depth and adjacent electrical utilities, so flow was reduced and transferred exclusively to the receive barrel. The gauging pig was located again when it arrived at Sierra Madre Avenue. Overall, the gauge tool navigated the main without issue, travelling at an average velocity of approximately 100 ft/min. Inspection of the gauge tool revealed minimal deflection on the aluminum plates, greenlighting the following day's RFT inspection.

Inspection Operations

On the morning of August 2nd, PICA and C.P Construction loaded the RFT tool, with two (2) sealing tow pigs, into the oversized launch barrel that was detached from the 36" x 30" reducer. The tool assembly was pulled through the barrel until the tow pigs were fully seated in the reducer, and then reassembling the entire launch piping. The tool was then remotely turned on and programmed to an operating frequency of 28 Hz for the RFT inspection. As with the cleaning pig and gauge runs, the launch barrel was sealed, pressurized, and flow was used to propel the tool out of the launch barrel and into the transmission main.

Figure 9. PICA's Chimera RFT inspection tool prior to inspection of the Devil Canyon Raw Water Transmission Main. The tool is comprised of three modules connected by flexible linkages.

The Chimera RFT tool left the launch barrel at approximately 10:15 AM, traveling at the desired inspection velocity of approximately 13 ft/min. Over the next 32 hours, alternating day and night crews of PICA technicians tracked the tool as it moved through the pipeline using AGMs. The tool's location was constantly monitored and recorded, with technicians ensuring the inspection velocity remained within the target range – and adjusting flow rates as necessary.

At approximately 3:15 PM on August 3rd, the Chimera tool arrived in the receive barrel where it was removed from the pipeline without issue. Technicians took the RFT tool to the C.P. Construction yard to download the collected data. Following completion of the download, which took approximately 9 hours, data was sent to an off-site PICA analyst for review. On August 4th, the collected RFT was confirmed to be of good quality for analysis, and PICA crews demobilized from site.

Figure 10. Multiple AGMs were used to track the Chimera tool as it past known locations along the pipeline.

Pipers Inspection Overview & Results

Following the RFT inspection, on August 4th, 2022, PICA completed leak detection and metallic features surveys of the 30" Bar Wrapped Pipe Devils Canyon Raw Water Transmission Main using INGU's Pipers technology. The free-floating, miniaturized in-line sensors are used to detect leaks, metallic features, geometric defects, and deposits that threaten pipeline performance.

The Pipers inspection covered the same inspection reach as the RFT inspection. The Pipers were launched and received from the same locations as the RFT inspection, at the excavation near the corner of Compromise Line Rd. and Sellers St. (STA 355+56), and at the excavation on Sierra Madre Ave. (STA 126+40), respectively.

Below is an overview of the Piper inspection findings. Detailed results can be found in the separately submitted *Pipers Survey* report, ***22212-001 - 220830 San Gabriel Valley - DCAP SCH I Pipeline.***

- **Leak Detection Survey:** While moving through the pipeline, Pipers continuously record the relatively quiet flow noise, creating an acoustic baseline for the measured sound intensity. When a pipeline is leaking, the liquid passing through the crack or hole generates a distinct hissing sound from the baseline. *The leak detection survey did not identify any leaks within the sensitivity of the Pipers.* Note that PICA was advised that the pressure during the survey was significantly lower than the normal operating pressure (downstream BD ~40 psi). This should be considered in future leak detection surveys since the lower pressure may not create enough pressure differential to produce a leak.

- **Metallic Survey:** This survey identified a total of twenty-nine (29) metallic features along the inspected portion. The location of all identified metallic features correlated well with the provided *Sch I As-Builts,* and the collected RFT data and CCTV footage. For additional details regarding these features, refer to the supplementary results spreadsheet ***SGVMWD 30in BWP Devil Canyon Raw Water Transmission Main PICA Results***, which was generated using the RFT data.

CCTV Inspection Overview & Results

From August 23rd to September 2nd, PICA conducted a CCTV of inspection of the 30" Bar-Wrapped Pipe Devil Canyon Raw Water Transmission Main – covering the same inspection reach as the previously completed RFT inspection.

The CCTV inspections were completed using the Versatrax 150 (VT150) CCTV crawler, equipped with the Spectrum 90 Camera and the Versatrax Mark 2 Tether Winch with approximately 3,000ft of cable transmitting a real-time video feed and 1000ft of replacement cable. On August 31st, a second crawler was mobilized to replace the original one that began to exhibit intermittent problems. This replacement unit completed the rest of the CCTV inspections.

Access to the pipeline was gained through the wyes installed at the RFT launch and receive locations, as well as manholes that were spaced every ~2,000 ft. At each access manhole, the CCTV crawler unit was inserted into the main and conveyed to the full length of the ~1,000 ft cable. The crawler was then winched back to the access manhole and the recording was stopped for that section. A new recording was started, and the crawler was conveyed ~1,000 ft in the *opposite direction*, then winched back to the access manhole. This process was repeated at all access manholes, resulting in a total of twenty-five (25) crawler runs.

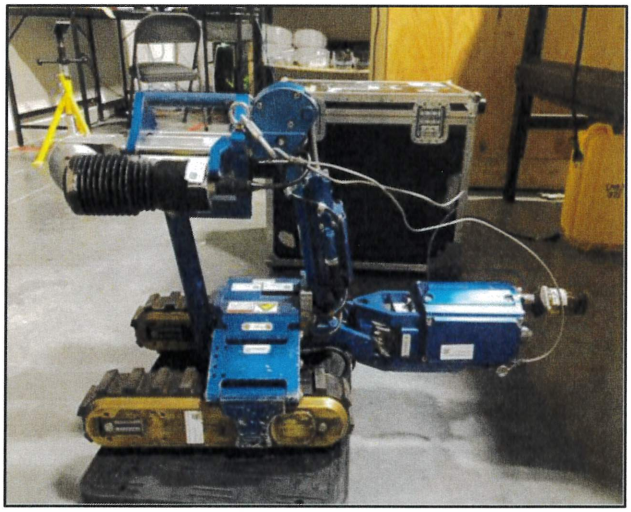


Figure 11. The Versatrax 150 CCTV crawler with the Spectrum 90 Camera prior to the start of inspections.

Figure 12. The CCTV crawler and attached winch line is lowered into the excavation and inserted into the transmission main through the open wye.

The review of the CCTV footage identified a total of five (5) concrete liner defects across four (4) pipe segments. The observed defect types were either minor chipping or circumferential cracking in the liner, all of which are deemed to be superficial and not suspected to have any impact on the structural integrity of the pipe. Individual CCTV reports were created for each observed defect. These reports contain CCTV images, location information and source video details (filename, timestamp). Reports can be accessed by following the embedded hyperlinks within the supplementary spreadsheet, ***SGVMWD 30in BWP Devil Canyon Raw Water Transmission Main PICA Results.***

Note that the location of all five (5) liners defects were later reviewed in the RFT data. None of the observed liner observations correlated with distress or corrosion, or other anomalous signals in the electromagnetic data.

RFT Analysis Results

RFT Location Reporting, Pipe Lengths & Features

The total distance logged during the RFT inspection of the 30" Bar Wrapped Pipe Devils Canyon Raw Water Transmission Main was 4.35 miles (22,955.06 ft). This distance represents the full span between the launch and receive locations at the Compromise Line Rd. & Sellers St. intersection and Sierra Madre Ave, respectively.

The zero-reference datum (ZRD) point was set at the east end of the newly installed wye at STA 126+40 on Sierra Madre Ave, while the end-reference (ERD) datum point, was set at the west end of the newly installed wye at the intersection of Compromise Line Rd. and Sellers St. (STA 355+71). *Note that the reporting orientation of west to east, which presents the RFT results with increasing stationing, is opposite to how the RFT inspection was conducted, where the tool was launched from the east end of the main.*

Consolidated Reporting of RFT findings and CCTV observations

Analysis results from the RFT inspection and all notable observations from the CCTV inspections were consolidated into a comprehensive Excel spreadsheet ***SGVMWD 30in BWP Devil Canyon Raw Water Transmission Main PICA Results***, issued separately from this report. This spreadsheet correlates the RFT findings with the visual observations from the CCTV inspection. To facilitate the review of the results, the spreadsheet was oriented in a west to east direction, starting at the wye at STA 126+40 on Sierra Madre Ave., and ending at the wye at STA 355+56 at the intersection of Compromise Line Rd. and Sellers St.

Pipe segments were numbered sequentially starting at STA 126+40, with cumulative joint location (chainage) values based on the collected RFT data. Additionally, the RFT-based chainage values were supplemented with stationing number estimates based on the provided *Sch I As Built* drawings. CCTV details (video file and timestamp) were also added for ease of reference when viewing the video files.

While the review of the CCTV footage and the analysis of the RFT data were initially done separately, all notable observations were later investigated against each other. That is, all localized areas of distress or anomalies in the RFT data were closely reviewed in the CCTV footage, while all visual defects observed in the footage were carefully investigated in the RFT data.

Pipe Lengths & Pipeline Features

A total of 597 standard pipe segments were identified between the ZRD (Zero-reference datum) and ERD (the end-reference datum) points, with the standard length averaging approximately 40 ft. Shorter pipe segments were identified in areas adjacent to pipeline features such as manholes, outlets and elbows, and within encased sections. A total of seventy-eight (78) pipeline features were identified in the RFT data, all of which were correlated with the provided *Sch I As-Builts*, and also visually confirmed in the CCTV footage. The observed pipeline features were comprised of:

- 26 horizontal elbows
- 21 vertical elbows
- 11 (20") manholes
- 10 blow-off valves
- 10 air release valves
- one (1) 20" outlet

While all listed pipeline features were identified in the RFT data, the air release valve (ARV) listed at STA 226+63 in the *Sch I As-Builts* was not confirmed in the RFT data. This ARV was also not identified in the CCTV footage as the camera was pointed down while it navigated this area. PICA was later notified that this port exists and operational and is located approximately 5.1ft from the 90° horizontal elbow. PICA suspects that the additional metal that make up the ARV mimicked nominal wall and was therefore undetectable. Note that all other ARVs were clearly detectable in the RFT data.

In addition to the pipeline features, a total of six (6) encasements were identified in the RFT data, all of which were listed in the *Sch I As-Builts.* The encased sections, listed below, encompassed a total of fifteen (15) pipe segments. Note that the stationing values below were obtained from the *Sch I As-Builts* drawings.

- **P1310:** STA 176+59 to STA 176+79 (Hook Canyon Channel - Leadora Avenue)
- **P1670:** STA 189+96 to STA 190+07 (Grand Avenue -Leadora Avenue)
- **P3060 – P3080:** STA 243+85 to STA 244+35 (Little Dalton Wash - Wabash Avenue)
- **P5190 – P5210:** STA 325+43 to STA 326+23 (Under House from Lemon Avenue to City Yard)
- **P5250 – CF (15° Vertical Bend):** STA 327+80 to STA 328+30 (Big Dalton Wash - City Yard)
- **P5850 – P5880:** STA 351+25 to STA 352+40 (Big Dalton Wash (East Branch - Compromise Line Road)

Due to the additional metallic (ferromagnetic) structural components of the encasements, the RFT data for the encased pipes was significantly attenuated, and consequently, could not be analyzed. The figure below shows the impact of the encasement on the RFT signal. The green and pink lines represent the average Phase (°) and the average amplitude (μV) of the RFT signal, respectively.

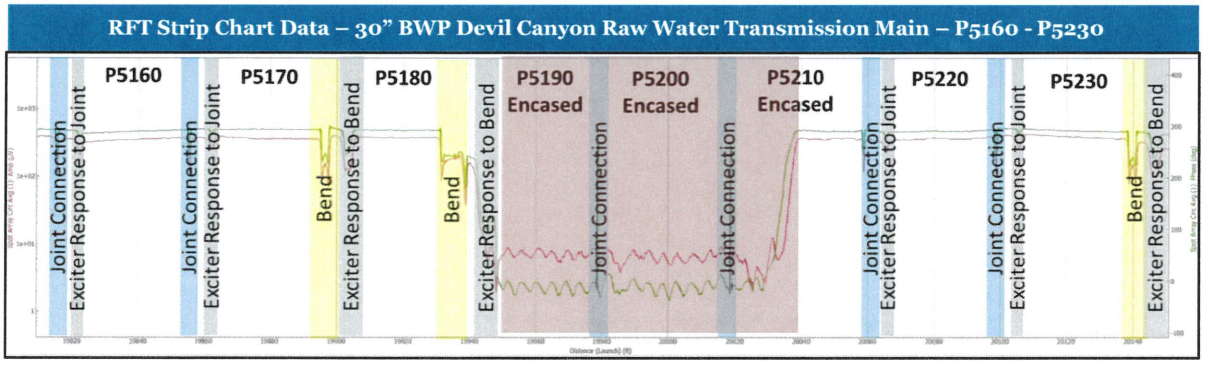


Figure 13. RFT stripchart data highlighting the impact of an encasement on the electromagnetic signal. The RFT data for the encased pipes, which span between P5190 and P5210 (later confirmed to be underneath a house from Lemon Ave to the City yard), shows an attenuated phase and amplitude signal compared to the neighboring, non-encased segments. *Note that the RFT tool was only optimized to inspect the non-encased pipes.*

General Wall Thickness

With PICA's extensive experience in the condition assessment of metallic pipes such as cast iron, ductile iron, and steel piping, one of its standard reporting components is the measure of general wall thickness change or wall thickness variation along the length of a pipe. In cast iron and ductile iron mains, this measurement can identify wall thickness variation due to manufacturing, a pipe type or specification change or the presence of large area wall loss. In steel pipelines, where tighter manufacturing tolerances (+/-10% nominal wall thickness variation) are generally employed, this measurement can be used to identify a pipe type/specification change or the presence of large area wall loss.

In concrete pressure pipes, such as C301 and C303 AWWA standards, PICA has extended its general wall thickness analysis expertise to assess the cylinder component of the pipe. While it is expected that the collected electromagnetic data from the transmission main is comprised of both the reinforcing bar and steel cylinder, it is believed that the dominant signal component is representative of the cylinder component.

All inspected pipes longer than 8 ft (excluding pipeline features) were analyzed to obtain the average remaining wall thickness of the steel cylinder, calculated over the length of the segment. This average remaining wall thickness is referred to as the "PARW" value (Pipe Average Remaining Wall).

It is assumed that similar manufacturing tolerances are employed on the steel cylinder in embedded cylinder pipes as the production of steel pipes, which normally see fluctuations of ±10% in the individual PARW values. Variations outside the normal ±10% spread can be an indicator of a different pressure class or point towards a problem like aggregate pitting or general corrosion. The average PARW value from the 30" Bar Wrapped Pipe Devils Canyon Raw Water Transmission Main was 100%, with all analyzed segments falling within the expected manufacturing tolerances.

Figure 14 to Figure 17 on the following pages show the average remaining wall *(PARW)* for all standard pipes (minimum length of 8 ft). Source values for these graphs can be found in the supplementary spreadsheet, ***SGVMWD 30in BWP Devil Canyon Raw Water Transmission Main PICA Results.***

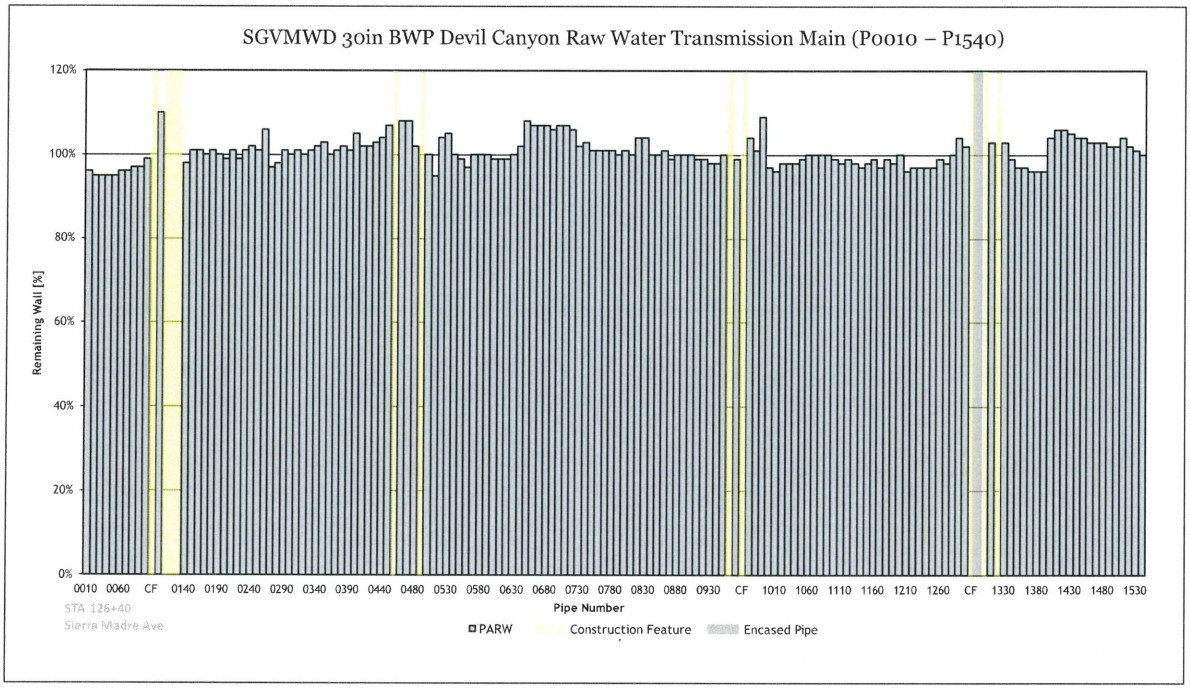


Figure 14. Summary of PARW values; P0010 – P1540.

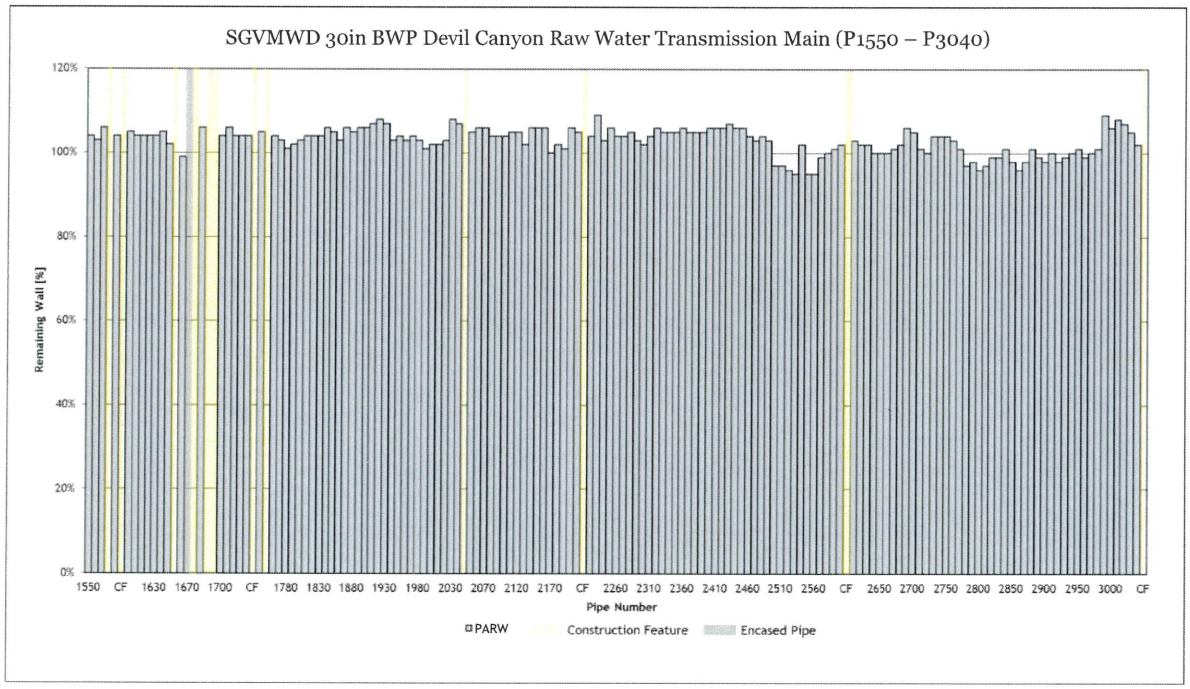


Figure 15. Summary of PARW values; P1550 – P3040.

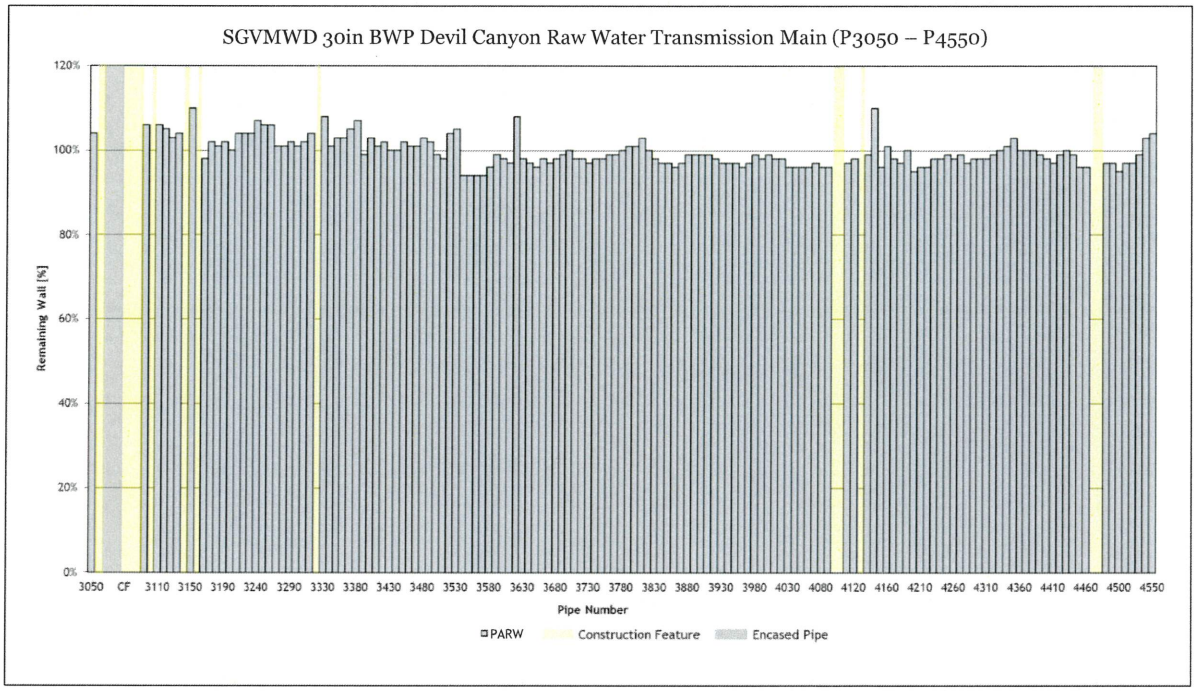


Figure 16. Summary of PARW values; P3050 – P4550.

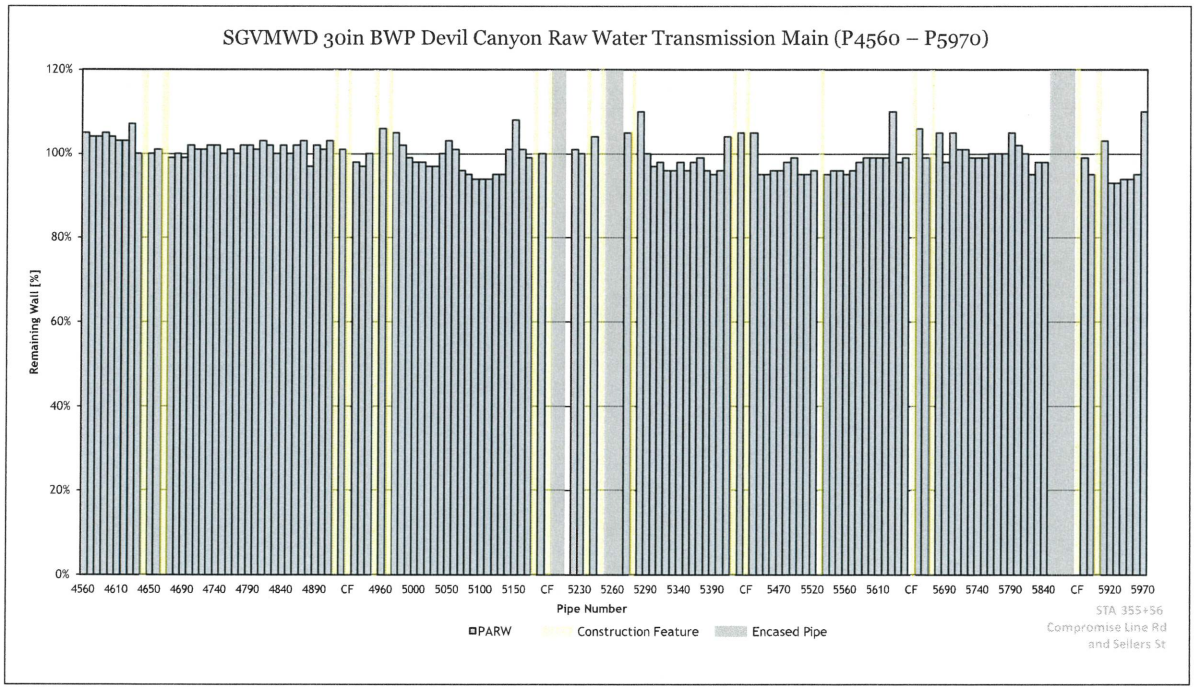


Figure 17. Summary of PARW values; P4560 – P5970.

Distressed Regions

Analysis of the RFT data identified a total of eighty-three (83) localized distress indications across sixty-one (61) pipe segments. Within these reported localized distressed regions, PICA observed and analyzed localized corrosion. All of the measured corrosion was shallow, measuring between 66% and 80% remaining wall (RW). PICA correlated the location of all identified distressed regions with the CCTV footage and did not observe any visible damage or abnormalities in the concrete liner. Note that this latest submission accounts for the December 2023 and March 2024 validations on Pipes 940 and 4750 (additional details provided in the *Field Validation* section, starting on page 21). These two validations led to a slight refinement of the defect sizing estimates, with most of the defects now measuring on average ~10% shallower than PICA's original analysis.

Distribution graphs with respect to location, estimated corrosion depth and circumferential location are provided in Figures 1 and 2 on page 5, as part of the executive summary. Detailed results including a complete list of all reported defects can be found in the supplementary spreadsheet, ***SGVMWD 30in BWP Devil Canyon Raw Water Transmission Main PICA Results.***

Below are examples of the localized distress indications that were identified along the transmission main. Corrosion signals in these RFT (phase) strip charts can be seen as localized and upward signal shifts (peaks) that span across several channels/clock positions. Note that the RFT data also exhibits a diagonal and repeating pattern, which corresponds to the spiral weld on the steel cylinder.

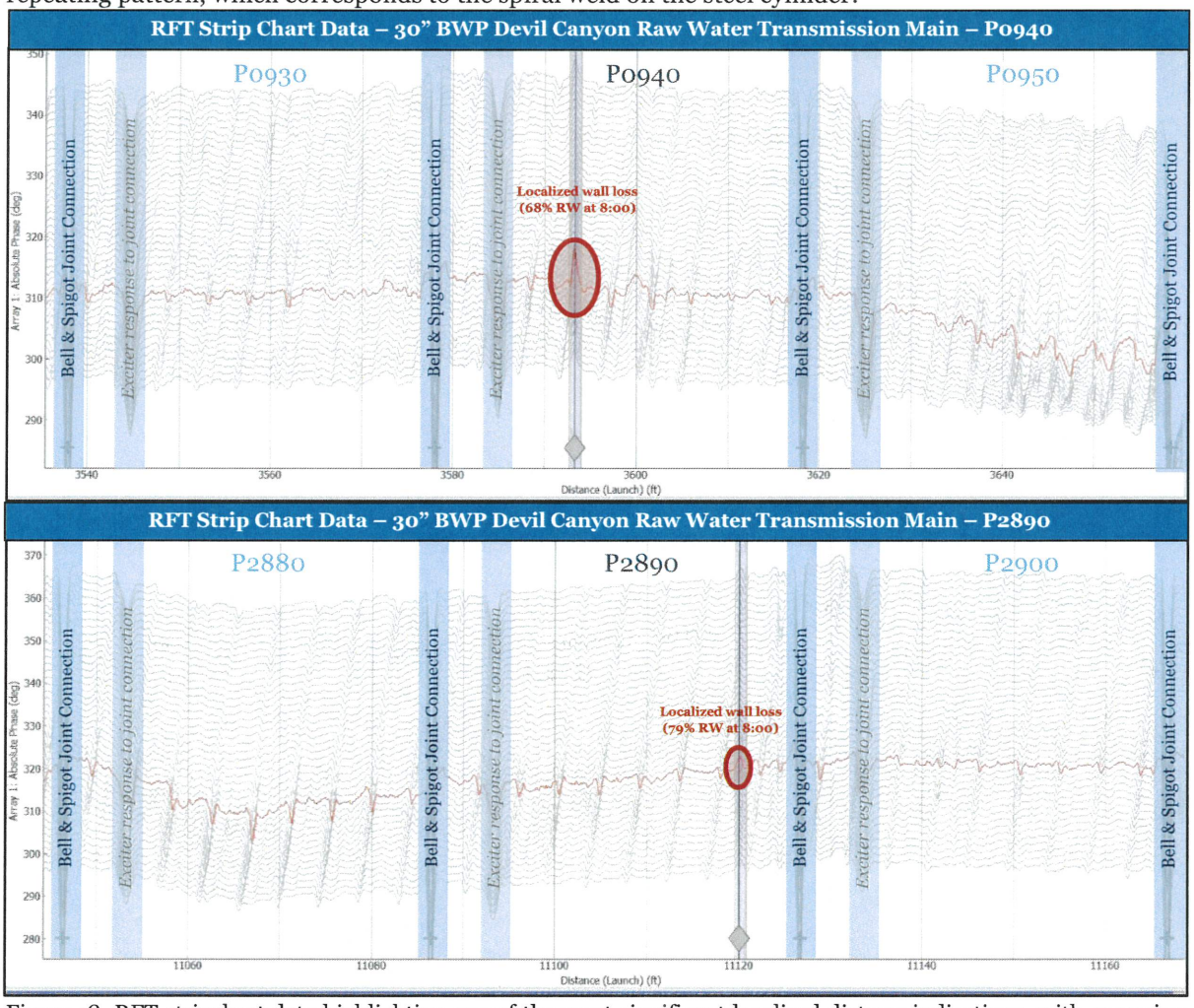


Figure 18. RFT stripchart data highlighting one of the most significant localized distress indications, with corrosion measuring 68% RW in Pipe 0940 (top), and a shallower indication (79% RW) in P2890 (bottom).

Stress Anomalies

In addition to the reported corrosion indications, stress anomalies were also identified in the RFT data. Stress anomalies are characterized by large span electromagnetic perturbations that are often detected across several detector channels (i.e., multiple clock positions). PICA's experience of similar signals from other pipelines found these to be related to material property changes due to either manufacturing or from the installation/construction process. They are normally not due to any structural defects.

A total of fourteen (14) stress anomalies across fourteen (14) pipe segments were identified in the RFT data. These stress anomalies presented themselves as large span electromagnetic signal changes. Like the localized corrosion indications, PICA also correlated the location of all identified stress anomalies with the CCTV footage and did not observe any visible damage or abnormalities in the concrete liner. *They are therefore not considered to be structurally related*.

Below are two examples of the stress anomalies that were identified along the transmission main. Stress anomalies in these RFT (phase) strip charts can be seen as large areas with a downward signal shift that spans across several channels/clock positions.

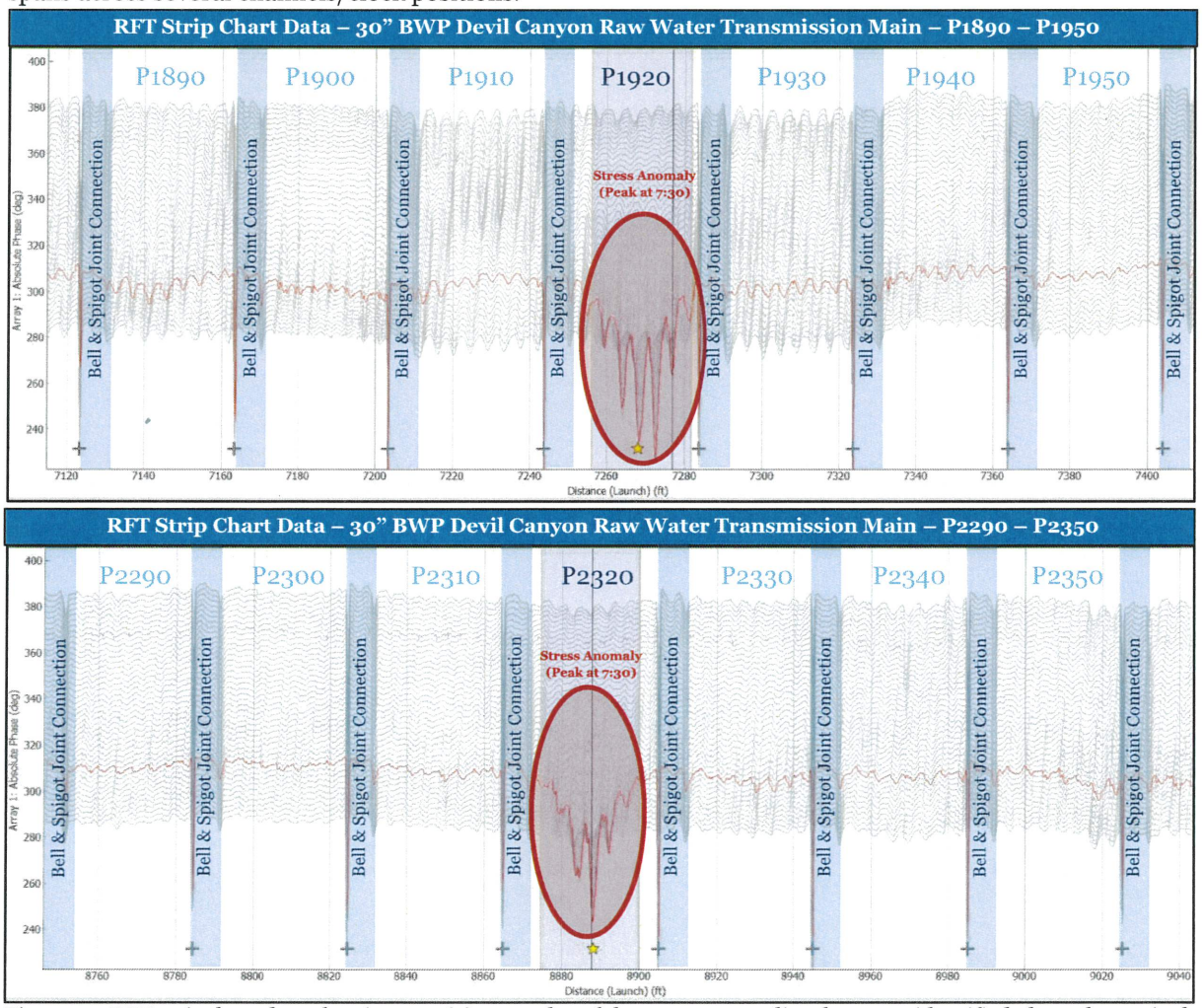


Figure 19. RFT stripchart data showing two (2) examples of the stress anomalies that were identified along the 30-inch BWP Devil Canyon Raw Water Transmission Main. PICA's experience of stress anomalies found these signals to be related to material property changes due to either manufacturing or from the installation/construction process.

Disclaimer - PICA Corporation

Scope of Services

The agreement of PICA Corp to perform services extends only to those services provided for in writing. Under no circumstances shall such services extend beyond the performance of the requested services. It is expressly understood that all descriptions, comments and expressions of opinion reflect the opinions or observations of PICA Corp based on information and assumptions supplied by the owner/operator and are not intended nor can they be construed as representations or warranties. PICA Corp is not assuming any responsibilities of the owner/operator and the owner/operator retains complete responsibility for the engineering, manufacture, repair and use decisions as a result of the data or other information provided by PICA Corp. Nothing contained in this Agreement shall create a contractual relationship with or cause of action in favor of a third party against either the Line Owner or PICA Corp. In no event shall PICA Corp's liability in respect of the services referred to herein exceed the amount paid for such services.

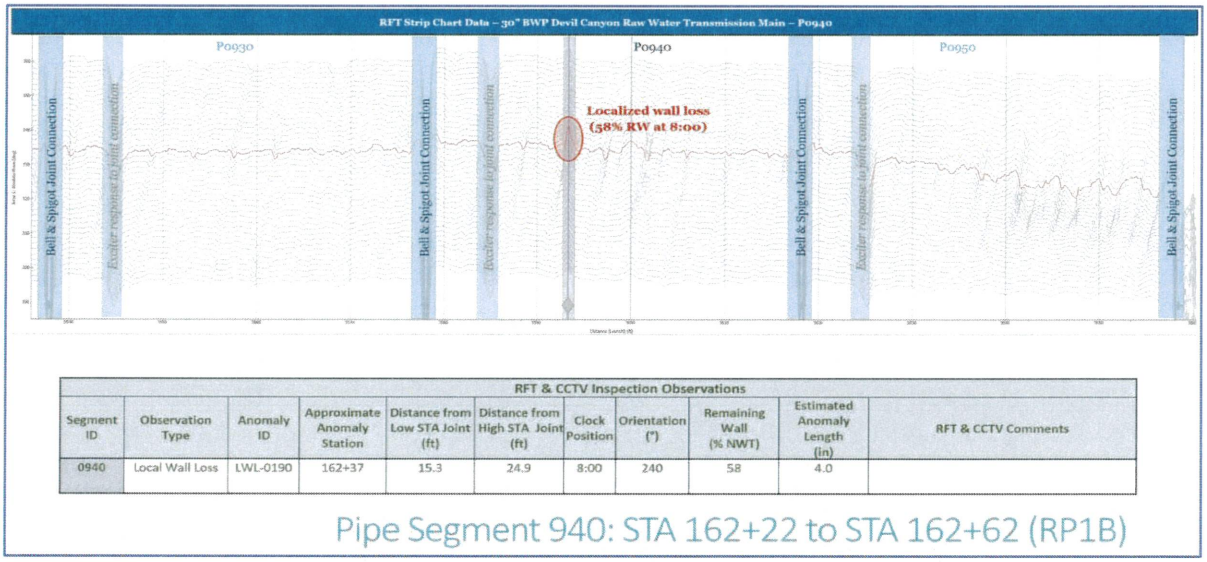
Standard of Care

In performing the services provided, PICA Corp uses the degree, care, and skill ordinarily exercised under similar circumstances by others performing such services in the same or similar locality. No other warranty, expressed or implied, is made or intended by PICA Corp.

Appendix A: Field Validations - Pipes 940 and 4750

Following SGH's ***Failure Risk Analysis and Repair Prioritization of 30in Diameter BWP*** report, discussions took place between PICA, SGH, CIVILTECH and SGVMWD regarding SGH's recommendations in the aforementioned report. One of the recommendations was to field validate the RFT results to confirm the accuracy of the reported wall loss estimates. A total of 13 pipes were recommended by SGH for further inspection and/or repair (Pipes 170, 540, 580, 940, 1170, 1510, 1820, 2690, 2870, 2890, 4030, 4150 and 4750), which the team collaborated and reduced down to two pipes, Pipes 940 and 4750.

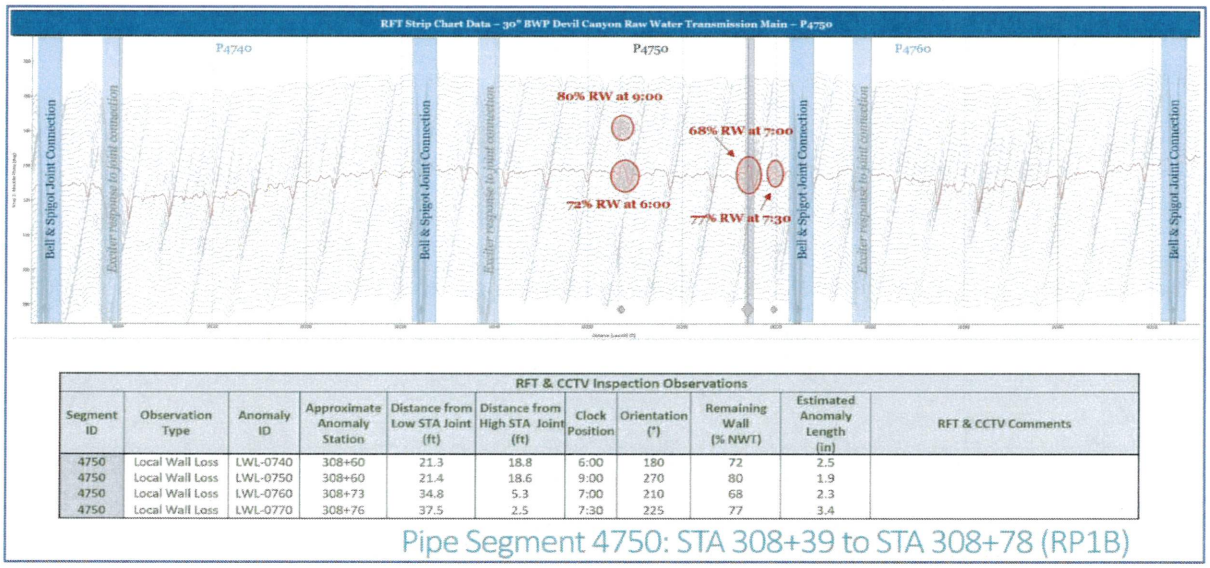
Pipes 940 and 4750 were reported with small volume and shallow defects in the original report. Pipe 940 was reported with a 58% remaining wall (RW) defect at 8:00 while Pipe 4750 was reported with a total of four (4) defects measuring between 68% and 80% RW. Below are images of the RFT data highlighting the defects in each pipe.



RFT & CCTV Inspection Observations

Segment ID	Observation Type	Anomaly ID	Approximate Anomaly Station	Distance from Low STA Joint (ft)	Distance from High STA Joint (ft)	Clock Position	Orientation (°)	Remaining Wall (% NWT)	Estimated Anomaly Length (in)	RFT & CCTV Comments
0940	Local Wall Loss	LWL-0190	162+37	15.3	24.9	8:00	240	58	4.0	

Pipe Segment 940: STA 162+22 to STA 162+62 (RP1B)



RFT & CCTV Inspection Observations

Segment ID	Observation Type	Anomaly ID	Approximate Anomaly Station	Distance from Low STA Joint (ft)	Distance from High STA Joint (ft)	Clock Position	Orientation (°)	Remaining Wall (% NWT)	Estimated Anomaly Length (in)	RFT & CCTV Comments
4750	Local Wall Loss	LWL-0740	308+60	21.3	18.8	6:00	180	72	2.5	
4750	Local Wall Loss	LWL-0750	308+60	21.4	18.6	9:00	270	80	1.9	
4750	Local Wall Loss	LWL-0760	308+73	34.8	5.3	7:00	210	68	2.3	
4750	Local Wall Loss	LWL-0770	308+76	37.5	2.5	7:30	225	77	3.4	

Pipe Segment 4750: STA 308+39 to STA 308+78 (RP1B)

Figure 20. RFT stripchart data showing the shallow and low-volume defects identified in Pipes 940 and 4750. These pipes were selected for field validations to determine the accuracy of the wall loss estimates in the RFT data.

PICA mobilized non-destructive testing (NDT) field validation crews on three occasions to investigate Pipes 940 and 4750 two pipes: November 29 – December 1, 2023, December 13, 2023, and March 8, 2024. T.E. Roberts performed all of the civil work including internal and external surface preparations and confined space access support, while PICA took care of the NDT validations. Ultrasonic (UT) equipment and a pit gauge were brought to site to measure the remaining wall thickness of the steel cylinder and to also locate the reported defects from the RFT data. PICA provided a detailed work plan for the validation with T.E. Roberts on September 22, 2023, and then again later with the remaining stakeholders prior to mobilizing to site.

Below is a summary of the work that was conducted during each mobilization. The validation results are provided in the following section.

- *November 29 – December 1, 2023 (internal validation – Pipe 940, partial)*:
  PICA mobilized two (2) technicians to attempt the NDT validations. Upon arrival to site on the morning of November 29th, the crew discovered that none of the cement mortar lining had been removed, and the locations for the requested exposure windows had not even been located. PICA entered the line to mark up the two patches in Pipe 4750 where the liner to be removed. The contractor then spent the rest of the day (29th), and half of the following day (30th) removing the liner just from the first 24" x 40" patch. Note that PICA reported two shallow and small volume defects within this patch, with initial estimates of 72% and 80% remaining wall.

  With the mortar only partially (~50%) removed on the 24" x 40" patch, PICA entered the pipe to initiate the UT validation on the afternoon of November 30th. This work involved marking out the exposed steel with a 1"x1" grid and then taking UT readings within each square. This work was completed the following morning, December 1st. Additionally, PICA marked up Pipe 940 for mortar lining removal.

  Due to the unforeseen delays and lack of site preparation by the contractor, PICA was instructed to demobilize by SGVMWD (Steve Kiggins) and CIVILTEC (Steve Walker) and to return once all of the liner removal for both pipes was completed.

- *December 13, 2023 (internal validations – Pipe 940 and 4740)*:
  On December 7th, PICA was informed that the site preparations have been completed and that the field validation can be performed the following week. PICA mobilized two (2) technicians on December 13th and successfully completed the internal validations on all exposed steel patches.

- *March 8, 2024 (external validation – Pipe 940)*:
  On February 23, PICA requested an external validation to investigate the bars in the immediate area of the defect in the event that the corrosion affected both the bars and the cylinder. This external validation will also confirm the December 13th validation findings and further study the morphology and characteristics of the defect that was identified.

  On March 8th, T.E. Roberts excavated and exposed a 24" x 24" area down to the bars and steel cylinder per PICA's request. PICA mobilized one (1) technician to conduct a visual inspection and UT measurements on the exposed steel.

Pipe 940 (STA 162+22 t0 162+62) - internal UT validation

Following PICA's original analysis of the RFT data, this pipe was reported with a single defect measuring 58% remaining (RW) at the 8:00 location, which is on the north side of the pipe. Centered over the reported defect's location, the cement mortar lining was removed over an 18" wide and 28" arc span area. PICA then marked up the exposed window with a 1" x 1" grid prior to taking UT measurements. Note that the exposed window contained a spiral weld, which is also an evident signal feature in the RFT data.

While the exposed cylinder didn't reveal any corrosion, the UT readings identified a localized area at the location of the reported defect. A reading of 0.092" (~68% RW) was obtained at the approximate location of the defect. The figures below show a mapping of the UT readings and the marked up pipe, both of which are similarly oriented visually to facilitate interpreting the results.

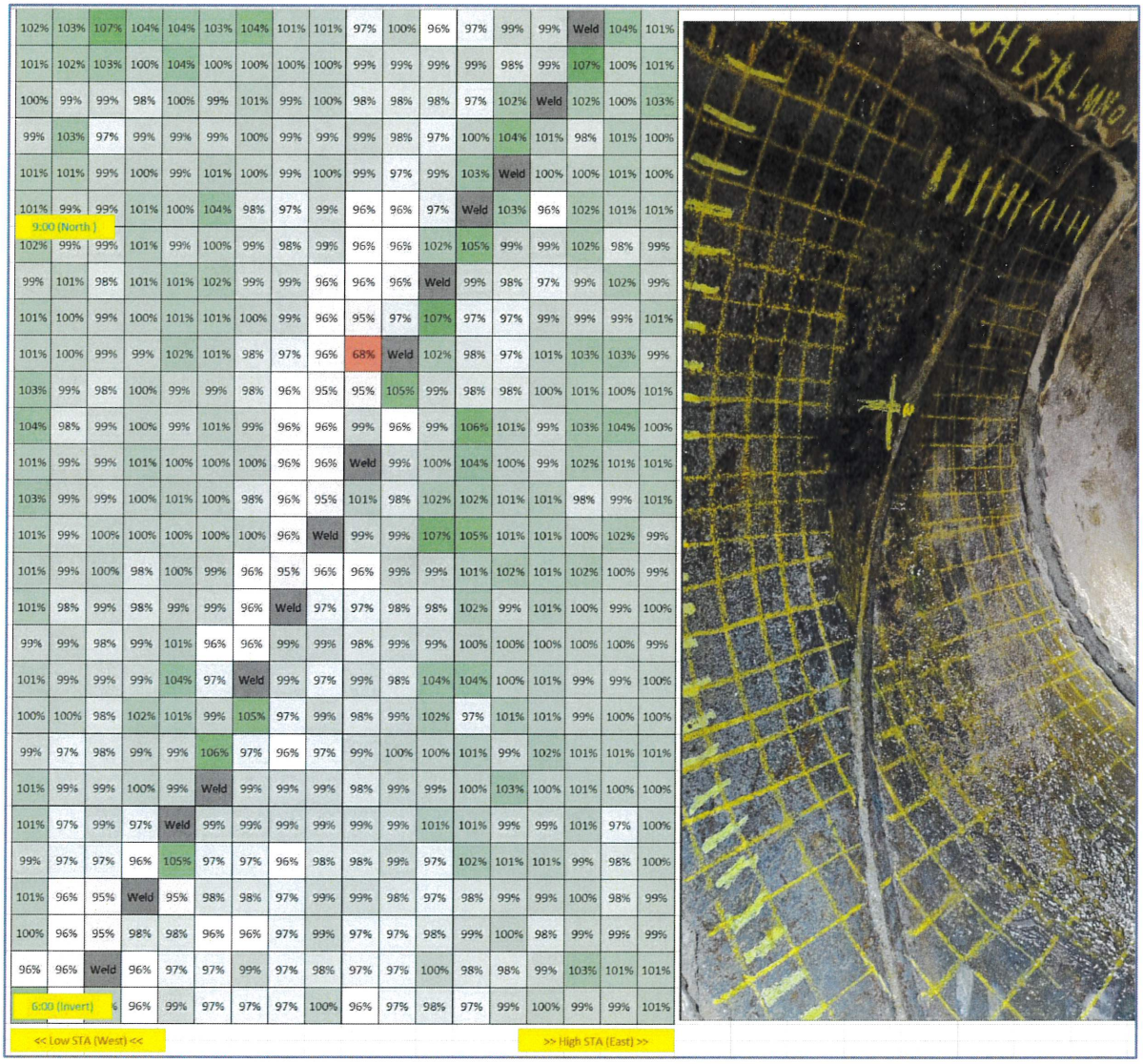


Figure 21. PICA performed an internal (UT) validation on Pipe 940 to locate the reported 58% RW defect. The UT readings identified a localized area measuring 0.092" remaining wall, which is equivalent to ~68% remaining wall . Nominal wall thickness readings averaged ~0.138" within the exposed area (specifications noted 0.1345").

Pipe 4750 (STA 308+39 to 30878) - internal UT validation

Following PICA's original analysis of the RFT data, this pipe was reported with two distinct areas with defects. The first area located mid-pipe contained two shallow defects measuring 72% RW and 80% RW, while the second area located near the east joint contained two shallow defects measuring 68% RW and 77% RW. Mortar was removed over a 24" x 40" area for the mid-pipe defects and a 60" x 24" area for the near-joint defects. Similar to the previous pipe, internal corrosion was not noted in any of the exposed areas.

The UT readings successfully located two spots with thinner wall readings (0.127" and 0.129") that aligned with the two defects identified in the RFT data. In general, the UT readings were shallower than the reported measurements (~92% RW (UT) versus 68% - 77% RW [RFT]). However, it is important to note that UT readings typically yield an averaged wall thickness measurement over the size/diameter of the transducer, while RFT provides higher resolution wall thickness data often leading to slightly more accurate measurements compared to UT. The figures below show a mapping of the UT readings and the marked up pipe, both of which are similarly oriented visually to facilitate interpreting the results.

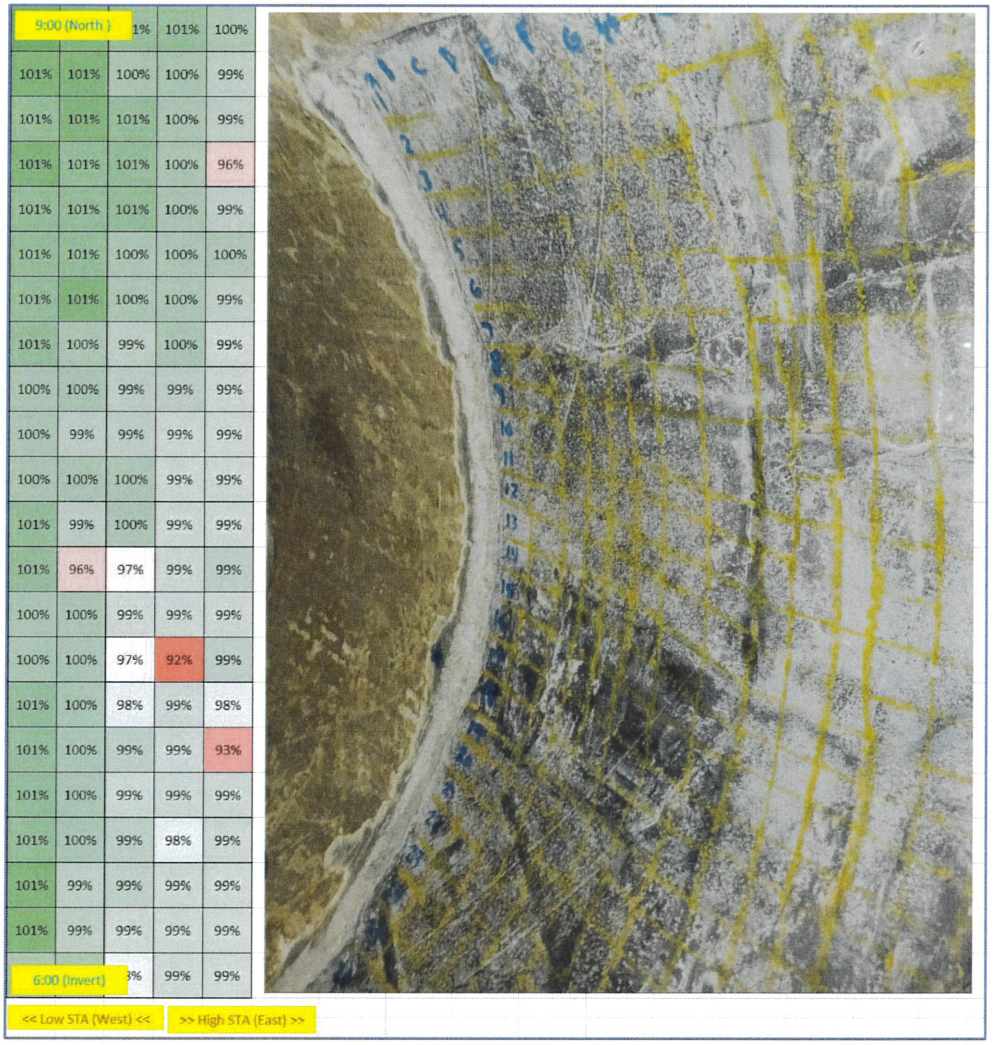


Figure 22. PICA performed an internal (UT) validation on a small portion of Pipe 4750 to locate the reported 68% RW and 77% RW defects. The UT readings identified two localized areas measuring 0.127" and 0.129 RW, which are equivalent to ~90% RW. Nominal wall thickness readings averaged ~0.138" within the exposed area (specifications noted 0.1345").

The second area, which is located near the middle of the pipe was also investigated. This 24" x 40" exposed area was reported with two defects, a 72% RW (6:00) and 80% RW (9:00, north). Similar to the previous test sites, internal corrosion was not observed from the exposed steel. Extensive UT readings were not performed since a visible groove/gouge measuring 0.25" x 1.0" was identified at the location of the reported 80% RW (9:00, north) defect. This defect was difficult to physically measure but a pit gauge yielded a measurement of 0.02" deep. The technicians suspect that the groove is deeper than that if measured with a different pit gauge. The 72% RW defect at 6:00 was not validated since the exposed test window missed it's location by a few inches.

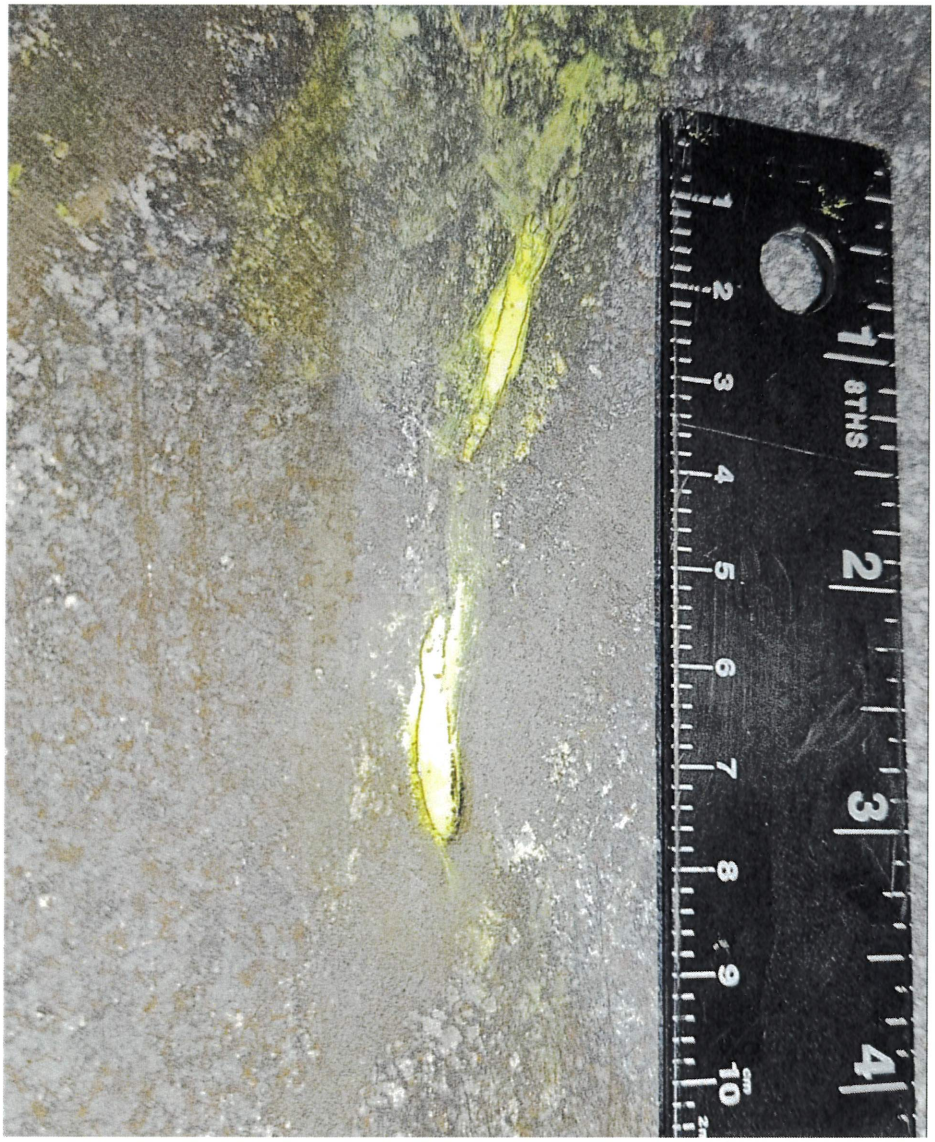


Figure 23. PICA performed an internal validation on a second test patch in Pipe 4750 to locate the reported 72% RW and 80% RW defects. Extensive UT readings were not taken since a visible groove/gouge measuring 0.25" x 1.0" and 0.02" deep was found. The technicians suspect that the groove is deeper than that if measured with a different style pit gauge.

Pipe 940 (STA 162+22 t0 162+62) - external validation

Following discussions with CIVILTEC, an external validation was performed on this pipe to investigate the condition of the bars and to determine the morphology of the OD defect on the steel cylinder that was confirmed by the UT validations. PICA specifically requested the external validation to verify if corrosion co-existed between the bars and the cylinder at the reported location of the defect since this is a common corrosion mechanism with bar-wrapped pipes. Additionally, PICA wanted to learn more about the observed circumferential signal response seen in the data and whether this signal is due to an external circumferential feature or a bar-related response.

Upon removal of the exterior mortar, the exposed 24" x 24" patch did not reveal any corroded or broken bars. The steel cylinder was also found to be in excellent condition and was without any surface rust or concentrated corrosion. A localized area with pitting was however found at the location of the defect that the UT identified internally. The cluster of pits was concentrated over a 0.5" x 1.0" area. PICA therefore concludes that the observed localized wall loss signal in the RFT data is from this pitting cluster.

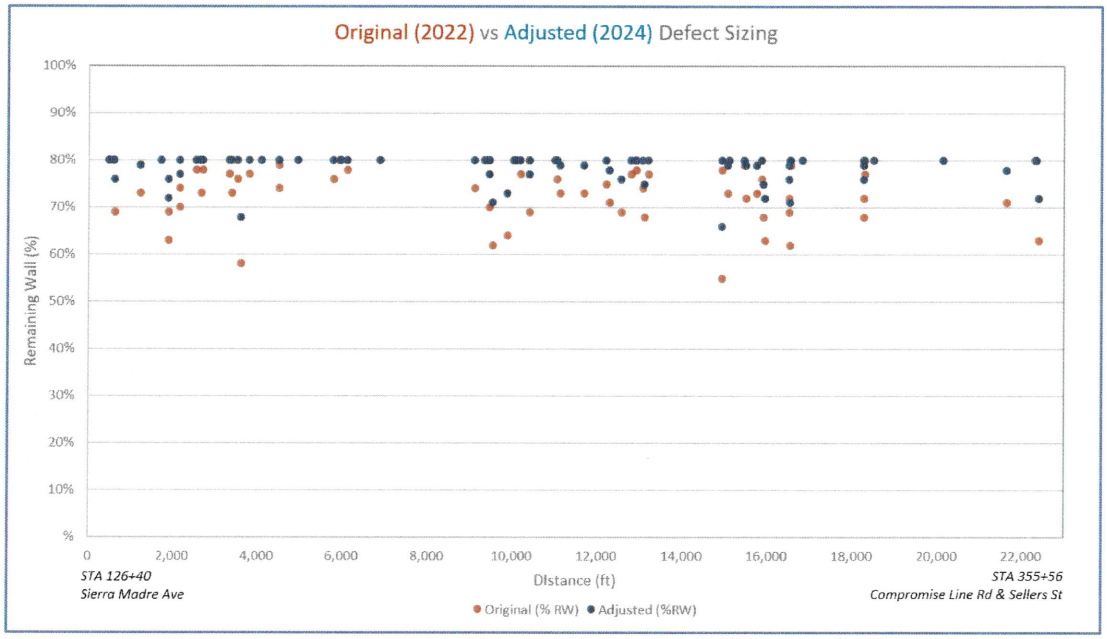
The bars within the 24" x 24" exposed area were intact and did not exhibit any corrosion. Given the overall condition of the cylinder and the bars within the exposed window, PICA did not request further investigation of the anomalous circumferential signal response in the RFT data. Further assessment of this anomaly would have required a considerable amount of civil work since the full circumference of the bars and cylinder needed to be exposed. *Since the observed cylinder loss was validated to be relatively shallow and localized and that the bars within the exposed window were in excellent condition, it was determined that further examination was not necessary.*

Figure 24. Pipe 940 was excavated on May 8, 2024, to allow for further validation of the reported defect. Note that the Dec 13 UT validation identified an OD defect at the same location, which corresponded to the localized wall loss signal in the RFT data. Both the steel cylinder and bars were found to be in excellent condition with no apparent corrosion. However, a cluster of shallow pits were observed at the location of the defect identified by both the RFT inspection data and UT validation. The overall area of the pitting cluster measured 0.5" x 1.0" with a UT-measured depth of ~68% RW.

Revision to the Reported RFT Results

Utilizing the field validation results from Pipes 940 and 4750, PICA was able to make slight refinements to the RFT results. These refinements are summarized below:

1. Adjusting the sizing model, which in general resulted in ~10% shallower defects. Note that the ground-truth/validation findings were well within PICA's standard error margin of 20%. PICA, however, elected to adjust the sizing of all defects since the verified defects were consistently found to be shallower than originally reported. The overview figure below shows a comparison of the original and the refined defect sizing.



(The original sizing model was based on a phase spread of 95-degrees per 100% nominal wall thickness while the refined phase spread is based on 125-degrees per 100% nominal wall thickness.)

2. Due to the lack of calibration information for the inspected 30-inch bar wrapped pipes, PICA originally reported the anomaly lengths (column Y in the supplementary Results spreadsheet) to be based on the actual axial length of the observed RFT response. Due to signal smearing, the axial length of a defect response in the RFT data is typically significantly longer than the physical dimensions of the actual defect, often ranging between 4X and 10X. The smearing effect depends on a number of factors such as pipe material, nominal thickness and presence of bars or prestressing wires. Due to the large range of possible axial width scenarios, PICA elected to not apply any scaling to the raw data in the 2022 report and to report the anomaly lengths as they are observed in the RFT data.

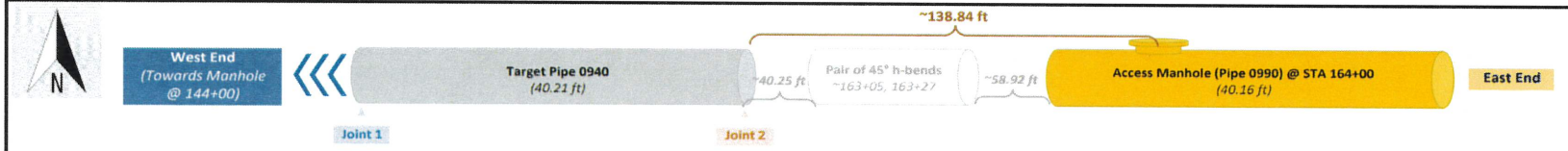
   With the field validation results from Pipes 940 and 4750, PICA was able to estimate a scaling factor that is more representative of the physical dimensions of the reported defects. A scaling factor of 8X, which was largely based on the defect in Pipe 0940, was determined to be reasonable and therefore applied to reduce the reported axial lengths. The values presented in column Y of the latest supplementary results spreadsheet ***SGVMWD 30in BWP Devil Canyon Raw Water Transmission Main PICA Results*** reflect the revised and scaled values.

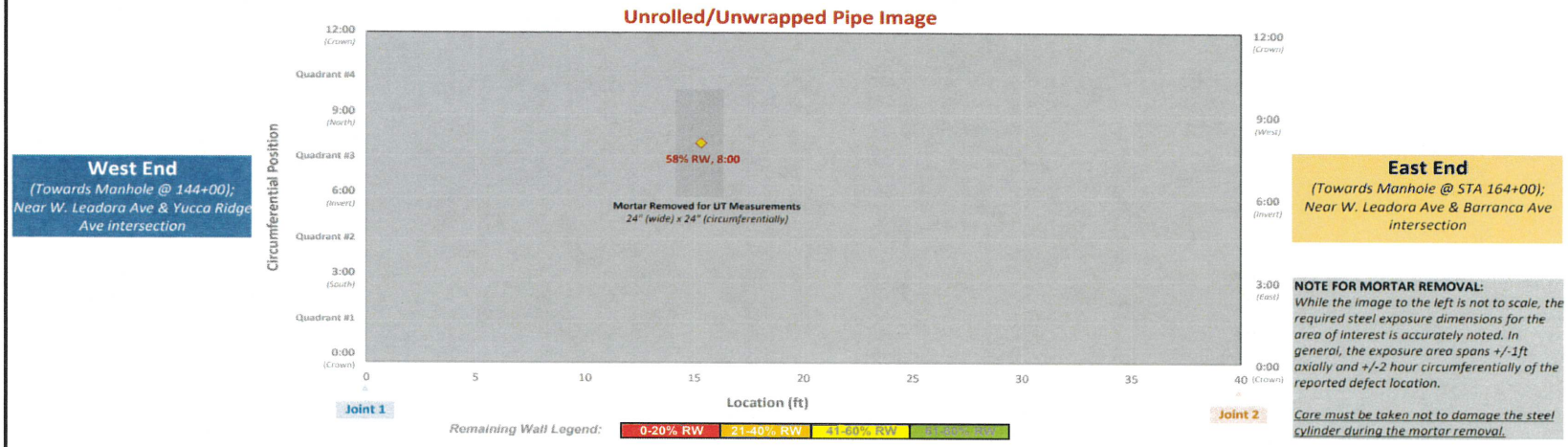
Appendix B: Dig Sheet - Pipe 940 (STA 162+22 t0 162+62)

Dig Sheet for: Pipe 0940

Client	San Gabriel Valley Municipal Water District
Pipeline	30-inch BWP Devil Canyon Raw Water Transmission Main
Location	San Gabriel, CA
Pipe Size and Material	30-inch Bar Wrapped Pipe
Inspection Date [Method]	July 26 - August 3, 2023 *[Dual Tethered SeeSnake RFT In-Line Inspection]*

Primary US Marker	Manhole at STA 144+00 (Near W. Leadora Ave and Yucca Ridge Ave)
Primary DS Marker	Manhole at STA 164+00 (Near W. Leadora Ave and Barranca Ave)



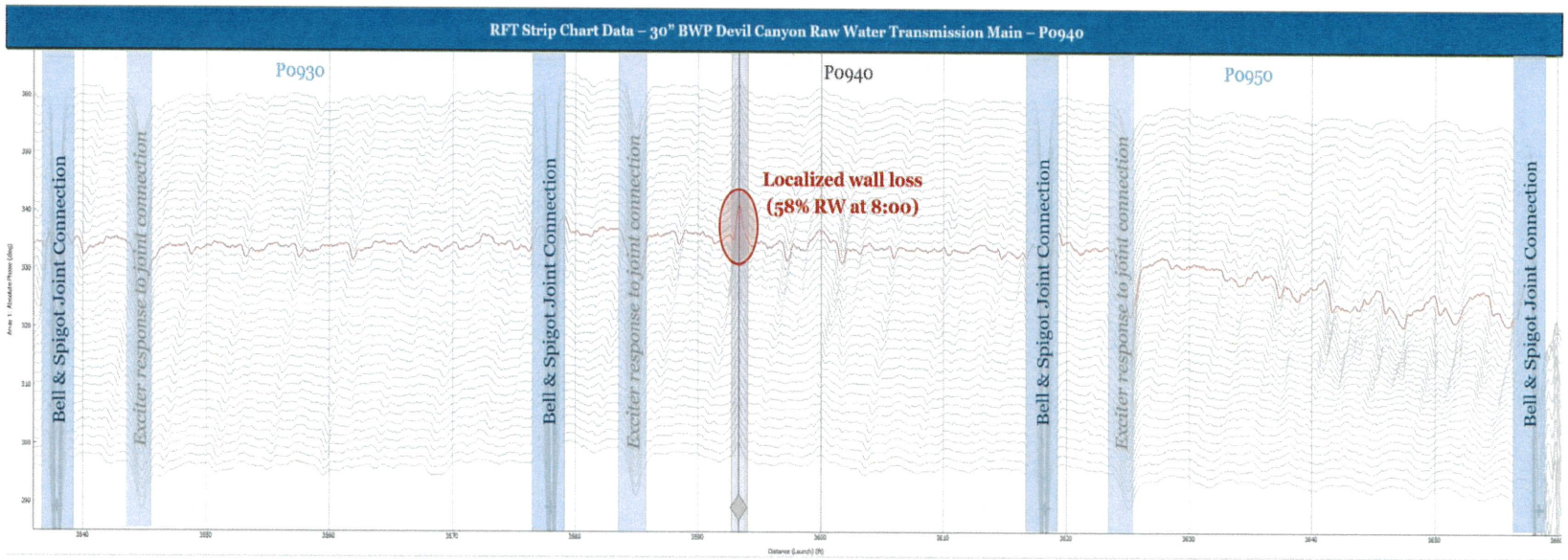


INDICATION LOCATION and MORPHOLOGY

Pipe Number	Wall Loss ID	Approximate Wall Loss Station	Distance to Joint 1 (ft)	Distance to Joint 2 (ft)	Clock Position *Facing East	Estimated Remaining Wall (%)	Estimated Defect Length (in)	RFT Signal Strength [Span %]*	Additional Notes
0940	LWL-0190	162+37	15.30	24.90	8:00	58	4.00	6	

*RFT signal strength is related to the defect's total area and can be used for ranking purposes.

Appendix C: RFT Stripchart - Pipe 940 (STA 162+22 t0 162+62)



RFT & CCTV Inspection Observations										
Segment ID	Observation Type	Anomaly ID	Approximate Anomaly Station	Distance from Low STA Joint (ft)	Distance from High STA Joint (ft)	Clock Position	Orientation (°)	Remaining Wall (% NWT)	Estimated Anomaly Length (in)	RFT & CCTV Comments
0940	Local Wall Loss	LWL-0190	162+37	15.3	24.9	8:00	240	58	4.0	

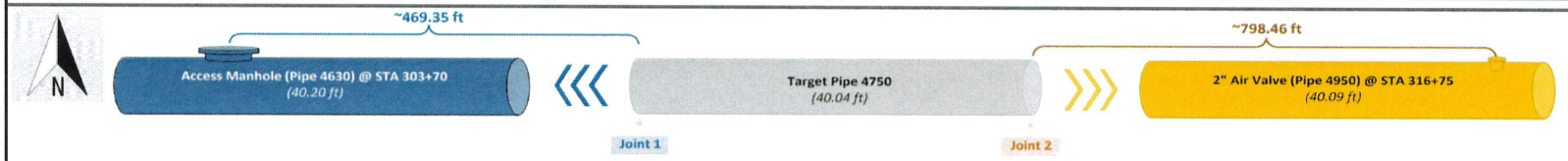
Pipe Segment 940: STA 162+22 to STA 162+62 (RP1B)

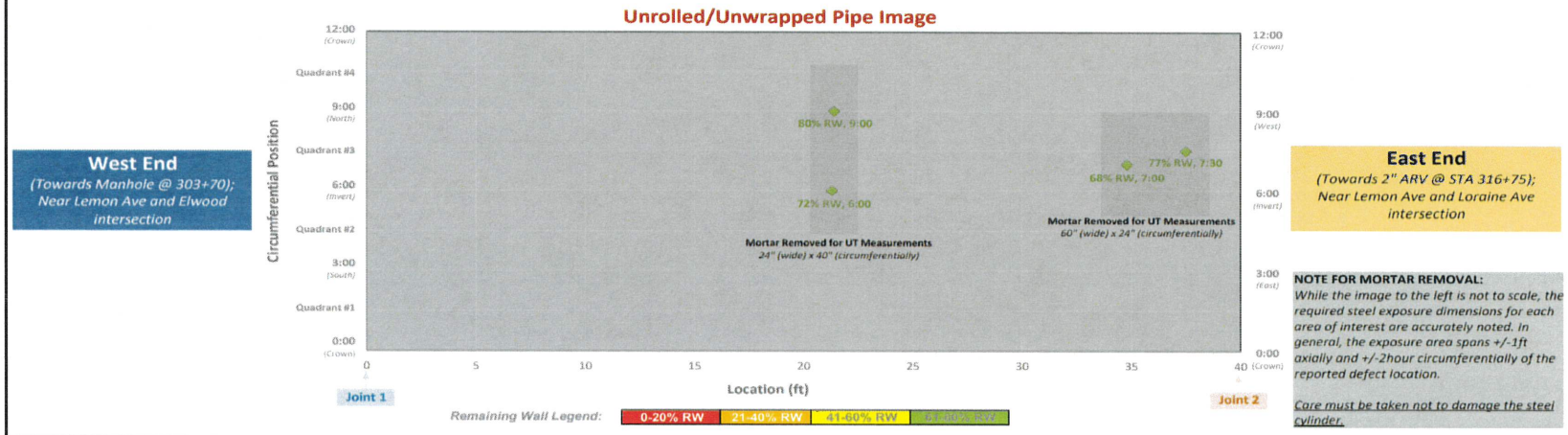
Appendix D: Dig Sheet - 4750 (STA 308+39 to 30878)

Dig Sheet for: Pipe 4750

Client	San Gabriel Valley Municipal Water District
Pipeline	30-inch BWP Devil Canyon Raw Water Transmission Main
Location	San Gabriel, CA
Pipe Size and Material	30-inch Bar Wrapped Pipe
Inspection Date [Method]	July 26 - August 3, 2023 *[Dual Tethered SeeSnake RFT In-Line Inspection]*

Primary US Marker	Manhole at STA 303+70 (Near Lemon Ave and Elwood Ave)
Primary DS Marker	2-inch Air Valve at 316+75 (Near Lemon Ave and Loraine Ave)

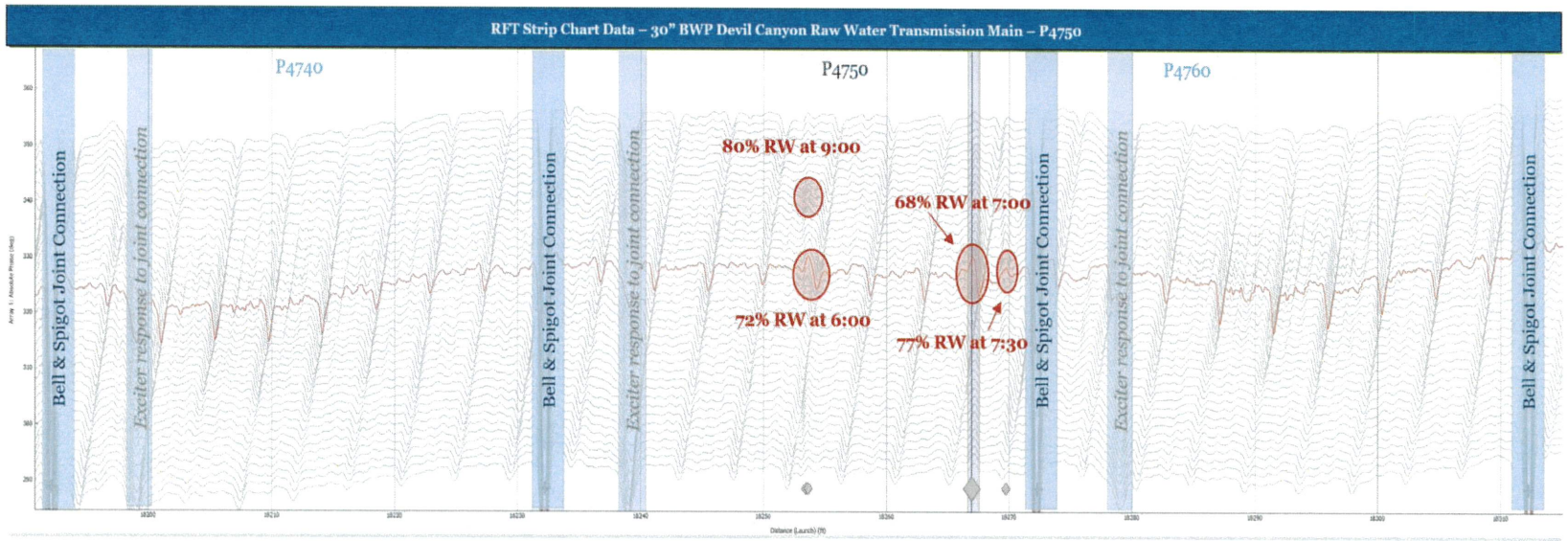




INDICATION LOCATION and MORPHOLOGY									
Pipe Number	Wall Loss ID	Approximate Wall Loss Station	Distance to Joint 1 (ft)	Distance to Joint 2 (ft)	Clock Position *Facing East	Estimated Remaining Wall (%)	Estimated Defect Length (in)	RFT Signal Strength [Span %]*	Additional Notes
4750	LWL-0740	308+60	21.30	18.80	6:00	72	2.50	4	
	LWL-0750	308+60	21.40	18.60	9:00	80	1.90	3	
	LWL-0760	307+73	34.80	5.30	7:00	68	2.30	5	
	LWL-0770	308+76	37.50	2.50	7:30	77	3.40	4	

*RFT signal strength is related to the defect's total area and can be used for ranking purposes.

Appendix E: RFT Stripchart - 4750 (STA 308+39 to 30878)



RFT & CCTV Inspection Observations										
Segment ID	Observation Type	Anomaly ID	Approximate Anomaly Station	Distance from Low STA Joint (ft)	Distance from High STA Joint (ft)	Clock Position	Orientation (°)	Remaining Wall (% NWT)	Estimated Anomaly Length (in)	RFT & CCTV Comments
4750	Local Wall Loss	LWL-0740	308+60	21.3	18.8	6:00	180	72	2.5	
4750	Local Wall Loss	LWL-0750	308+60	21.4	18.6	9:00	270	80	1.9	
4750	Local Wall Loss	LWL-0760	308+73	34.8	5.3	7:00	210	68	2.3	
4750	Local Wall Loss	LWL-0770	308+76	37.5	2.5	7:30	225	77	3.4	

Pipe Segment 4750: STA 308+39 to STA 308+78 (RP1B)

Update Failure Risk Analysis and Repair Prioritization of 30 in. Diameter BWP

Devil Canyon-Azusa Pipeline, Schedule I
San Gabriel Valley Municipal Water District (SGVMWD)
El Monte, CA

30 July 2024

SGH Project 221000.01

PREPARED FOR
PICA Corp (USA)
2801 Youngfield Street, Suite 370
Golden, CO 80401

PREPARED BY
Simpson Gumpertz & Heger Inc.
480 Totten Pond Road
Waltham, MA 02451
O: 781.907.9000

30 July 2024

Mr. Jake Regala
PICA Corp USA
2801 Youngfield Street, Suite
370 Golden, CO 80401

Project 221000.01– Update Failure Risk Analysis and Repair Prioritization of 30 in. Diameter BWP, Devil Canyon Raw Water Transmission Main, El Monte, CA

Dear Mr. Regala:

This report presents the update to our failure risk analysis and repair prioritization in the above-named pipeline based on the results of the validation of remote field testing (RFT) inspection by PICA in 2023/2024 and the hydraulic transient analysis.

Should you have any questions or comments, please do not hesitate to contact us.

Sincerely yours,

Rasko P. Ojdrovic
Senior Principal

Mehdi S. Zarghamee, P.E.
Senior Principal
CA License No. C 54766

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Table of Contents

1. INTRODUCTION

1.1 Background

The San Gabriel Valley Municipal Water District (SGVMWD) Devil Canyon-Azusa Pipeline Project (DCAP) is approximately 34,500 linear feet of 30 in. diameter bar-wrapped pipe (BWP) manufactured by United Concrete Pipe Corporation in 1973. In 2022, PICA USA (PICA) inspected Schedule I of this pipeline using remote field testing (RFT) inspection, CCTV inspection, and metallic surveys to locate features, and they also performed leak detection. Simpson Gumpertz & Heger Inc. (SGH) performed structural evaluation, developed failure risk curves and performed repair prioritization of the distressed pipes in the line, and recommended further inspection to verify the distress level. The scope of the inspection and analysis was from Sta. 125+80 (west of the intersection of Yucca Rudge Road and Sierra Madre Avenue) to Sta. 335+71 (east of the intersection of Sellers Street and Compromise Line Road).

For verification of distress, SGVMWD retained PICA to inspect two pipes, Pipes 940 and 4750. After the inspection, PICA re-analyzed the 2022 RFT results. Also, based on our recommendations, a hydraulic analysis was performed by CIVILTEC Engineering Inc. (CIVILTEC) to calculate the maximum expected pressures in the pipeline. PICA retained SGH to update the failure risk analysis and repair priorities of distressed pipes based on the updated results of the RFT inspection and maximum pressures from the hydraulic analysis.

1.2 Purpose and Scope

The purpose of this report is to present the update to our failure risk analysis and repair prioritization based on the results of the validation of remote field testing (RFT) inspection and hydraulic transient analysis and to write a report on our findings.

The scope of our work includes the following:

- Review the results of the validation inspections, revised RFT results, and hydraulic transient analysis.
- Revise uncertainty analysis factors and failure risk curves, if justified by the validation inspections.
- Evaluate the risk of pipe failure and assign a repair priority to each distressed pipe using the failure risk curves and PICA's inspection results. The repair priority is a

measure of how close the distressed pipe is to failure and provides a measure of the expected time to failure.

- Prepare a report with the results of our analysis and recommendations for future work, as needed.

2. DOCUMENT REVIEW

2.1 Document List

We relied on the documents reviewed in SGH's 2023 Analysis Report as well as the additional information received for this report, including the following:

- **SGH 2023 Analysis Report:** SGH Report, "Failure Risk Analysis and Repair Prioritization of 30 in. Diameter BWP, Devil Canyon-Azusa Pipeline, Schedule 1, San Gabriel Valley Municipal Water District (SGVMWD), El Monte, CA," SGH Project 221000.00, dated 31 January 2023.

- **PICA Inspection Results:**

    - **Revised Analysis:** PICA- Pipeline Inspection & Condition Analysis Corporation," San Gabriel Valley Municipal Water District, 30-inch Bar Wrapped Pipe Devil Canyon Raw Water Transmission Main, Condition Assessment Report, Standard Analysis," PICA Project 7162, Revision 1.2, dated 5 May 2024.

        - Tabular results SGVMWD 30in BWP Devil Canyon Raw Water Transmission Main PICA Results v1.8.xlsm.

    - **Original Analysis:** PICA Corp., Final Report, Pipers® Survey for San Gabriel Valley Municipal Water District, DCAP SCH I Pipeline, 3 December 2022. And supporting documents including:

        - PICA Corp., Addendum to RFT Condition Assessment Reports, Technology & Analysis Background, Revision 1.1, dated February 2021.

- **Transient Modeling Analysis:**

    - Tabular data of pressures at each distressed pipe, *SGVMWD - Transient Surge Data for PICA RA Report Update.xlsx*.

    - Emails from CIVILTEC explaining the results of their analysis, dated 12 February 2024 and 22 February 2024.

2.2 SGH Failure Risk Analysis Report

In our 2023 analysis report, we developed failure risk curves and repair priorities of the distressed pipes identified by PICA's 2022 inspection between Sta. 125+80 (west of the intersection of Yucca Rudge Road and Sierra Madre Avenue) to Sta. 335+71 (east of the intersection of Sellers Street and Compromise Line Road). We relied on Version 1.1 of PICA's

inspection report and the v1.7 pipe list. We developed failure risk curves for pipe Class 200 with 7 ft and 12 ft of soil cover and Class 225 with 7 ft of soil cover.

We did not have hydraulic analysis results, therefore our analysis considered working pressures based on the HGL in the as-built drawings of the pipeline and transient pressures equal to 50% of the design pressure per the standard at the time of manufacture (AWWA C303-70).

We recommended the following:

- Perform hydraulic transient analysis to determine the maximum pressures in the pipeline.
- Perform external inspection of at least two of the three pipes expected to be in RP1 in five years (Pipes 170, 580, and 1170) based on the RFT results and our analysis, to verify the RFT inspection results and repair and/or protect from corrosion.
- If results of external inspection are consistent with the RFT inspection results, reinspect pipeline in five years and repair pipes as needed. Otherwise, reinspect the pipeline in three years.
- If there is the potential that the pipeline may be subjected to the design pressure (static head), inspect and/or repair Pipes 170, 580 and 1170 as soon as practical and Pipes 510, 940, 1510, 1820, 2690, 2870, 2890, 4030, 4150, and 4750) within a year.

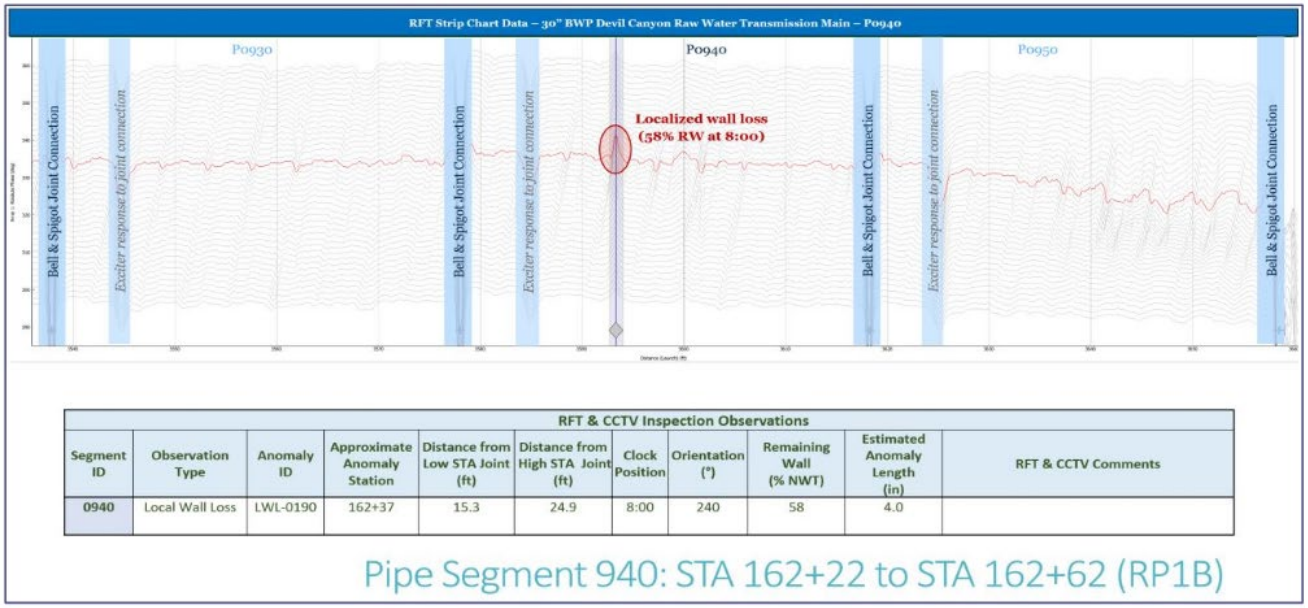
Following this report, CIVILTEC performed a hydraulic transient analysis (Section 2.3), and PICA performed field inspections of Pipes 940 and 4750 (Section 2.4).

2.3 Hydraulic Transient Analysis

We understand that CIVILTEC performed transient surge modeling and provided working-plus-transient pressures to be used in the revised failure risk analysis. The modeling considered the worst-case scenario of 55 cfs being discharged at the end of the pipeline and its valve experiencing a sudden closure. They provided two scenarios: the existing pipeline condition and another condition with a proposed pressure relief valve at the end of the pipeline at the Azusa Flow Control Station. They tabulated the pressures at each of the pipes identified to have local wall loss. CIVILTEC recommended the installation of the PRV at the Azusa Flow Control Station to reduce transients in the pipeline. They requested that we update the failure risk analysis and repair prioritization considering both scenarios, which are further discussed in Section 4 and summarized in Table 5.

2.4 PICA Inspection Report

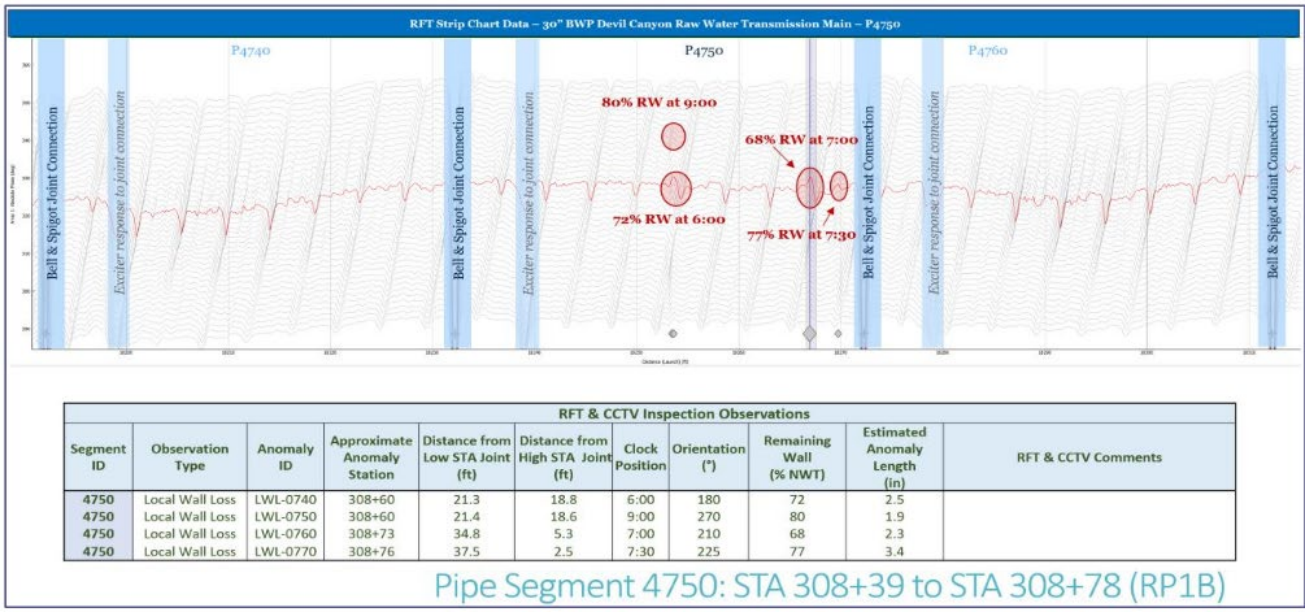
Version 1.2 of PICA's inspection report includes field validation inspections performed in late 2023 and March 2024 of Pipes 940 and 4750. In the original analysis, Pipe 940 was reported to have one small defect with 58% remaining wall thickness (RWT) and Pipe 4750 was reported to have four defects with 68% to 80% RWT, as shown in Figure 1.



RFT & CCTV Inspection Observations

Segment ID	Observation Type	Anomaly ID	Approximate Anomaly Station	Distance from Low STA Joint (ft)	Distance from High STA Joint (ft)	Clock Position	Orientation (°)	Remaining Wall (% NWT)	Estimated Anomaly Length (in)	RFT & CCTV Comments
0940	Local Wall Loss	LWL-0190	162+37	15.3	24.9	8:00	240	58	4.0	

Pipe Segment 940: STA 162+22 to STA 162+62 (RP1B)



RFT & CCTV Inspection Observations

Segment ID	Observation Type	Anomaly ID	Approximate Anomaly Station	Distance from Low STA Joint (ft)	Distance from High STA Joint (ft)	Clock Position	Orientation (°)	Remaining Wall (% NWT)	Estimated Anomaly Length (in)	RFT & CCTV Comments
4750	Local Wall Loss	LWL-0740	308+60	21.3	18.8	6:00	180	72	2.5	
4750	Local Wall Loss	LWL-0750	308+60	21.4	18.6	9:00	270	80	1.9	
4750	Local Wall Loss	LWL-0760	308+73	34.8	5.3	7:00	210	68	2.3	
4750	Local Wall Loss	LWL-0770	308+76	37.5	2.5	7:30	225	77	3.4	

Pipe Segment 4750: STA 308+39 to STA 308+78 (RP1B)

Figure 1 – RFT Strip Chart Data from Original Analysis, PICA's Report Appendix A (v1.2)

In November and December 2023, PICA performed internal validation of Pipes 940 and 4750. Internal validation included PICA marking areas of interest for removal of the inner mortar lining,

a contractor locally removing the lining, and PICA performing ultrasonic (UT) measurements of the exposed steel cylinder in each section over a 1 in. by 1 in. grid. PICA observed the following (also summarized in Table 1):

- **Pipe 940:** The measurement area where the lining was removed was 18 in. wide by 28 in. circumferentially, centered over the defect determined by RFT inspection (15.3 ft from low Sta. joint at 8:00 position). They did not observe any visible corrosion of the cylinder, but the UT measurements identified a localized area (one grid) with 68% RWT in the approximate location of the defect from RFT inspection. They also observed a spiral weld along the cylinder.

- **Pipe 4750:** The measurement areas where the lining was removed were (1) 24 in. by 40 in. mid-pipe and (2) 60 in. by 24 in. near the joint to capture the two main areas of defects identified by the RFT inspection. They did not observe any visible corrosion of the cylinder in either area.

    - Mid-Pipe, PICA observed a visible gouge near the location of the 9:00 defect approximately 0.25 in. wide by 1 in. long. They measured its depth as 0.02 in. deep using a pit gauge but expect that it may be deeper. They did not verify the measurement at 6:00 because it was not within the test window. They did not report UT measurements in this area.
    - Near the joint, UT measurements identified two locations with thinner wall thickness relative to the rest of the area. They measured 92% to 93% RWT in the approximate locations of the defect from RFT inspection. PICA noted that the RWT measured by UT is greater than measured by RFT because the UT readings average the wall thickness over the size of the transducer.

In March 2024, PICA performed external validation of Pipe 940. External validation included PICA marking areas of interest for removal of the outer mortar coating, a contractor locally removing the coating, and PICA performing visual inspection of the exposed bars and cylinder. They also wanted to verify if corrosion co-existed between the bars and cylinder and if the circumferential signal response from the RFT was from a feature or from the bars. PICA observed the following in the 24 in. by 24 in. window:

- No visible surface corrosion of the bars or cylinder and no broken bars.

- Localized pitting corrosion, approximately 0.5 in. by 1 in. area, in the same location as the internal UT measured 68% RWT (Figure 2).

They did not investigate the anomalous circumferential signal response in the RFT data because it would require a considerable amount of civil work to expose the full circumference of the

pipe. Since the visual inspection did not indicate corrosion, they determined that further investigation was not necessary.

Table 1 – Summary of Validation Inspection Defects

Pipe	RFT Results		Internal Validation	External Validation Observations
	Location[(a)]	RWT (%)	RWT (%)	
940	15.3 ft at 8:00	58	68	0.5 in. by 1 in. area of local pitting observed in same area as UT measurement
4750	21.3 ft at 6:00	72	N/A Not within test window	Not performed
	21.4 ft at 9:00	80	Gouge observed	
	34.8 ft at 7:00	68	93	
	37.5 ft at 7:30	77	92	

[(a)] Measured from low station joint, position facing downstream.

Figure 2 – Observed Area with Localized Pitting in Pipe 940, from PICA's Report Appendix A (v1.2)

Based on the results of the validations, PICA refined their original RFT results for pipes identified to have local wall loss. They adjusted the defect sizing estimates since most defects measured

on average 10% shallower than the original analysis. The 10% difference was within PICA's estimated 20% standard error margin, but they still elected to refine their measurements. Additionally, PICA adjusted the anomaly lengths. The original measurements were reported based on the axial length of the observed RFT signal response; however, due to signal smearing, the actual axial length of a defect is typically much shorter. A scaling factor of 8X based on the observed defect in Pipe 940 was applied to the refined measurements to reduce the length of the anomalies.

3. COMPARISON OF 2022 AND 2024 RFT INSPECTION RESULTS

Table 2 summarizes the updated results (2024) in comparison to the original measurements (2022, v1.7). Table 3 summarizes the associated statistics. Note that PICA adjusted the length of anomalies to be 1/8th of the length of the 2022 results. This change was made based on one field observation, which is not a significant sample size.

Table 2 – Summary of Revised Defects with Local Wall Loss from RFT Results

Pipe #	Anomaly ID	Approx. Anomaly Station	Distance from US Joint (ft)	Clock Position	2022		2024	
					Remaining Wall (%)	Estimated Anomaly Length (in.)	Remaining Wall (%)	Estimated Anomaly Length (in.)
140	LWL-0010	131+31	31.62	08:30	80	3.40	80	0.425
140	LWL-0020	131+34	33.94	08:30	80	2.30	80	0.288
170	LWL-0030	132+53	33.77	05:00	80	3.41	80	0.426
170	LWL-0040	132+54	34.86	08:30	80	3.41	80	0.426
180	LWL-0050	132+73	14.00	07:00	69	5.19	76	0.649
330	LWL-0060	138+70	11.75	08:30	73	3.11	79	0.389
450	LWL-0070	143+62	25.36	05:00	80	3.63	80	0.453
510	LWL-0080	145+42	17.71	03:30	63	2.12	72	0.266
510	LWL-0090	145+42	17.77	08:00	69	4.75	76	0.594
580	LWL-0100	148+06	22.05	08:00	74	3.13	80	0.391
580	LWL-0110	148+06	22.57	04:00	70	3.11	77	0.389
680	LWL-0120	151+93	9.73	08:00	78	2.36	80	0.294
700	LWL-0130	152+97	33.96	07:30	80	3.33	80	0.417
710	LWL-0140	153+16	13.41	07:30	73	2.42	80	0.302
720	LWL-0150	153+55	12.49	07:00	78	2.24	80	0.280
870	LWL-0160	159+61	19.33	03:30	77	1.94	80	0.242
890	LWL-0170	160+35	13.67	07:00	73	1.80	80	0.225
920	LWL-0180	161+69	27.56	06:30	76	2.75	80	0.344
940	LWL-0190	162+37	15.29	08:00	58	3.99	68	0.499
990	LWL-0200	164+26	36.10	07:30	77	2.35	80	0.293
1070	LWL-0210	167+22	9.11	09:00	80	2.37	80	0.296
1170	LWL-0220	171+34	22.92	07:00	74	1.96	80	0.245
1170	LWL-0230	171+35	23.80	06:30	79	3.00	80	0.375
1280	LWL-0240	175+73	24.33	08:30	80	2.78	80	0.347
1510	LWL-0250	184+20	28.98	12:30	76	6.77	80	0.846
1550	LWL-0260	185+76	23.93	02:00	80	2.21	80	0.276
1550	LWL-0270	185+80	28.35	02:00	80	4.24	80	0.530
1550	LWL-0280	185+82	29.84	08:30	80	2.69	80	0.336

Pipe #	Anomaly ID	Approx. Anomaly Station	Distance from US Joint (ft)	Clock Position	2022		2024	
					Remaining Wall (%)	Estimated Anomaly Length (in.)	Remaining Wall (%)	Estimated Anomaly Length (in.)
1600	LWL-0290	187+49	16.77	09:00	78	2.03	80	0.254
1820	LWL-0300	194+96	22.82	12:30	80	5.63	80	0.703
2370	LWL-0310	217+08	16.64	04:00	74	3.95	80	0.494
2430	LWL-0320	219+52	20.58	11:00	80	2.22	80	0.277
2440	LWL-0330	220+05	33.62	09:30	80	4.81	80	0.602
2460	LWL-0340	220+62	10.58	07:30	80	2.27	80	0.284
2460	LWL-0350	220+66	14.92	04:30	70	3.39	77	0.423
2460	LWL-0360	220+66	14.95	07:30	80	3.42	80	0.428
2480	LWL-0370	221+41	9.92	09:00	62	4.20	71	0.525
2560	LWL-0380	224+85	34.00	10:30	64	4.80	73	0.600
2600	LWL-0390	226+49	37.59	08:00	80	4.80	80	0.600
2610	LWL-0400	227+04	34.99	07:00	80	3.82	80	0.477
2640	LWL-0410	228+09	20.64	05:00	77	4.79	80	0.599
2690	LWL-0420	230+17	27.85	08:30	69	3.91	77	0.489
2690	LWL-0430	230+20	31.45	07:00	80	5.82	80	0.728
2860	LWL-0440	236+23	35.13	06:00	80	3.68	80	0.460
2870	LWL-0450	236+54	25.96	09:30	76	2.47	80	0.308
2870	LWL-0460	236+57	28.69	02:00	80	3.91	80	0.489
2890	LWL-0470	237+42	33.55	08:00	73	3.92	79	0.490
3030	LWL-0480	243+06	36.81	06:30	73	2.04	79	0.255
3210	LWL-0490	248+20	19.89	02:30	75	3.34	80	0.418
3230	LWL-0500	248+91	10.81	07:30	71	1.84	78	0.230
3300	LWL-0510	251+78	16.92	08:00	69	2.68	76	0.335
3360	LWL-0520	254+03	17.59	07:00	77	2.69	80	0.336
3390	LWL-0530	255+13	8.09	09:00	78	4.33	80	0.541
3390	LWL-0540	255+21	15.63	07:30	80	3.54	80	0.442
3430	LWL-0550	256+66	20.92	09:00	74	1.66	80	0.208
3440	LWL-0560	257+04	18.63	08:00	68	2.84	75	0.355
3470	LWL-0570	258+19	14.18	08:00	77	2.39	80	0.298
3900	LWL-0580	275+38	10.86	09:00	78	2.63	80	0.329
3900	LWL-0590	275+45	18.01	07:30	55	1.88	66	0.234
3930	LWL-0600	276+73	25.35	07:00	73	3.42	79	0.428
3940	LWL-0610	277+11	23.72	07:00	80	2.08	80	0.260
4030	LWL-0620	280+64	16.46	07:00	79	5.33	80	0.666
4040	LWL-0630	281+05	17.15	07:00	72	3.61	79	0.451
4110	LWL-0640	283+60	15.42	07:00	73	3.60	79	0.450
4150	LWL-0650	284+84	19.95	01:30	76	4.35	80	0.544

Pipe #	Anomaly ID	Approx. Anomaly Station	Distance from US Joint (ft)	Clock Position	2022		2024	
					Remaining Wall (%)	Estimated Anomaly Length (in.)	Remaining Wall (%)	Estimated Anomaly Length (in.)
4160	LWL-0660	285+20	15.52	08:00	68	3.25	75	0.406
4170	LWL-0670	285+54	9.48	06:00	63	2.17	72	0.271
4310	LWL-0680	291+16	12.23	06:00	69	3.98	76	0.497
4310	LWL-0690	291+25	20.87	05:30	72	3.01	79	0.376
4310	LWL-0700	291+35	30.62	06:30	79	3.02	80	0.377
4310	LWL-0710	291+40	35.68	07:00	62	3.44	71	0.429
4320	LWL-0720	291+54	10.00	05:00	79	4.24	80	0.530
4390	LWL-0730	294+25	1.00	12:00	80	2.23	80	0.279
4750	LWL-0740	308+60	21.25	06:00	72	2.48	79	0.309
4750	LWL-0750	308+60	21.41	09:00	80	1.86	80	0.233
4750	LWL-0760	308+73	34.76	07:00	68	2.33	76	0.291
4750	LWL-0770	308+76	37.55	07:30	77	3.37	80	0.421
4810	LWL-0780	311+03	24.74	09:00	80	3.13	80	0.392
5230	LWL-0790	327+36	37.83	07:00	80	2.70	80	0.338
5620	LWL-0800	342+17	36.50	08:00	71	3.66	78	0.457
5800	LWL-0810	349+01	10.25	05:00	80	1.72	80	0.215
5800	LWL-0820	349+20	29.27	09:30	80	3.40	80	0.425
5820	LWL-0830	349+85	14.22	10:00	63	2.96	72	0.370

Table 3 – Summary of Statistics of Defect Length and Remaining Wall Thickness (RWT) from RFT Inspection Results

		2022	2024
RWT (%)	Min	55.0	66.0
	Max	80.0	80.0
	Avg	74.8	78.5
	Std Dev	5.92	2.95
Length of Anomaly (in.)	Min	1.66	0.21
	Max	6.77	0.85
	Avg	3.23	0.40
	Std Dev	1.05	0.13

3.1 Corrosion Rate

If corrosion of the cylinder is occurring, the mortar coating and/or mortar lining is not maintaining a passivating environment around the steel components like it should be. This could

be due to cracking, degradation, and/or high porosity of the mortar and corrosivity of soil. General and localized corrosion and rate of corrosion are affected by the corrosivity of the environment due to the presence of chloride ions, moisture, and oxygen, and the corrosion protection of the pipeline. Environmental factors can increase or decrease the rate of corrosion, such as the corrosivity of the fluid carried by the pipeline and the corrosivity of the surrounding environment.

As discussed in our 2023 report, we do not know when corrosion of the steel cylinder started, and we do not know the soil corrosivity. We estimate corrosion rates for our analysis based on the RFT results. Table 4 summarizes the estimated corrosion rates considering a period of ten years (assuming corrosion started ten years ago) and a period of fifty years (assuming corrosion started immediately after the pipe was installed) for the original inspection measurements (2022) and the revised measurements (2024). Assuming a conservatively corrosive environment and an inability of the mortar coating and lining to protect the steel, the corrosion rate through the wall thickness ranges between 1.2 mil/yr (0.0012 in./yr) and 6.1 mil/yr for the 2022 results and between 0.9 mil/yr and 4.6 mil/yr for the 2024 results. The calculated corrosion rate assuming a period of fifty years is very low (about 1 mil/yr), which is typical for unprotected steel in weakly aggressive or practically non-aggressive soils. Based on RFT results, the corrosion is localized to small areas. It would be helpful to understand the cause of wall loss to evaluate the severity and better estimate the rate of corrosion in the future. Wall loss is incorporated into the failure risk curves through the thinning model, as discussed in Section 5.1.

For the failure risk analysis, a longitudinal dimension of the anomaly affects the risk of pipe failure. The corrosion rate along the length ranges between about 0.1 and 0.7 in./yr for the 2022 results and less than 0.1 in./yr for the 2024 results. This is incorporated into the failure risk analysis through progression of corrosion over time, as discussed in Section 5.2.3.

Table 4 – Estimated Corrosion Rates

Results	Period (years)	Corrosion Rate	
		Wall Thickness (mil/yr)	Length (in./yr)
2022	10	6.1	0.68
	50	1.2	0.14
2024	10	4.6	0.09
	50	0.9	0.02

4. LOADS ON PIPELINE

The loads on the pipeline consist of the maximum internal working and working-plus-transient pressures, earth load, and live load. We consider the same loads as presented in our 2023 report, except for the internal pressures, which are discussed below.

In this analysis, we consider the tabulated working-plus-transient pressures for both the existing and proposed conditions provided from CIVILTEC's surge modeling (Section 2.3 and Table 5). As shown in Table 5, the resulting pressures from both conditions are significantly greater than the HGL working-plus-transient pressures considered in SGH's 2023 analysis report. Additionally, the pressures from the existing condition exceed the design pressures in some cases by up to 182 psi.

Table 5- Comparison of Working-Plus-Transient Pressures (P_{wt})

Pipe #	Risk Curves Class	Considered in SGH's 2023 Report		From CIVILTEC's 2024 Analysis	
		Design P_{wt} (psi)	HGL P_{wt} (psi)	Existing P_{wt} (psi)	Proposed P_{wt} with PRV (psi)
140	200 – 7 ft	300	101	424.0	225.0
170	200 – 7 ft	300	108	425.6	226.6
180	200 – 7 ft	300	110	425.9	226.9
330	200 – 7 ft	300	144	433.8	234.8
990	200 – 7 ft	300	143	469.3	270.3
1070	200 – 7 ft	300	146	471.9	272.9
1170	200 – 7 ft	300	152	477.4	278.4
1280	200 – 7 ft	300	158	477.4	278.4
2560	200 – 7 ft	300	194	410.6	263.0
2600	200 – 7 ft	300	192	406.4	261.2
2610	200 – 7 ft	300	192	407.9	261.2
2640	200 – 7 ft	300	194	412.8	261.8
2690	200 – 7 ft	300	195	422.4	262.9
2860	200 – 7 ft	300	206	450.6	266.0
2870	200 – 7 ft	300	206	452.0	266.2
2890	200 – 7 ft	300	207	456.1	266.6
3030	200 – 7 ft	300	215	482.3	269.6
3930	200 – 7 ft	300	228	423.3	284.6
3940	200 – 7 ft	300	228	422.6	284.8
4150	200 – 7 ft	300	230	407.9	288.3

Pipe #	Risk Curves Class	Considered in SGH's 2023 Report		From CIVILTEC's 2024 Analysis	
		Design P_{wt} (psi)	HGL P_{wt} (psi)	Existing P_{wt} (psi)	Proposed P_{wt} with PRV (psi)
4160	200 – 7 ft	300	230	407.6	288.3
4170	200 – 7 ft	300	231	407.6	288.3
4750	200 – 7 ft	300	260	364.3	280.9
4810	200 – 7 ft	300	260	358.5	278.1
5230	200 – 7 ft	300	258	320.3	259.4
5620	200 – 7 ft	300	263	284.3	241.8
920	200-12 ft	300	144	464.5	265.5
940	200-12 ft	300	143	465.4	266.4
3900	200-12 ft	300	228	425.9	284.0
4030	200-12 ft	300	230	415.9	286.4
4040	200-12 ft	300	230	415.1	286.6
4110	200-12 ft	300	231	410.4	287.7
5800	200-12 ft	300	267	267.8	233.7
5820	200-12 ft	300	269	265.8	232.7
450	225-7 ft	338	168	440.4	241.4
510	225-7 ft	338	173	442.8	243.8
580	225-7 ft	338	168	446.3	247.3
680	225-7 ft	338	156	451.5	252.5
700	225-7 ft	338	153	452.9	253.9
710	225-7 ft	338	153	453.1	254.1
720	225-7 ft	338	153	453.6	254.6
870	225-7 ft	338	144	461.7	262.7
890	225-7 ft	338	144	462.7	263.7
1510	225-7 ft	338	180	494.5	295.5
1550	225-7 ft	338	185	496.6	297.6
1600	225-7 ft	338	189	498.9	299.9
1820	225-7 ft	338	197	488.6	297.1
2370	225-7 ft	338	201	428.3	270.8
2430	225-7 ft	338	200	424.5	269.1
2440	225-7 ft	338	198	423.2	268.5
2460	225-7 ft	338	198	421.7	267.9
2480	225-7 ft	338	197	419.6	267.0
3210	225-7 ft	338	222	477.7	271.9
3230	225-7 ft	338	224	476.4	272.3
3300	225-7 ft	338	228	470.9	273.5
3360	225-7 ft	338	231	466.6	274.5
3390	225-7 ft	338	231	464.5	275.0
3430	225-7 ft	338	230	461.6	275.7
3440	225-7 ft	338	230	460.9	275.9
3470	225-7 ft	338	230	464.4	275.1

Pipe #	Risk Curves Class	Considered in SGH's 2023 Report		From CIVILTEC's 2024 Analysis	
		Design P_{wt} (psi)	HGL P_{wt} (psi)	Existing P_{wt} (psi)	Proposed P_{wt} with PRV (psi)
4310	225-7 ft	338	243	399.1	290.5
4320	225-7 ft	338	243	398.6	290.6
4390	225-7 ft	338	251	394.7	291.6

5. FAILURE RISK ANALYSIS

The risk of failure of BWP is evaluated using risk curves. Risk curves for BWP define the relationship between the pressure in the pipe and the length of corroded bars and steel cylinder resulting in serviceability, damage, and strength limit states. The limit states quantify the level of damage in the pipe and are used to assign repair priorities to distressed pipes.

The thinning model incorporates the RWT results from the RFT inspection. The lengths of corroded steel cylinder of distressed pipes identified by the RFT inspection are plotted on the risk curves at their working and working-plus-transient pressures to evaluate their failure risk and repair priorities.

5.1 Thinning Model

The risk curves are developed from structural evaluation of corroded BWP models simulating failure modes of the pipe associated with different distressed limit states. The effect of corrosion in the bars and the steel cylinder is accounted for with a thinning model that reduces the diameter of the bars and the thickness of the steel cylinder as a function of the length of corrosion along the longitudinal direction of the pipe. In our original analysis (SGH 2023 Report) we considered the following thinning model for the steel cylinder in our failure risk curves:

- The steel cylinder wall thickness for the first 8 in. is set to a value corresponding to the mean of the measurements (74.8% RWT) minus two standard deviations (2 x 5.9%) of the remaining wall thickness values reported by PICA in 2023, resulting in a cylinder reduction factor of 62.9%. Then the thickness reduces linearly such that the steel cylinder is perforated at a corrosion length of 48 in.
- The rebar diameter is reduced at the same rate as the reduction in the steel cylinder wall thickness.

As shown in Table 3, the reanalyzed remaining wall thickness has a mean of 78.5% and standard deviation of 2.95%, which is less than the 2023 analysis. The cylinder reduction factor in the first 8 in. of the thinning model remains the same as in the 2023 analysis, since the inspection sample size was not significant enough to justify changing it. However, we changed the thinning model to consider perforation at a corrosion length of 30 in. (equal to the pipe diameter, rather than 48 in.), which is more reasonable for a pipe of this size.

5.2 Uncertainty Analysis

As discussed in our 2023 report, the analysis of risk of failure and determination of repair priorities for the distress pipes is based on the length of corrosion observed in the bars and the steel cylinder and the maximum operating pressures in the pipe. Length of corroded bars and steel cylinder for each distressed pipe is calculated based on inspection measurements such as range of observed anomalies and broken bars or estimates of loss in the steel cylinder wall thickness. Considering the accuracy of the inspection and other uncertainties, it is prudent to evaluate repair priorities using an effective length of corrosion of bars and steel cylinder, L_e, equal to the actual corroded length as determined from the inspection, L, plus an additional corroded length that account for the uncertainties. In determining the effective corroded length of bars and steel cylinder, we consider the following uncertainties, each of which are discussed in the following sections:

- Measurement resolution.
- RFT inspection error.
- Progression of corrosion over time.

5.2.1 Measurement Resolution

Uncertainty in the measurement resolution is generally based on the nearest measurement recording. In our 2023 analysis, we assumed the measurement resolution uncertainty with a zero mean and a standard deviation of 1.5 in. which was approximately equal to the smallest anomaly length recorded during the 2022 inspection. When PICA revised their analysis, they significantly reduced the lengths of the anomalies by a multiplicative factor of 1/8. Due to the large difference between the original analysis (2022) and revised analysis (2024), we did not change our uncertainty factor since there still seems to be uncertainty in these measurements.

5.2.2 RFT Inspection Error

Uncertainty in the RFT inspection error is due to the uncertainty in interpreting the measurement signal. This error is inherent to the electromagnetic process used for condition assessment of the pipe. PICA's original report addendum (dated 2021) discusses that in absence of calibration, the defect sizing accuracy is about 20% for short (local) wall loss. In our 2023

analysis, we assumed short wall loss to be less than 7 in. based on the 2022 data. We assumed the RFT inspection error uncertainty with a zero mean and standard deviation of 1.5 in. (about 20% of 7 in.). In the revised analysis, PICA still noted that their original RFT results were within their 20% standard error margin. Although field verification was performed, we did not adjust the quantification of this error since only two pipes were inspected.

5.2.3 Progression of Corrosion Over Time

If a pipe is not repaired immediately, it must have an acceptable probability of survival for a period of time until re-inspection or repair is performed in the future. We therefore consider the progression of corrosion that may take place in the bars and the steel cylinder before re-inspection or repair is performed. The progression of the corrosion depends on the annual rate of corrosion progression and the number of years until re-inspection or repair is performed. As discussed in Section 3.1, we do not know when corrosion of the steel cylinder started. Our best estimate of corrosion rates comes from observations in other pipelines and the available RFT data for this pipeline. For this pipeline, we do not have data from consecutive inspections over time. As a result, in our 2023 analysis we conservatively defined the progression of corrosion in the bars and the steel cylinder over time with a mean annual rate of 1.0 in./yr and standard deviation of 2.2 in. per five years. This rate comes from multi-year inspections of prestressed concrete cylinder pipe.

Since PICA's 2024 inspections did not identify significant corrosion during the internal inspections, we could justify slightly lowering the corrosion rates for our 2024 analysis. In our revised analysis, we consider the progression of corrosion in the bars and the steel cylinder over time with a mean annual rate of 1.0 in./yr and standard deviation of 1.0 in./yr for a five-year period. When a subsequent inspection is performed, this rate should be calculated based on the actual pipeline data and the failure risk of all distressed pipes should be re-evaluated.

5.3 Failure Risk Curves

The failure risk curves consider serviceability, damage, and ultimate strength limit states. Our 2023 report details each limit state. As discussed in the previous sections, we modified the thinning model used in the 2023 failure risk curves to analyze the revised inspection results. We

plotted the effective length of the wall loss anomaly from the 2024 reanalysis, considering the uncertainties discussed in Section 5.2, on each risk curve:

- Class 200, 7 ft of soil cover (Figure 3).
- Class 200, 12 ft of soil cover (Figure 4).
- Class 225, 7 ft of soil cover (Figure 5).

Each plot shows the length of each anomaly measured by the RFT inspection at the time of inspection (blue) and the effective lengths considering uncertainties and growth over five years (red) (Section 5.2) at the two maximum pressures determined by CIVILTEC's surge modeling (Section 4) as points. We expect that the actual lengths may be something in between these two scenarios. We also plotted the design working and working-plus-transient pressure as horizontal lines for comparison.

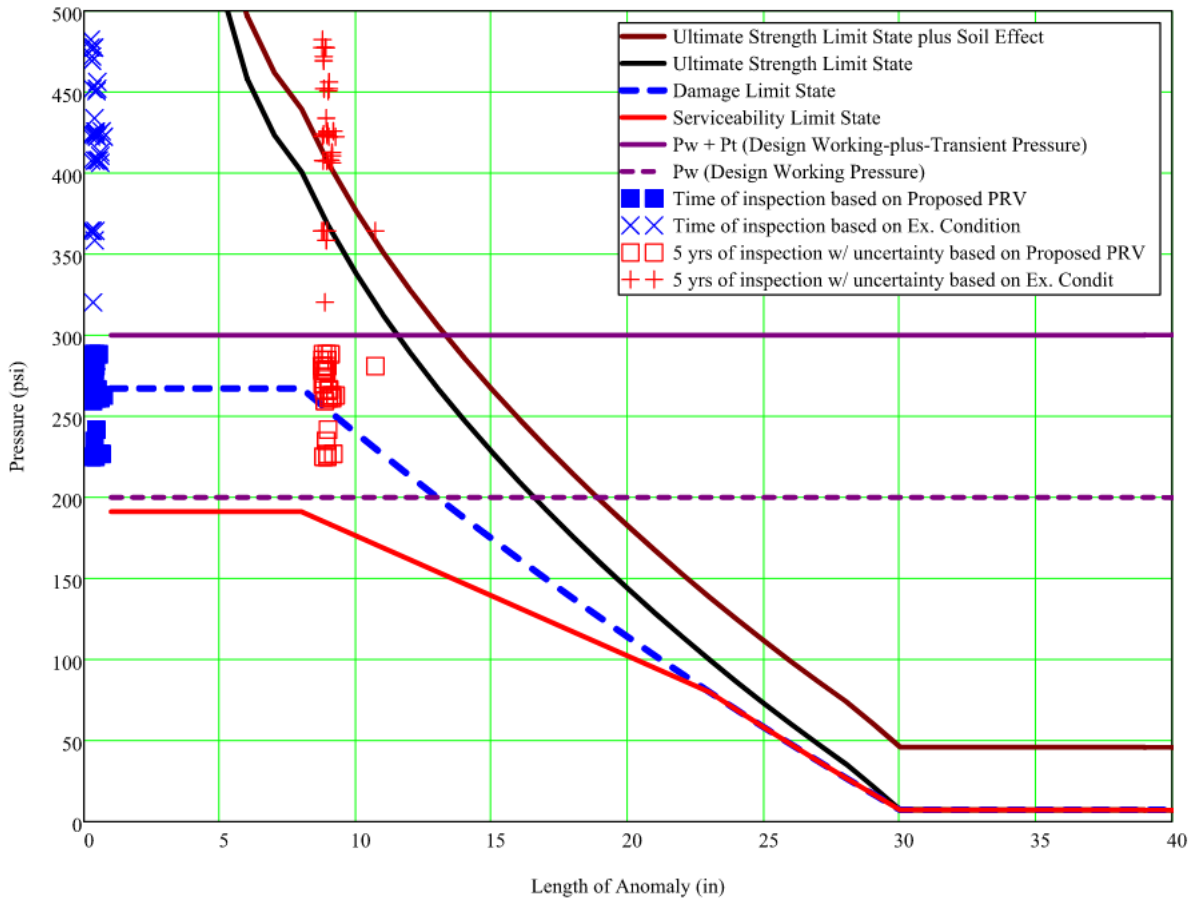


Figure 3 – Failure Risk Curve for Class 200, 7 ft of Soil Cover, 2024 Results

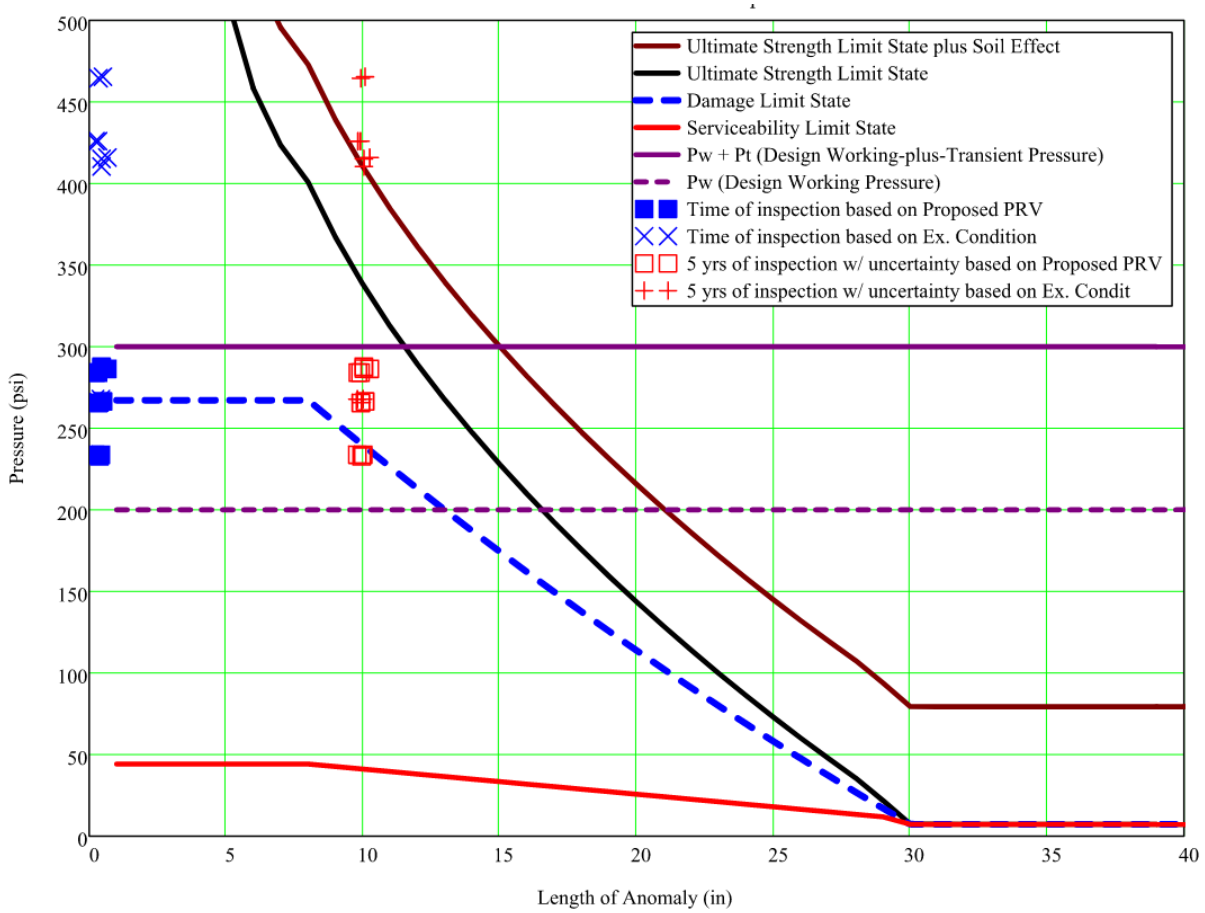


Figure 4 – Failure Risk Curve for Class 200, 12 ft of Soil Cover, 2024 Results

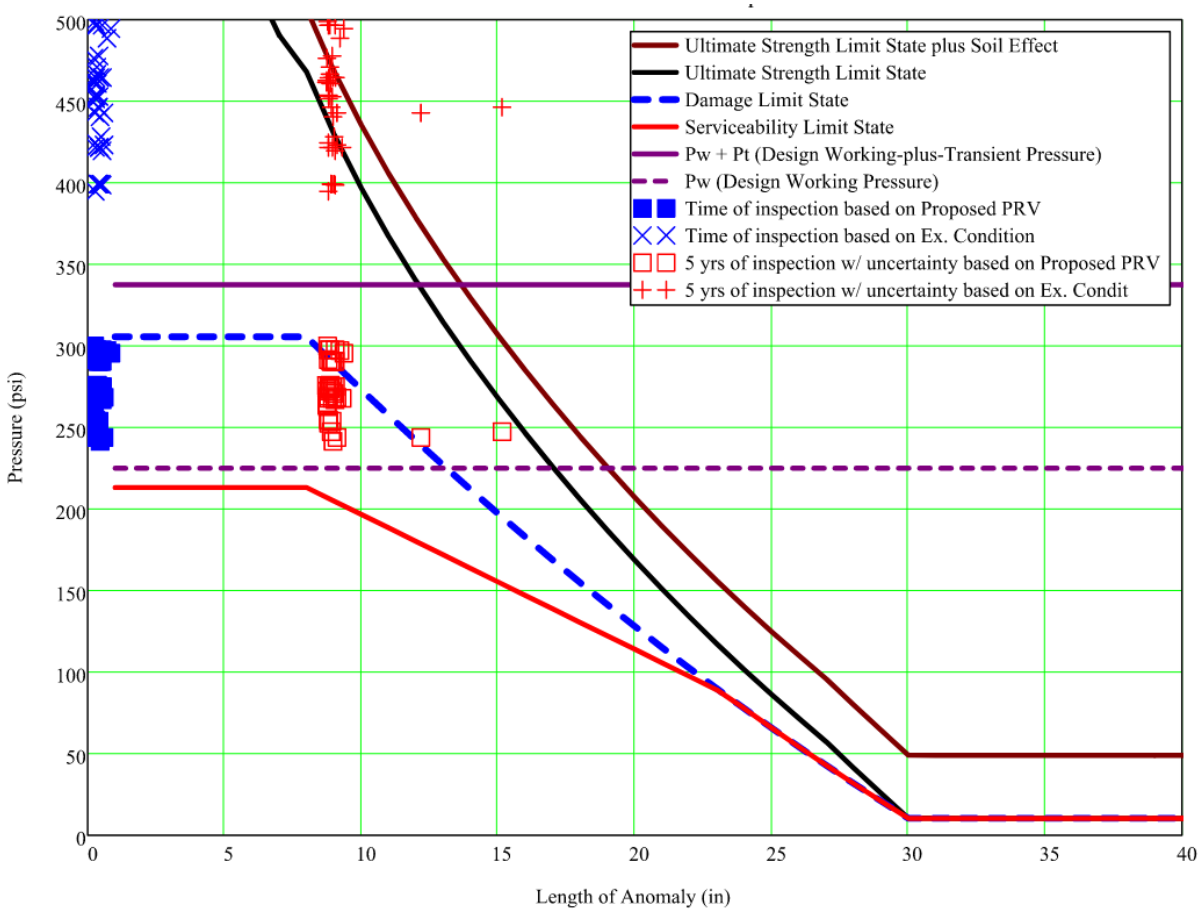


Figure 5 – Failure Risk Curve for Class 225, 7 ft of Soil Cover, 2024 Results

5.4 Repair Prioritization

The serviceability, damage, and strength limit states divide the risk curve plots of pressure and corroded lengths of bars and steel cylinder into repair priority zones. Each zone is assigned a priority depending on the risk of pipe failure and the need for repair, where Repair Priority 1 (RP1) is the most critical and Repair Priority 4 (RP4) is the least critical. Our 2023 Report provides details about each repair priority, summarized below:

- **RP1.** The maximum pressure in the pipe exceeds the ultimate strength limit state with soil resistance (RP1A) or without soil resistance (RP1B). Pipes in RP1A should not be relied on for any length of time and should be repaired immediately. Pipes in RP1B should be repaired within a very short period.

- **RP2.** The maximum pressure in the pipe exceeds the damage limit state but is less than the ultimate strength limit state. In general, repair should be performed based on the time period needed to reach from the inspected state to the strength limit state curve, but not more than five years, accounting for all the uncertainties in the electromagnetic inspection and risk analysis.

- **RP3.** The maximum pressure in the pipe exceeds the serviceability limit state but is less than the damage limit state. The failure of the pipe, if it occurs at all, is after a much longer time period than in RP2. The pipe should be monitored periodically, i.e., electromagnetically inspected on a five-year inspection cycle.

- **RP4.** The maximum pressure in the pipe is less than the serviceability limit state. The failure of the pipe is not expected, and monitoring can be limited to infrequent inspections.

We determined the repair priorities of each distressed pipe considering the maximum pressures at the existing condition and proposed condition with a PRV. The tables in Appendix A summarize the anomalies measured by RFT inspection, the effective lengths including uncertainties and growth over five years, and the resulting repair priorities. The results indicate the following for the sixty-three pipes identified to have local wall loss:

- The failure risk of each pipe is significantly affected by the internal pressure at the existing maximum pressures predicted by the surge analysis:
    - Considering the conservative uncertainties and growth rates over time used, fifty-one of the sixty-three pipes may reach RP1 within five years. This includes thirty-six pipes in RP1A and fifteen pipes in RP1B. Pipes in RP1A should not be relied on for any length of time and should be repaired immediately. Pipes in RP1B should be repaired as soon as possible within a very short period. The remaining twelve pipes may be in RP2. Therefore, some of the pipes could be at a high risk of failure, and some could likely result in immediate failure if such pressures and section loss are experienced. Since failures have not been occurring, we expect that the pressures are actually lower than what was predicted by the surge analysis.
    - Without use of the conservative estimates of uncertainties and growth rates, the distressed pipes could also be in RP2 and RP3.
- At the maximum pressures with the proposed PRV:
    - Considering uncertainties and growth over time, no pipes are expected to be in RP1 within five years. Thirty-six may reach RP2 or nearly RP2 (designated as RP2*) and the remaining twenty-seven may be in RP3.

- Pipes 4750, 510, and 580 have anomalies that with uncertainties and growth over time could combine, resulting in a longer possible length of corrosion and thus a higher risk of failure.

6. DISCUSSION

The accuracy of SGH risk analysis depends on the ability of the EM inspection to define distress and estimation of the numbers and locations of broken bars and/or cylinder wall loss anomalies as well as the internal pressures. Errors in estimating the distress and pressures affect the risk of failure assessment accordingly.

6.1 Pressures

Based on CIVILTEC's surge analysis, the existing pipeline working-plus-transient pressures are significantly greater than the design pressures, as summarized in Section 4. Class 200 and Class 225 were designed for 300 psi and 338 psi working-plus-transient pressures, respectively, and according to CIVILTEC's analysis are operating at nearly 500 psi. In our 2023 analysis report, we performed structural evaluation of the non-distressed pipe design per the current AWWA M9 Manual and AWWA C303 standard under the design and HGL loads, and the design satisfied the requirements under these conditions. However, structural evaluation under the maximum pressures predicted by the surge analysis indicates that there is inadequate steel area to resist the internal pressures, which could lead to widespread cracking and failure. Since we are not aware of widespread failures and PICA's inspection did not indicate a large number of distressed pipes, the results of the surge analysis seem unlikely. It is not recommended to operate the pipeline above its design conditions as it could lead to cracking of mortar coating and lining which could lead to corrosion of the steel components.

CIVILTEC recommended installing a PRV at the Azusa Flow Control Center to reduce transients. If this scenario is implemented, the working-plus-transient pressures will be within the design pressures.

The failure risk of each pipe is significantly affected by the internal pressure. If the pipeline experiences pressures equivalent to CIVILTEC's estimated existing condition, about 80% of the distressed pipes may be at a very high risk of failure and the pressures in the pipeline should be reduced immediately.

6.2 Modifications to Risk Analysis

PICA did not observe corrosion of the cylinder or bars during the validation inspections, but they only inspected two pipes, five total defect locations, which is only about 6% of the total wall loss defects detected by RFT inspection. This is not a statistically significant sample size. We conservatively kept the cylinder thickness reduction factor in the failure risk analysis thinning model and uncertainties in RFT measurement resolution and inspection error. Since PICA did not observe visible corrosion, we reduced the growth rate for the progression of corrosion over time but did not have enough information to justify a pipeline specific growth rate. The growth rate assumes that the mortar coating or lining is cracked or defective. We recommend performing a follow-up inspection within five years and reanalyzing the data to evaluate growth rates that are pipeline specific. If possible, we recommend performing additional validation inspections, perhaps of the pipes that we recommended in our 2023 analysis report (Pipes 170, 580, and 1170), and/or Pipes 4750, 510, and 580 which have multiple distress zones. Inspection should include chemical and petrographic analysis of the mortar lining/coating to evaluate its quality and chloride content. We also recommend soil testing to evaluate its corrosivity.

7. CONCLUSIONS

Based on our revised failure risk analysis and repair prioritization considering the updated RFT inspection results by PICA and maximum pressures by CIVILTEC, we conclude the following:

- Based on the results of the validations, PICA refined their original RFT results for pipes identified to have local wall loss. They adjusted the defect sizing estimates including RWT (about 10% less) and anomaly lengths of corrosion pits (about 1/8 of original size).

- Based on the results of the hydraulic transient analysis by CIVILTEC, during the worst-case scenario, the pipeline may experience maximum pressures significantly higher than the design pressures of the pipe. They recommended installing a pressure release valve to reduce the maximum pressures to under the design working-plus-transient pressures.

- The area of steel bars provided in Class 200 and Class 225 would not be sufficient to resist the high maximum pressures estimated by the hydraulic analysis. If maximum pressures of that magnitude occurred in the pipeline, we would expect more widespread distress.

- The revised failure risk analysis and repair prioritization indicates the following about the pipes identified to have local wall loss by the RFT inspection:

    - About 80% of the pipes could be at a high risk of failure (RP1) within five years if the pipeline experiences the existing maximum pressures estimated by the hydraulic analysis, plus conservative estimates of uncertainty and growth over time. Without uncertainties and growth over time, the distressed pipes may be in RP2 or RP3. We expect that these two cases bound the likely condition and priority of repairs.
    - If the transient pressures are controlled to the rated pressures of the pipe, the distressed pipes may be in RP2 or RP3 within five years. These pipes in RP2 and RP3 can be monitored by a follow-up inspection in five years interval (starting with 2027).

The accuracy of SGH risk analysis depends on the ability of the EM inspection to define distress and estimation of the numbers and locations of broken bars and/or cylinder wall loss anomalies as well as the use of realistic values of the pipelines operating and transient internal pressures. Errors in estimating the distress and pressures affect the assessed risk of failure of distressed pipes accordingly.

8. RECOMMENDATIONS

We recommend the following:

- Consider installing a pressure monitoring system in the pipeline, capable of monitoring operating and transient conditions, to understand the actual pressures in the pipeline.

- If the pipeline experiences pressures higher than the design pressures, immediately reduce the maximum pressure in the pipeline to below the design pressures. Review operation procedures to try to minimize transients. Consider installing PRVs as suggested by CIVILTEC.

- If the maximum pressure is in fact as high as predicted and is not reduced, fifty-one pipes may be at a high risk of failure and should be considered for repair as soon as practical. Additionally, cracking of the mortar would be expected, which may lead to additional corrosion of the steel components.

- If the maximum pressure is reduced to under the design pressure, such as the pressures with the proposed PRV by CIVILTEC, none of the pipes are expected to be in RP1 within five years. Therefore, perform a follow-up inspection by 2027 (five years after inspection) and analyze the growth rates between inspections and re-evaluate the risk of failure of distressed pipes.

- Consider performing a comprehensive condition assessment, including additional inspections, perhaps of the pipes that we recommended in our 2023 analysis report (Pipes 170, 580, and 1170), and/or Pipes 4750, 510, and 580 which have multiple distress zones to be able to verify the EM inspection results. SGH can perform such inspections to ensure that the data we need is collected.

    - If any of these pipes are excavated, repaired, or removed from the pipeline, perform opportunistic inspections. Inspection may consist of:

        - Mortar: Inspecting the inner liner or outer mortar coatings (to identify cracks or delamination) and taking samples of the mortar to evaluate the quality through laboratory chemical testing and petrographic evaluation.
        - Steel: Locally removing the inner liner to examine the condition of the steel cylinder, taking UT measurements, and measuring the lengths and depths of corrosion.
        - Soil: Collecting soil samples from excavations near the pipeline to evaluate the soil corrosivity.

APPENDIX A

Distressed Pipes and Repair Priorities

Table A.1 - Results of Failure Risk Analysis and Repair Prioritization for Pipe Class 200 – 7 ft

Pipe #	Approx. Anomaly Station (ft)	Existing Estimated Max. Pressure (psi)	Proposed Max. Pressure (psi)	Remaining Wall Thickness (%)	Measured Length of Anomaly per Zone (in.)	At Time of Inspection (2022), with Uncertainties		5 Years from Inspection (2027) with Uncertainties and Growth		Repair Priority in 5 yrs	
						# of Anomalies Combined per Zone	Effective Length of Anomaly per Zone (in.)	# of Anomalies Combined per Zone	Effective Length of Anomaly per Zone (in.)	At Existing Max. Pressure	At Proposed Max. Pressure
140	131+31, 131+34	424	225	80, 80	0.43, 0.29	1, 1	3.61, 3.47	1, 1	8.9, 8.8	1	3
170	132+53, 132+54	426	227	80, 80	0.43, 0.43	1, 1	3.61, 3.61	1, 1	8.9, 8.9	1	3
180	132+73	426	227	76	0.65	1	3.8	1	9.2	1	3
330	138+70	434	235	79	0.39	1	3.6	1	8.9	1	3
990	164+26	469	270	80	0.29	1	3.5	1	8.8	1	2
1070	167+22	472	273	80	0.3	1	3.5	1	8.8	1	2
1170	171+34, 171+35	477	278	80, 80	0.24, 0.38	1, 1	3.43, 3.56	1, 1	8.8, 8.9	1	2
1280	175+73	477	278	80	0.35	1	3.5	1	8.9	1	2
2560	224+85	411	263	73	0.6	1	3.8	1	9.1	1	2
2600	226+49	406	261	80	0.6	1	3.8	1	9.1	1	2
2610	227+04	408	261	80	0.48	1	3.7	1	9.0	1	2
2640	228+09	413	262	80	0.6	1	3.8	1	9.1	1	2
2690	230+17, 230+20	422	263	77, 80	0.49, 0.73	1, 1	3.67, 3.91	1, 1	9, 9.2	1	2
2860	236+23	451	266	80	0.46	1	3.6	1	9.0	1	2
2870	236+54, 236+57	452	266	80, 80	0.31, 0.49	1, 1	3.49, 3.67	1, 1	8.8, 9	1	2
2890	237+42	456	267	79	0.49	1	3.7	1	9.0	1	2
3030	243+06	482	270	79	0.26	1	3.4	1	8.8	1	2
3930	276+73	423	285	79	0.43	1	3.6	1	8.9	1	2
3940	277+11	423	285	80	0.26	1	3.4	1	8.8	1	2
4150	284+84	408	288	80	0.54	1	3.7	1	9.1	1	2
4160	285+20	408	288	75	0.41	1	3.6	1	8.9	1	2
4170	285+54	408	288	72	0.27	1	3.5	1	8.8	1	2
4750	308+60, 308+60, 308+73, 308+76	364	281	79, 80, 76, 80	0.31, 0.23, 0.29, 0.42	2, 1, 1	5.37, 3.47, 3.6	2, 1, 1	10.7, 8.8, 8.9	1	2
4810	311+03	359	278	80	0.39	1	3.6	1	8.9	2	2
5230	327+36	320	259	80	0.34	1	3.5	1	8.9	2	2
5620	342+17	284	242	78	0.46	1	3.6	1	9.0	2	3

Table A.2 - Results of Failure Risk Analysis and Repair Prioritization for Pipe Class 200 – 12 ft

Pipe #	Approx. Anomaly Station (ft)	Existing Estimated Max. Pressure (psi)	Proposed Max. Pressure (psi)	Remaining Wall Thickness (%)	Measured Length of Anomaly per Zone (in.)	At Time of Inspection (2022), with Uncertainties		5 Years from Inspection (2027) with Uncertainties and Growth		Repair Priority in 5 yrs	
						# of Anomalies Combined per Zone	Effective Length of Anomaly per Zone (in.)	# of Anomalies Combined per Zone	Effective Length of Anomaly per Zone (in.)	At Existing Max. Pressure	At Proposed Max. Pressure
920	161+69	465	266	80	0.34	1	3.5	1	9.9	1	2
940	162+37	465	266	68	0.5	1	3.7	1	10.1	1	2
3900	275+38, 275+45	426	284	80, 66	0.33, 0.23	1, 1	3.51, 3.42	1, 1	9.9, 9.8	1	2
4030	280+64	416	286	80	0.67	1	3.9	1	10.3	1	2
4040	281+05	415	287	79	0.45	1	3.6	1	10.0	1	2
4110	283+60	410	288	79	0.45	1	3.6	1	10.0	1	2
5800	349+01, 349+20	268	234	80, 80	0.21, 0.42	1, 1	3.4, 3.61	1, 1	9.8, 10	2	3
5820	349+85	266	233	72	0.37	1	3.6	1	10.0	2	3

Table A.3 - Results of Failure Risk Analysis and Repair Prioritization for Pipe Class 225 – 7 ft

Pipe #	Approx. Anomaly Station (ft)	Existing Estimated Max. Pressure (psi)	Proposed Max. Pressure (psi)	Remaining Wall Thickness (%)	Measured Length of Anomaly per Zone (in.)	At Time of Inspection (2022), with Uncertainties		5 Years from Inspection (2027) with Uncertainties and Growth		Repair Priority in 5 yrs	
						# of Anomalies Combined per Zone	Effective Length of Anomaly per Zone (in.)	# of Anomalies Combined per Zone	Effective Length of Anomaly per Zone (in.)	At Existing Max. Pressure	At Proposed Max. Pressure
450	143+62	440	241	80	0.45	1	3.6	1	9.0	1	3
510	145+42, 145+42	443	244	72, 76	0.27, 0.59	2	6.8	2	12.2	1	2
580	148+06, 148+06	446	247	80, 77	0.39, 0.39	1, 1	3.57, 3.57	2	15.1	1	2
680	151+93	451	252	80	0.29	1	3.5	1	8.8	1	3
700	152+97	453	254	80	0.42	1	3.6	1	8.9	1	3
710	153+16	453	254	80	0.3	1	3.5	1	8.8	1	3
720	153+55	454	255	80	0.28	1	3.5	1	8.8	1	3
870	159+61	462	263	80	0.24	1	3.4	1	8.8	1	3
890	160+35	463	264	80	0.23	1	3.4	1	8.7	1	3
1510	184+20	495	296	80	0.85	1	4.0	1	9.4	1	2
1550	185+76, 185+80, 185+82	497	298	80, 80, 80	0.28, 0.53, 0.34	1, 1, 1	3.46, 3.71, 3.52	1, 1, 1	8.8, 9, 8.9	1	2
1600	187+49	499	300	80	0.25	1	3.4	1	8.8	1	2
1820	194+96	489	297	80	0.7	1	3.9	1	9.2	1	2
2370	217+08	428	271	80	0.49	1	3.7	1	9.0	2	3
2430	219+52	425	269	80	0.28	1	3.5	1	8.8	2	3
2440	220+05	423	269	80	0.6	1	3.8	1	9.1	2	3
2460	220+62, 220+66, 220+66	422	268	80, 77, 80	0.28, 0.42, 0.43	1, 2	3.47, 3.97	1, 2	8.8, 9.3	21	3
2480	221+41	420	267	71	0.53	1	3.7	1	9.0	2	3
3210	248+20	478	272	80	0.42	1	3.6	1	8.9	1	3
3230	248+91	476	272	78	0.23	1	3.4	1	8.7	1	3
3300	251+78	471	274	76	0.34	1	3.5	1	8.9	1	3
3360	254+03	467	275	80	0.34	1	3.5	1	8.9	1	3
3390	255+13, 255+21	465	275	80, 80	0.54, 0.44	1, 1	3.72, 3.62	1, 1	9.1, 9	1	3
3430	256+66	462	276	80	0.21	1	3.4	1	8.7	1	3
3440	257+04	461	276	75	0.36	1	3.5	1	8.9	1	3
3470	258+19	464	275	80	0.3	1	3.5	1	8.8	1	3
4310	291+16, 291+25, 291+35, 291+40	399	290	76, 79, 80, 71	0.5, 0.38, 0.38, 0.43	1, 1, 1, 1	3.68, 3.56, 3.56, 3.61	1, 1, 1, 1	9, 8.9, 8.9, 8.9	2	2
4320	291+54	399	291	80	0.53	1	3.7	1	9.0	2	2
4390	294+25	395	292	80	0.28	1	3.5	1	8.8	2	2* (Note 1)

[1] RP 2* is RP3, but nearly RP2, therefore it is more critical than RP3.

AGENDA ACTION ITEM NO. 2

APPROVE 2023 – 2024 AUDIT AND TRAVEL EXPENSE REPORT

RECOMMENDED ACTION: Approve Audit and Travel Expense Report

BACKGROUND: The Draft Audit and Travel Expense Report was presented by C.J. Brown & Co. CPA at the January Meeting.

BUDGET IMPACT: N/A

PRIOR BOARD ACTION: N/A

SAN GABRIEL VALLEY
MUNICIPAL
WATER DISTRICT
AZUSA | SIERRA MADRE | MONTEREY PARK | ALHAMBRA

San Gabriel Valley Municipal Water District

Annual Financial Report

For the Fiscal Years Ended June 30, 2024 and 2023

SAN GABRIEL VALLEY
MUNICIPAL
WATER DISTRICT
AZUSA | SIERRA MADRE | MONTEREY PARK | ALHAMBRA

Mission Statement

The San Gabriel Valley Municipal Water District is dedicated to providing reliable water for the communities of Alhambra, Azusa, Monterey Park, and Sierra Madre in a cost-effective manner.

San Gabriel Valley Municipal Water District

Board of Directors as of June 30, 2024

Name	Title	
Mark R. Paulson	President	Division I
Steven T. Placido	Vice-President	Division II
Miles L. Prince	Secretary	Division IV
Bruce H. Knoles	Treasurer	Division V
Mike Eng	Director	Division III

San Gabriel Valley Municipal Water District
Darin Kasamoto, General Manager
1402 N. Vosburg Drive
Azusa, California 91702
(626) 969-7911

San Gabriel Valley Municipal Water District

Annual Financial Report

For the Fiscal Years Ended June 30, 2024 and 2023

San Gabriel Valley Municipal Water District
Annual Financial Report
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Introductory Section

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
AZUSA | SIERRA MADRE | MONTEREY PARK | ALHAMBRA

February 10, 2025

Board of Directors
San Gabriel Valley Municipal Water District

Introduction

It is our pleasure to submit the Annual Financial Report for the San Gabriel Valley Municipal Water District for the fiscal years ended June 30, 2024 and 2023, following guidelines set forth by the Governmental Accounting Standards Board. District staff prepared this financial report. The District is ultimately responsible for both the accuracy of the data and the completeness and the fairness of presentation, including all disclosures in this financial report. We believe that the information presented is accurate in all material respects. This report is designed in a manner that we believe necessary to enhance your understanding of the District's financial position and activities.

This report is organized into two sections: (1) Introductory and (2) Financial. The Introductory section offers general information about the District's organization and current District activities and reports on a summary of significant financial results and includes Management's Discussion and Analysis of the District's basic financial statements. The Independent Auditor's Report is a component of the Introductory Section. The Financial section includes the District's audited basic financial statements with accompanying notes.

Accounting Principles Generally Accepted in the United States of America (US GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of the Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately after the Independent Auditors' Report.

District Structure and Leadership

The San Gabriel Valley Municipal Water District was organized in 1959. Included in the District are its four member cities, the cities of Alhambra, Azusa, Monterey Park, and Sierra Madre. The District imports State Water Project water through its pipeline which was completed in 1974. The pipeline begins at the Devil Canyon Powerplant on the East Branch of the State Water Project, County of San Bernardino, and terminates in the San Gabriel Canyon Spreading Grounds, County of Los Angeles. The District's operation's include delivery of water through the Devil Canyon-Azusa Pipeline, as well as the generation of electricity at its San Dimas Hydroelectric Facility. Currently all energy produced is sold to the City of Azusa.

The imported water is spread in the Main San Gabriel Basin. The Main San Gabriel Basin Judgment requires replacement water be spread in the Main San Gabriel Basin. The replacement water spread in the Main San Gabriel Basin is to replace water pumped by the four above mentioned cities in excess of their pumping rights. In addition, the District has an obligation under the Long Beach Judgment to ensure there is adequate water flowing through the Whittier Narrows into the Central Basin. This is a requirement of the San Gabriel River Judgment and is implemented by the San Gabriel River Watermaster.

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
AZUSA | SIERRA MADRE | MONTEREY PARK | ALHAMBRA

District Structure and Leadership, continued

The District is governed by a five-member Board of Directors representing five divisions. The General Manager administers the day-to-day operations of the District in accordance with policies and procedures established by the Board of Directors. The District employs eight full-time employees. The District's Board of Directors meets each month. Meetings are publicly noticed and citizens are encouraged to attend.

District Services

The District's provides replenishment water to the Main San Gabriel Basin Watermaster acting on behalf of the cities of Alhambra, Azusa, Monterey Park, and Sierra Madre, which receive credit for that water annually delivered by the District. The District has a contract with the State of California Department of Water Resources for up to 28,800 acre feet of water delivered annually from the State Water Project.

Economic Condition and Outlook

The District's offices are located in the City of Azusa in the County of Los Angeles. Development potential within the District's four member cities is limited due to lack of available land. The region's economy has experienced improvement, tempered by the slow recovery in labor market.

Internal Control Structure

District management is responsible for the establishment and maintenance of the internal control structure that ensures the assets of the District are protected from loss, theft, or misuse. The internal control structure also ensures adequate accounting data is compiled to allow for the preparation of financial statements in conformity with US GAAP. The District's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

The District Board of Directors annually adopts an operating and capital budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the District's enterprise operations and capital projects. The budget and reporting treatment applied to the District is consistent with the accrual basis of accounting and the financial statement basis.

Investment Policy

The Board of Directors has adopted an investment policy that conforms to state law, District ordinance and resolutions, prudent money management, and the "prudent person" standards. The objective of the Investment Policy is safety, liquidity, and yield in that order. District funds are invested in the State Treasurer's Local Agency Investment Fund, and institutional savings and checking accounts.

Water Rates and District Revenues

District policy direction ensures that all revenues from water sales, property taxes, interest from investments, and hydro-electric sales must support all District operations including capital project funding. Accordingly, tax rates, water rates, and the investment policy are reviewed on an annual basis.

Audit and Financial Reporting

State law requires the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of C.J. Brown & Company, CPAs has conducted the fiscal year 2024 audit of the District's financial statements. Their unmodified Independent Auditor's Report appears in the Financial Section.

Other References

More information is contained in the Management's Discussion and Analysis and the Notes to the Basic Financial Statements found in the Financial Section of the report.

Acknowledgements

Preparation of this report was accomplished by the combined efforts of District staff. We appreciate the dedicated efforts and professionalism that these staff members contribute to the District. We would also like to thank the members of the Board of Directors for their continued support in planning and implementation of the San Gabriel Valley Municipal Water District's fiscal policies.

Respectfully submitted,

Darin Kasamoto
General Manager

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Financial Section

Independent Auditor's Report

Board of Directors
San Gabriel Valley Municipal Water District
Azusa, California

Opinion

We have audited the accompanying financial statements of the San Gabriel Valley Municipal Water District (District), which comprises the statements of net position as of June 30, 2024 and 2023 and the related statement of revenues, expenses, and changes in net position for the fiscal years then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the San Gabriel Valley Municipal Water District as of June 30, 2024 and 2023, and the changes in net position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District 's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 8 through 12 and the required supplementary information on pages 47 through 49 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The introductory section and schedule of operating expenses is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of operating expenses on page 50 is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of operating expenses are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance. This report can be found on pages 51 and 52.

C.J. Brown & Company, CPAs
Cypress, California
February 10, 2025

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the San Gabriel Valley Municipal Water District (District) provides an introduction to the financial statements of the District for the fiscal years ended June 30, 2024 and 2023. We encourage readers to consider the information presented here in conjunction with the transmittal letter in the Introductory Section and with the basic financial statements and related notes which follow this section.

Financial Highlights

- The District's net position increased 10.05% or $4,824,559, to $52,816,511, as a result from ongoing operations. In 2023, the District's net position increased 10.75% or $4,659,704, to $47,991,952, as a result from ongoing operations.
- The District's operating revenues increased 275.60% or $3,841,656, to $5,235,565. In 2023, the District's operating revenues increased 46.80% or $444,368, to $1,393,909.
- The District's non-operating revenues increased 12.45% or $2,066,616, to $18,664,614. In 2023, the District's non-operating revenues increased 12.03% or $1,782,732, to $16,597,998.
- The District's operating expenses increased 49.74% or $6,023,330, to $18,131,850. In 2023, the District's operating expenses increased 14.29% or $1,514,377, to $12,108,520.
- The District's non-operating expenses decreased 41.84% or $225,433, to $313,323. In 2023, the District's non-operating expenses decreased 15.17% or $96,323, to $538,756.

Required Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position include all of the District's investments in resources (assets), deferred outflows of resources, the obligations to creditors (liabilities), and deferred inflows of resources. It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statements of Revenues, Expenses, and Changes in Net Position. These statements measure the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows report cash receipts, cash payments, and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Financial Analysis of the District

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the District in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting method used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

Financial Analysis of the District, continued

These two statements report the District's *net position* and changes in it. One can think of the District's net position – the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources – as one way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation, such as changes in Federal and State water quality standards.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements can be found on pages 18 through 46.

Statements of Net Position

Condensed Statements of Net Position

	2024	2023	Change	As Restated 2022	Change
Assets:					
Current assets	$ 34,781,381	29,671,063	5,110,318	29,152,542	518,521
Non-current assets	9,703,621	12,404,561	(2,700,940)	8,465,307	3,939,254
Capital assets, net	15,271,248	13,318,599	1,952,649	12,875,784	442,815
Total assets	59,756,250	55,394,223	4,362,027	50,493,633	4,900,590
Deferred outflows of resources	1,649,005	1,884,187	(235,182)	1,686,973	197,214
Liabilities:					
Current liabilities	1,657,111	1,738,021	(80,910)	1,004,850	733,171
Non-current liabilities	6,077,552	6,103,675	(26,123)	5,794,670	309,005
Total liabilities	7,734,663	7,841,696	(107,033)	6,799,520	1,042,176
Deferred inflows of resources	854,081	1,444,762	(590,681)	2,048,838	(604,076)
Net position:					
Net investment in capital assets	15,271,248	13,318,599	1,952,649	12,875,784	442,815
Unrestricted	37,545,263	34,673,353	2,871,910	30,456,464	4,216,889
Total net position	$ 52,816,511	47,991,952	4,824,559	43,332,248	4,659,704

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets of the District exceeded liabilities by $52,816,511 and $47,991,952 as of June 30, 2024 and 2023, respectively.

Compared to the previous year, net position of the District increased $4,824,559 and $4,659,704, respectively. The District total net position if made up of two components: (1) net investment in capital assets and (2) unrestricted net position.

By far the largest portion of the District's net position (29% and 28% as of June 30, 2024 and 2023, respectively) reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are not available for future spending.

Statements of Net Position, continued

At the end of fiscal year 2024 and 2023, the District showed a positive balance in its unrestricted net assets of $37,545,263 and $34,673,353, respectively. See note 8 for the amount of spendable net position that may be utilized in future years.

Statements of Revenues, Expenses, and Changes in Net Position

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	2024	2023	Change	As Restated 2022	Change
Revenues:					
Operating revenues	$ 5,235,565	1,393,909	3,841,656	949,541	444,368
Non-operating revenues	18,664,614	16,597,998	2,066,616	14,815,266	1,782,732
Total revenues	23,900,179	17,991,907	5,908,272	15,764,807	2,227,100
Expenses:					
Operating expenses	18,131,850	12,108,520	6,023,330	10,594,143	1,514,377
Depreciation expense	642,327	696,807	(54,480)	567,236	129,571
Non-operating expense	313,323	538,756	(225,433)	635,079	(96,323)
Total expenses	19,087,500	13,344,083	5,743,417	11,796,458	1,547,625
Net income before capital contributions	4,812,679	4,647,824	164,855	3,968,349	679,475
Capital contributions:	11,880	11,880	-	11,880	-
Change in net position	4,824,559	4,659,704	164,855	3,980,229	679,475
Net position, beginning of year	47,991,952	43,332,248	4,659,704	39,352,019	3,980,229
Net position, end of year	$ 52,816,511	47,991,952	4,824,559	43,332,248	4,659,704

The statements of revenues, expenses, and changes of net position show how the District's net position changed during the fiscal year. In the case of the District, net position increased by $4,824,559 and $4,659,704 for the fiscal years ended June 30, 2024 and 2023, respectively.

A closer examination of the sources of changes in net position reveals that:

In fiscal year 2024, total revenues increased 32.84% or $5,908,272 to $23,900,179. Operating revenues increased 275.60% or $3,841,656, to $5,235,565, primarily due to increases of $3,641,598 in water sales and $191,879 in hydroelectric power sales. Non-operating revenues increased 12.45% or $2,066,616, to $18,664,614, primarily due to increases of $973,685 in interest and investment earnings, $583,241 in ad valorem property taxes, and $505,037 in voter approved property taxes as compared to the prior year.

In fiscal year 2023, total revenues increased 14.13% or $2,227,100 to $17,991,907. Operating revenues increased 46.80% or $444,368, to $1,393,909, primarily due to increases of $419,121 in water sales and $29,810 in hydroelectric power sales. Non-operating revenues increased $12.03% or $1,782,732 to $16,597,998, primarily due to increases of $903,944 in interest and investment earnings, $721,246 in voter approved property taxes, and $157,542 in ad valorem property taxes as compared to the prior year.

Statements of Revenues, Expenses, and Changes in Net Position

In fiscal year 2024, total expenses (including depreciation) increased 43.04% or $5,743,417 to $19,087,500. Operating expenses increased 49.74% or $6,023,330, to $18,131,850, primarily due to increases in two categories; 1) $5,639,970 in source of supply water deliveries related to increases in state water supply contract costs, and 2) $383,360 in general and administrative expenses. Increases in general and administrative were due to increases of $343,197 in actuarial changes in the other post-employment benefits amounts, $138,285 in salaries and benefits, and $113,149 in consulting and engineering fees, offset by decreases of $181,291 in public employee's retirement benefits and $129,876 in public relations and water conservation program expenses. Non-operating expenses decreased 41.84% or $225,433, to $313,323, primarily due to decreases of $175,363 in discount on member agency note receivables and $64,351 in grant funding to other agencies as compared to the prior year.

In fiscal year 2023, total expenses (including depreciation) increased 13.12% or $1,547,625 to $13,344,083. Operating expenses increased 14.29% or $1,514,377 to $12,108,520, primarily due to increases of $881,731 in source of supply water deliveries related to increases in state water supply contract costs and $632,646 in general and administrative expenses, primarily due to increases of $336,011 related to actuarial changes in the pension and other post-employment benefits liabilities, $143,148 in public relations and water conservation program expenses, $61,157 in salaries and wages, $37,944 in consulting and engineering fees, and $32,417 in membership dues, conferences, and travel as compared to the prior year. Non-operating expenses decreased 15.17% or $96,323 to $538,756, primarily due to a decrease of $147,461 in discount on member agency note receivables, offset by an increase of $48,718 in grant funding to other agencies.

In fiscal year 2024, there was no change to capital contributions reported at $11,880. In fiscal year 2023, there was no change to capital contributions reported at $11,880.

Capital Asset Administration

Changes to capital asset amounts for 2024 were as follows:

	Balance 2023	Additions	Transfers/ Deletions	Balance 2024
Capital assets:				
Non-depreciable assets	$ 748,544	2,176,975	(207,316)	2,718,203
Depreciable assets	37,872,878	625,323	(35,692)	38,462,509
Accumulated depreciation and amortization	(25,302,823)	(642,333)	35,692	(25,909,464)
Total capital assets, net	$ 13,318,599	2,159,965	(207,316)	15,271,248

Changes to capital asset amounts for 2023 were as follows:

	Balance 2022	Additions	Transfers/ Deletions	Balance 2023
Capital assets:				
Non-depreciable assets	$ 940,784	998,665	(1,190,905)	748,544
Depreciable assets	36,542,066	1,331,862	(1,050)	37,872,878
Accumulated depreciation and amortization	(24,607,066)	(696,807)	1,050	(25,302,823)
Total capital assets, net	$ 12,875,784	1,633,720	(1,190,905)	13,318,599

Capital Asset Administration, continued

At the end of fiscal years 2024 and 2023, the District's investment in capital assets (net of accumulated depreciation) amounted to $15,271,248 and $13,318,599, respectively. This investment in capital assets includes land, pipelines, buildings and structures, equipment, vehicles, and construction-in-process, etc. Major capital assets additions during the year included additions to construction-in-progress for ongoing projects, upgrades to pipeline assets, upgrades to buildings and structures. At the end of fiscal years 2024 and 2023, disposals amounted to $35,692 and $1,050, respectively.

Conditions Affecting Current Financial Position

Management is unaware of any conditions which could have a significant impact on the District's current financial position, net position, or operating results in terms of past, present, and future periods.

Requests for Information

This financial report is designed to provide the District's present users, including funding sources, customers, stakeholders, and other interested parties with a general overview of the District's finances and to demonstrate the District's accountability with respect to the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's General Manager at 1402 N. Vosburg Drive, PO Box 1299 Azusa, California 91702.

Basic Financial Statements

San Gabriel Valley Municipal Water District
Statements of Net Position
June 30, 2024 and 2023

		2024	2023
Current assets:			
Cash and cash equivalents (note 2)	$	25,835,948	23,830,019
Investments (note 2)		5,426,287	2,747,278
Accrued interest receivable		183,552	183,234
Accounts receivable – water sales and services		1,229,181	63,287
Accounts receivable – property taxes		591,897	584,280
Advances to member cities − current portion (note 3)		940,000	670,000
Water-in-storage inventory		465,600	1,420,650
Prepaid expenses and deposits		108,916	172,315
Total current assets		34,781,381	29,671,063
Non-current assets:			
Investments (note 2)		4,410,502	6,872,748
Advances to member cities, net (note 3)		5,293,119	5,531,813
Capital assets, not being depreciated (note 4)		2,718,203	748,544
Depreciable capital assets, net (note 4)		12,553,045	12,570,055
Total non-current assets		24,974,869	25,723,160
Total assets		59,756,250	55,394,223
Deferred outflows of resources:			
Deferred other post-employment benefits outflows (note 6)		179,366	156,710
Deferred pension outflows (note 7)		1,469,639	1,727,477
Total deferred outflows of resources	$	1,649,005	1,884,187

Continued on next page

See accompanying notes to the basic financial statements.

San Gabriel Valley Municipal Water District
Statements of Net Position, continued
June 30, 2024 and 2023

		2024	2023
Current liabilities:			
Accounts payable and accrued expenses	$	1,158,522	1,021,412
Accrued salaries and wages		32,709	30,096
Unearned revenue		354,675	573,844
Long-term liabilities − due within one year:			
Compensated absences (note 5)		111,205	112,669
Total current liabilities		1,657,111	1,738,021
Non-current liabilities:			
Long-term liabilities − due in more than one year:			
Compensated absences (note 5)		333,615	338,007
Net other post-employment benefit liability (note 6)		3,951,085	3,683,586
Net pension liability (note 7)		1,792,852	2,082,082
Total non-current liabilities		6,077,552	6,103,675
Total liabilities		7,734,663	7,841,696
Deferred inflows of resources:			
Deferred other post-employment benefits inflows (note 6)		439,848	1,097,070
Deferred pension inflows (note 7)		414,233	347,692
Total deferred inflows of resources		854,081	1,444,762
Net position:			
Net investment in capital assets		15,271,248	13,318,599
Unrestricted (note 8)		37,545,263	34,673,353
Total net position	$	52,816,511	47,991,952

See accompanying notes to the basic financial statements.

San Gabriel Valley Municipal Water District
Statements of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years Ended June 30, 2024 and 2023

		2024	2023
Operating revenues:			
Water sales	$	4,992,324	1,350,726
Hydroelectric sales		221,689	29,810
Other services		21,552	13,373
Total operating revenues		5,235,565	1,393,909
Operating expenses:			
Source of supply – water deliveries		14,353,534	8,713,564
General and administrative		3,778,316	3,394,956
Total operating expenses		18,131,850	12,108,520
Operating loss before depreciation and amortization expense		(12,896,285)	(10,714,611)
Depreciation and amortization expense		(642,327)	(696,807)
Operating loss		(13,538,612)	(11,411,418)
Non-operating revenue(expense):			
Property taxes – ad valorem		6,830,952	6,247,711
Property taxes – voter approved		10,432,709	9,927,672
Interest and investment earnings		1,396,300	422,615
Grant funding to other agencies		(212,127)	(276,478)
Property tax collection and administrative expense		(101,196)	(86,915)
Discount on note receivable – member agency (note 3)		-	(175,363)
Other non-operating, net		4,653	-
Total non-operating revenue, net		18,351,291	16,059,242
Net income before capital contribution		4,812,679	4,647,824
Capital contributions:			
Reimbursement of capital expenditures		11,880	11,880
Change in net position		4,824,559	4,659,704
Net position, beginning of year (note 9)		47,991,952	43,332,248
Net position, end of year	$	52,816,511	47,991,952

See accompanying notes to the basic financial statements.

San Gabriel Valley Municipal Water District
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Cash receipts from water sales	$ 5,013,876	1,364,099
Cash receipts from hydroelectric sales	221,689	29,810
Cash paid to employees for salaries and wages	(1,390,365)	(1,070,828)
Cash paid to vendors and suppliers for materials and services	(17,127,640)	(11,006,463)
Net cash used in operating activities	(13,282,440)	(10,683,382)
Cash flows from non-capital financing activities:		
Cash receipts from property taxes	17,256,044	16,416,910
Cash paid for collection fees	(101,196)	(86,915)
Net cash provided by non-capital financing activities	17,154,848	16,329,995
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(2,594,976)	(1,139,622)
Grant funding paid to other agencies	(212,127)	(276,478)
Proceeds from capital contributions	11,880	11,880
Issuance of advance to member agency	(31,306)	(2,700,000)
Net cash used in capital and related financing activities	(2,826,529)	(4,104,220)
Cash flows from investing activities:		
Purchase of investments	(2,553,127)	(4,320,000)
Proceeds for the sale of investments	2,117,195	3,784,493
Interest earnings received	1,395,982	270,406
Net cash provided by (used in) investing activities	960,050	(265,101)
Net increase in cash and cash equivalents	2,005,929	1,277,292
Cash and cash equivalents, beginning of year	23,830,019	22,552,727
Cash and cash equivalents, end of year	$ 25,835,948	23,830,019

Continued on next page

See accompanying notes to the basic financial statements.

San Gabriel Valley Municipal Water District
Statements of Cash Flows, continued
For the Fiscal Years Ended June 30, 2024 and 2023

	2024	2023
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$ (13,538,612)	(11,411,418)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	642,327	696,807
Other, net	4,653	-
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
(Increase)decrease in assets:		
Accounts receivable	(1,165,894)	142,338
Water-in-storage inventory	955,050	(869,370)
Prepaid expenses and deposits	63,399	(91,645)
(Increase)Decrease in deferred outflows of resources:		
Deferred other post-employement benefits outflows	(22,656)	481,871
Deferred pension outflows	257,838	(117)
Increase(decrease) in liabilities:		
Accounts payable and accrued expenses	137,110	637,082
Accrued salaries and wages	2,613	6,272
Compensated absences	(5,856)	79,477
Other post-employment benefit liability	267,499	(1,008,394)
Net pension liability	(289,230)	1,257,791
Increase(Decrease) in deferred inflows of resources:		
Deferred other post-employement benefits inflows	(657,222)	(29,053)
Deferred pension inflows	66,541	(575,023)
Total adjustments	256,172	728,036
Net cash used in operating activities	$ (13,282,440)	(10,683,382)
Non-cash investing, capital and financing transactions:		
Change in fair-market value of funds deposited in LAIF	$ (40,026)	(315,660)
Change in fair-market value of funds deposited in UBS	$ (145,339)	(376,160)

See accompanying notes to the basic financial statements.

(1) Summary of Significant Accounting Policies

A. Organization and Operations of the Reporting Entity

The San Gabriel Valley Municipal Water District was organized in 1959. Included in the District are the cities of Alhambra, Azusa, Monterey Park, and Sierra Madre. The District imports state water through its pipeline which was completed in 1975. The pipeline originates at the State Water Project located at Devil Canyon, County of San Bernardino, and terminates in the San Gabriel Canyon Spreading Grounds. The District maintains the pipeline and also generates electricity, which is sold to the City of Azusa at its San Dimas electrical generating plant.

The imported water is spread in the Main San Gabriel Basin and the Central Basin. The Main San Gabriel Basin Watermaster requires that replacement water and cyclic storage be spread in the Main San Gabriel Basin. The water spread in the Main San Gabriel Basin is to replace water pumped by the four above mentioned cities in excess of their pumping rights. The San Gabriel River Watermaster requires that make-up water be spread in the Central Basin to satisfy the terms of Long Beach Judgment.

The District is governed by a five-member Board of Directors representing five divisions. The General Manager administers the day-to-day operations of the District in accordance with policies and procedures established by the Board of Directors. The District employs eight employees. The District's Board of Directors meets each month. Meetings are publicly noticed and citizens are encouraged to attend.

B. Basis of Accounting and Measurement Focus

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs of providing water to its service area on a continuing basis be financed or recovered primarily through user charges (water sales), capital grants and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses, such as water sales and water deliveries result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Management, administration and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

C. Financial Reporting

The District's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the District's proprietary fund.

(1) Summary of Significant Accounting Policies, continued

C. Financial Reporting, continued

The District has adopted the following GASB pronouncements in the current year:

Governmental Accounting Standards Board Statement No. 99

In April 2022, the GASB issued Statement No. 99 – *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 100

In June 2022, the GASB issued Statement No. 100 – *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

(1) Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

1. Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported changes in net assets during the reporting period. Actual results could differ from those estimates.

2. Cash and Cash Equivalents

Substantially all of the District's cash is invested in interest bearing accounts. The District considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

3. Investments and Investment Policy

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

4. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset, as follows:

- *Level 1* – This valuation level is based on quoted prices in active markets for identical assets.
- *Level 2* – This valuation level is based on directly observable and indirectly observable inputs. These inputs are derived principally from or corroborated by observable market data through correlation or market-corroborated inputs. The concept of market-corroborated inputs incorporates observable market data such as interest rates and yield curves that are observable at commonly quoted intervals.
- *Level 3* – This valuation level is based on unobservable inputs where assumptions are made based on factors such as prepayment rates, probability of defaults, loss severity and other assumptions that are internally generated and cannot be observed in the market.

5. Accounts Receivable and Allowance for Bad Debts

The District considers accounts receivable to be fully collectable and accordingly, no allowance for doubtful accounts is considered necessary.

6. Inventory

Materials and supplies inventory consists primarily of water meters, pipe and pipefittings for construction and repair to the District's water transmission and distribution system. Inventory is valued at cost using the weighted-average method. Inventory items are charged to expense at the time that individual items are withdrawn from inventory or consumed. Water-in-storage is valued at average cost.

7. Prepaid Expenses

Certain payments to vendors reflects costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

(1) Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

8. Capital Assets

Capital assets acquired and/or constructed are capitalized at historical cost. District policy has set the capitalization threshold for reporting capital assets at $1,000. Donated assets are recorded at estimated fair market value at the date of donation. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are also expensed in the current period.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

- Pipeline – 7 to 75 years
- Telemetry equipment – 10 years
- Buildings and structures – 7 to 30 years
- Office furniture and equipment – 5 to 15 years
- Vehicles and equipment – 5 to 10 years
- State Water Project – 60 years

9. Deferred Outflows of Resources

The statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of resources applicable to future periods and therefore will *not* be recognized as an outflow of resources (expenditure) until that time. The District has the following pension related items that qualify for reporting in this category:

Post-Employment Benefits Other Than Pensions (OPEB)

- Deferred outflow which is equal to the employer contributions made after the measurement date of the total OPEB liability. This amount will be amortized-in-full against the total OPEB liability in the next fiscal year.

Pensions

- Deferred outflow which is equal to the employer contributions made after the measurement date of the net pension liability. This amount will be amortized-in-full against the net pension liability in the next fiscal year.
- Deferred outflow for the net differences between the actual and expected experience which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net change in assumptions which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net difference in projected and actual earnings on investments of the pension plans fiduciary net position. This amount is amortized over a 5 year period.
- Deferred outflow for the net difference in actual and proportionate share of employer contribution which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.

(1) Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

10. Compensated Absences

The District's policy is to permit employees to accumulate earned but unused vacation and sick time pay benefits. All vacation and sick time is accrued when incurred. Upon termination of employment, employees are paid all unused vacation and qualifying unused sick time up to a maximum of 960 hours.

11. Post-Employment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB plan (Plan) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

GASB 75 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation Dates: June 30, 2023 and 2022
- Measurement Dates: June 30, 2023 and 2022
- Measurement Periods: July 1, 2022 to June 30, 2023 and July 1, 2021 to June 30, 2022

12. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans (Plans) and addition to/deduction from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation Dates: June 30, 2022 and 2021
- Measurement Dates: June 30, 2023 and 2022
- Measurement Periods: July 1, 2022 to June 30, 2023 and July 1, 2021 to June 30, 2022

13. Deferred Inflows of Resources

The statements of net position will sometimes report a separate section for deferred inflows of resources. This financial statement element, *deferred inflows of resources,* represents an acquisition of resources applicable to future periods and therefore will *not* be recognized as an inflow of resources (revenue) until that time. The District has the following pension related item that qualifies for reporting in this category:

Post-Employment Benefits Other Than Pensions (OPEB)

- Deferred inflow for the net changes in assumptions which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan.
- Deferred inflow for the Plans' experience (gains)/losses which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan.

(1) Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

13. Deferred Inflows of Resources, continued

Pensions

- Deferred inflow for the net adjustment due to differences in the changes in proportions of the net pension liability which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.

14. Net Position

The District follows the financial reporting requirements of the GASB and reports net position under the following classifications:

- *Net Investment in Capital Assets* – Consists of capital assets, net of accumulated depreciation, and reduced by any debt outstanding against the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt is included in this component of net position.
- *Restricted* – Consists of assets that have restrictions placed upon their use by external constraints imposed either by creditors (debt covenants), grantors, contributors, or laws and regulations of other governments or constraints imposed by law through enabling legislation.
- *Unrestricted* – The net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the net investment in capital assets or restricted component of net position.

15. Water Sales

Water sales are billed when Watermaster places an order for replacement water.

16. Property Taxes and Assessments

The County of Los Angeles Assessor's Office assesses all real and personal property within the County each year. The County of Los Angeles Tax Collector's Office bills and collects the District's share of property taxes and assessments. The County of Los Angeles Treasurer's Office remits current and delinquent property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article 13A of the State Constitution at one percent (1%) of countywide assessed valuations.

Property taxes receivable at year-end are related to property taxes collected by the County of Los Angeles, which have not been credited to the District's cash balance as of June 30. The property tax calendar is as follows:

Lien date	March 1
Levy date	July 1
Due dates	November 1 and March 1
Collection dates	December 10 and April 10

17. Capital Contributions

Capital contributions represent cash and capital asset additions contributed to the District by property owners, granting agencies or real estate developers desiring services that require capital expenditures or capacity commitment.

(1) Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

18. Budgetary Policies

The District adopts an annual non-appropriated budget for planning, control, and evaluation purposes. Budgetary control and evaluation are affected by comparisons of actual revenues and expenses with planned revenues and expenses for the period. Encumbrance accounting is not used to account for commitments related to unperformed contracts for construction and services.

(2) Cash and Investments

Cash and investments as of June 30 are classified in the accompanying financial statements as follows:

Cash and cash equivalents	$	25,835,948	23,830,019
Investments:			
Certificates-of-deposit – current		5,186,287	2,045,333
U.S. Treasury notes – current		240,000	701,945
Total investments – current		5,426,287	2,747,278
Certificates-of- deposit – non-current		4,410,502	6,872,748
Total cash and investments	$	35,672,737	33,450,045

Cash and cash equivalents as of June 30 consist of the following:

		2024	2023
Cash on hand	$	442	442
Deposits with financial institutions		15,000,269	3,339,120
Investments and cash equivalents		20,672,026	30,110,483
Total cash and investments	$	35,672,737	33,450,045

As of June 30, the District's authorized deposits had the following maturities:

	2024	2023
Deposits held with the California Local Agency Investment Fund (LAIF)	217 days	260 days

(2) Cash and Investments, continued

Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized by the District in accordance with the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Government Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	80%	N/A
U.S. Government Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper, Prime Quality	5 years	15%	10%
Certificates of Deposit	5 years	30%	$250,000
Negotiable Certificates of Deposit	5 years	30%	None
Medium-Term Notes	5 years	30%	None
Money Market Mutual Funds	N/A	15%	None
Local Agency Investment Fund (LAIF)	N/A	None	$75 Million
Collateralized Bank Deposits	5 years	25%	None
Investment Trust of California (CalTRUST)	N/A	15%	N/A

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The pool portfolio is invested in a manner that meets the maturity, quality, diversification, and liquidity requirements set forth by GASB 79 for external investments pools that elect to measure, for financial reporting purposes, investments at amortized cost. LAIF does not have any legally binding guarantees of share values. LAIF does not impose liquidity fees or redemption gates on participant withdrawals.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits.

(2) Cash and Investments, continued

Custodial Credit Risk, continued

The California Government Code requires that a financial institution, secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Of the bank balances, up to $250,000 held at each institution were federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the District's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio matures or comes close to maturity evenly over time as necessary to provide for cash flow requirements and liquidity needed for operations. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the table on the following table that shows the distribution of the District's investments by maturity date:

As of June 30, 2024, the District's investments are scheduled to mature as follows:

			Remaining Maturity			
Investment Type		**Total**	**12 Months or Less**	**13 to 24 Months**	**25 to 60 Months**	**Thereafter**
Local Agency Investment Fund	$	10,824,927	10,824,927	-	-	-
Certificates-of-deposit		9,607,099	5,196,597	1,869,633	1,139,023	1,401,846
U.S. Treasury notes		240,000	240,000	-	-	-
Total	$	20,672,026	16,261,524	1,869,633	1,139,023	1,401,846

As of June 30, 2024, the District's investments are scheduled to mature as follows:

			Remaining Maturity			
Investment Type		**Total**	**12 Months or Less**	**13 to 24 Months**	**25 to 60 Months**	**Thereafter**
Local Agency Investment Fund	$	20,490,457	20,490,457	-	-	-
Certificates-of-deposit		8,918,081	2,045,333	4,188,038	1,109,012	1,575,698
U.S. Treasury notes		701,945	701,945	-	-	-
Total	$	30,110,483	23,237,735	4,188,038	1,109,012	1,575,698

(2) Cash and Investments, continued

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

Credit ratings as of June 30, 2024, were as follows:

Investment Type		Total	Minimum Legal Rating	Rating at Year End: AAA	Rating at Year End: Not Rated
Local Agency Investment Fund	$	10,824,927	N/A	-	10,824,927
Certificates-of-deposit		9,607,099	Aaa	9,607,099	-
U.S. Treasury notes		240,000	Aaa	240,000	-
Total	$	20,672,026		9,847,099	10,824,927

Credit ratings as of June 30, 2023, were as follows:

Investment Type		Total	Minimum Legal Rating	Rating at Year End: AAA	Rating at Year End: Not Rated
Local Agency Investment Fund	$	20,490,457	N/A	-	20,490,457
Certificates-of-deposit		8,918,081	Aaa	8,918,081	-
U.S. Treasury notes		701,945	Aaa	701,945	-
Total	$	30,110,483		9,620,026	20,490,457

Fair Value Measurements

Assets measured at fair value on a recurring basis, based on their fair value hierarchy at June 30, 2024, are as follows:

Investment Type		Total	Fair Value Measurements Using: Qouted Prices in Active Markets for Identical Assets (Level 1)	Fair Value Measurements Using: Significant Other Observable Inputs (Level 2)	Fair Value Measurements Using: Significant Unobservable Inputs (Level 3)
Certificates-of-deposit	$	9,607,099	-	9,607,099	-
U.S. Treasury notes		240,000	240,000	-	-
Total	$	9,847,099	240,000	9,607,099	-

Inputs and valuations methods used for each of the District's investment classes are as follows:

- U.S. Treasury securities – The fair value U.S. Treasury securities is generally based on quoted market prices in active markets (Level 1).

(2) Cash and Investments, continued

Fair Value Measurements, continued

- Certificates-of-deposit – The fair value of certificate-of-deposit is generally determined using a market-based model in which valuation consideration is given to yield or price of comparable securities, coupon rate, maturity, credit quality, and dealer-provided prices (Level 2).

Assets measured at fair value on a recurring basis, based on their fair value hierarchy at June 30, 2023, are as follows:

		Fair Value Measurements Using		
Investment Type	**Total**	**Qouted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Certificates-of-deposit	$ 8,918,081	-	8,918,081	-
U.S. Treasury notes	701,945	701,945	-	-
Total	$ 9,620,026	701,945	8,918,081	-

Inputs and valuations methods used for each of the District's investment classes are as follows:

- U.S. Treasury securities – The fair value U.S. Treasury securities is generally based on quoted market prices in active markets (Level 1).
- Certificates-of-deposit – The fair value of certificate-of-deposit is generally determined using a market-based model in which valuation consideration is given to yield or price of comparable securities, coupon rate, maturity, credit quality, and dealer-provided prices (Level 2).

Concentration of Credit Risk

The District's investment policy contains no limitations on the amounts that can be invested in any one issuer as beyond that stipulated by the California Government Code. There were no investments in any one issuer (other than for U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District's investments as of June 30, 2024 and 2023, respectively.

(3) Advances to Member Cities Receivable

Changes in notes receivable at June 30, 2024 were as follows:

	Balance 2023	Additions	Principal Pymts/ Amortization	Balance 2024	Current Portion	Long-term Portion
Notes receivable:						
City of Monterey Park	$ 4,000,000	-	-	4,000,000	400,000	3,600,000
Less: Unamortized discount	(322,824)	-	-	(322,824)	-	(322,824)
Total City of Monterey Park	3,677,176	-	-	3,677,176	400,000	3,277,176
City of Sierra Madre	2,700,000	-	-	2,700,000	540,000	2,160,000
Less: Unamortized discount	(175,363)	-	31,306	(144,057)	-	(144,057)
Total City of Sierra Madre	2,524,637	-	31,306	2,555,943	540,000	2,015,943
Total notes receivable	$ 6,201,813	-	31,306	6,233,119	940,000	5,293,119

(3) Advances to Member Cities Receivable, continued

Changes in notes receivable at June 30, 2023 were as follows:

	As Restated 2022	Additions	Principal Pymts/ Amortization	Balance 2023	Current Portion	Long-term Portion
Notes receivable:						
City of Monterey Park	$ 4,000,000	-	-	4,000,000	400,000	3,600,000
Less: Unamortized discount	(322,824)	-	-	(322,824)	-	(322,824)
Total City of Monterey Park	3,677,176	-	-	3,677,176	400,000	3,277,176
City of Sierra Madre	-	2,700,000	-	2,700,000	270,000	2,430,000
Less: Unamortized discount	-	(175,363)	-	(175,363)	-	(175,363)
Total City of Sierra Madre	-	2,524,637	-	2,524,637	270,000	2,254,637
Total notes receivable	$ 3,677,176	2,524,637	-	6,201,813	670,000	5,531,813

City of Monterey Park

On March 1, 2021, the District entered into a loan agreement with the City of Monterey Park for the purpose of providing funding towards the construction of a PFAS Treatment Plant. Terms of the agreement call for annual principal only payments in the amount of $400,000 at a rate of zero percent, commencing one year after the filing of the Notice of Completion for the project. The District discounted the note using the March 1, 2021 10-year treasury bill rate of 1.56%.

Principal and discount amortization are as follows:

Fiscal Year	Principal	Discount Amortization	Total
2025	$ 400,000	(57,364)	342,636
2026	400,000	(52,019)	347,981
2027	400,000	(46,590)	353,410
2028	400,000	(41,077)	358,923
2029	400,000	(35,478)	364,522
2030 - 2034	2,000,000	(90,296)	1,909,704
Total	4,000,000	(322,824)	3,677,176
Less: Current portion	(400,000)		
Less: Unamort. discount	(322,824)		
Total non-current	$ 3,277,176		

(3) Advances to Member Cities Receivable, continued

City of Sierra Madre

On July 29, 2021, the District entered into a loan agreement with the City of Sierra Madre for the purpose of providing funding towards the planning, design, construction, and construction administration of three water main construction projects. Terms of the agreement call for annual principal only payments in the amount of $270,000 at a rate of zero percent, commencing after the filing of the Notice of Completion for the projects. The District discounted the note using the July 29, 2021 10-year Treasury Bill rate of 1.24%.

Principal and discount amortization are as follows:

Fiscal Year	Principal	Discount Amortization	Total
2025	$ 540,000	(28,346)	511,654
2026	270,000	(25,349)	244,651
2027	270,000	(22,316)	247,684
2028	270,000	(19,244)	250,756
2029	270,000	(16,135)	253,865
2030 - 2033	1,080,000	(32,667)	1,047,333
Total	2,700,000	(144,057)	2,555,943
Less: Current portion	(540,000)		
Less: Unamort. discount	(144,057)		
Total non-current	$ 2,015,943		

(4) Capital Assets

Changes in capital assets for the year ended June 30, 2024 were as follows:

		Balance 2023	Additions/ Transfers	Deletions/ Transfers	Balance 2024
Non-depreciable assets:					
Land	$	735,931	-	-	735,931
Construction-in-process		12,613	2,176,975	(207,316)	1,982,272
Total non-depreciable assets		748,544	2,176,975	(207,316)	2,718,203
Depreciable assets:					
Pipeline		26,881,938	325,505	-	27,207,443
Buildings and structures		3,575,807	125,682	(1,886)	3,699,603
Telemetry equipment		932,973	81,634	-	1,014,607
Office furniture and equipment		181,425	92,502	(33,806)	240,121
Vehicles and equipment		516,570	-	-	516,570
State water project participation rights		5,784,165	-	-	5,784,165
Total depreciable assets		37,872,878	625,323	(35,692)	38,462,509
Accumulated depreciation and amortization:					
Pipeline		(17,006,890)	(372,105)	-	(17,378,995)
Buildings and structures		(2,407,549)	(21,190)	1,886	(2,426,853)
Telemetry Equipment		(777,819)	(91,025)	-	(868,844)
Office furniture and equipment		(166,070)	(12,644)	33,806	(144,908)
Vehicles and equipment		(317,163)	(48,966)	-	(366,129)
State water project participation rights		(4,627,332)	(96,403)	-	(4,723,735)
Total accumulated depreciation		(25,302,823)	(642,333)	35,692	(25,909,464)
Total depreciable assets, net		12,570,055	(17,010)	-	12,553,045
Total capital assets, net	$	13,318,599			15,271,248

Major capital assets additions during the year included additions to construction-in-progress for ongoing projects, upgrades to pipeline assets, upgrades to buildings and structures, additions to telemetry equipment, and office furniture and equipment. Major disposals included disposals to office furniture and equipment.

(4) Capital Assets, continued

Changes in capital assets for the year ended June 30, 2023 were as follows:

		Balance 2022	Additions/ Transfers	Deletions/ Transfers	Balance 2023
Non-depreciable assets:					
Land	$	735,931	-	-	735,931
Construction-in-process		204,853	998,665	(1,190,905)	12,613
Total non-depreciable assets		940,784	998,665	(1,190,905)	748,544
Depreciable assets:					
Pipeline		26,742,616	139,322	-	26,881,938
Buildings and structures		2,384,902	1,190,905	-	3,575,807
Telemetry Equipment		934,023	-	(1,050)	932,973
Office furniture and equipment		179,790	1,635	-	181,425
Vehicles and equipment		516,570	-	-	516,570
State water project participation rights		5,784,165	-	-	5,784,165
Total depreciable assets		36,542,066	1,331,862	(1,050)	37,872,878
Accumulated depreciation and amortization:					
Pipeline		(16,636,226)	(370,664)	-	(17,006,890)
Buildings and structures		(2,331,641)	(75,908)	-	(2,407,549)
Telemetry Equipment		(685,575)	(93,294)	1,050	(777,819)
Office furniture and equipment		(156,367)	(9,703)	-	(166,070)
Vehicles and equipment		(266,327)	(50,836)	-	(317,163)
State water project participation rights		(4,530,930)	(96,402)	-	(4,627,332)
Total accumulated depreciation		(24,607,066)	(696,807)	1,050	(25,302,823)
Total depreciable assets, net		11,935,000	635,055	-	12,570,055
Total capital assets, net	$	12,875,784			13,318,599

Major capital assets additions during the year included additions to construction-in-progress for ongoing projects, upgrades to pipeline assets, upgrades to buildings and structures. There were no major disposals during the year.

(5) Compensated Absences

Changes to compensated absences for the year ended June 30, 2024 were as follows:

	Balance 2023	Additions	Deletions	Balance 2024	Due Within One Year	Due in More Than One Year
$	450,676	143,976	(149,832)	444,820	111,205	333,615

Changes to compensated absences for the year ended June 30, 2023 were as follows:

	Balance 2022	Additions	Deletions	Balance 2023	Due Within One Year	Due in More Than One Year
$	371,199	137,174	(57,697)	450,676	112,669	338,007

(6) Other Post-employment Benefits (OPEB) Plan

General Information about the OPEB Plan

Plan Description

The District's defined benefit Other Post-Employment Benefit (OPEB) Plan (Plan) provides OPEB for all vested full-time employees who satisfy the eligibility rules. The Plan is a single-employer defined benefit OPEB plan administered by the District. The District's Board has the authority to establish and amend the benefit terms and financing requirements of the Plan.

Benefits Provided

To be eligible for retiree health benefits, an employee must retire from the District on or after age 55 with at least 5 years of continuous service. Dependents (under the age of 26) are also eligible to receive benefits. Retirees may enroll in the plan available through the District's ACWA-JPIA (Association of California Water Agencies Joint Powers Insurance Authority) Medical Program. The District provides coverage for retirees and dependents medical, dental/vision for life. The Retirees will receive a maximum of $4,000 per family for out-of-pocket medical expenses and $3,000 for dental/vision (combined) for the retiree and each dependent.

Employees Covered by Benefit Terms

At June 30, the following employees were covered by the benefit terms:

	2024	2023
Active plan members	8	7
Retirees and beneficiaries receiving benefits	12	11
Total Plan membership	20	18

Contributions

The Plan and its contribution requirements for eligible retired employees of the District are established and may be amended by the Board of Directors. The District pays 100% of its share of the cost of health and vision insurance for retirees and dental insurance up to age 65 under any group plan offered by ACWA-JPIA, subject to certain restrictions as determined by the District. The annual contribution is based on the actuarially determined contribution.

As of the fiscal year ended June 30, the contributions were as follows:

		2024	2023
Contributions – employer	$	179,366	156,710

As of June 30, 2024 and 2023, employer OPEB contributions of $179,366 and $156,710 will be and were recognized as a reduction of total OPEB liability in the fiscal year ended June 30, 2025 and 2024, respectively.

Total OPEB Liability

As of the fiscal year ended June 30, the District reported its total OPEB liability as follows:

		2024	2023
Total OPEB liability	$	3,951,085	3,683,586

(6) Other Post-employment Benefits (OPEB) Plan, continued

Total OPEB Liability, continued

The District's total OPEB liability was measured as of June 30, 2023 and 2022, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of June 30, 2022 and 2021, respectively. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Changes in the Total OPEB Liability

Changes in the total OPEB liability as of June 30, were as follows:

		June 30, 2024	June 30, 2023
Balance at beginning of year	$	3,683,586	4,691,980
Changes for the year:			
Service cost		118,767	181,771
Interest		136,863	91,831
Employer contributions		(184,604)	(182,631)
Implicit rate subsidy		(2,058)	-
Changes in benefit terms		-	55,866
Experience (gains)/losses		412,671	(203,344)
Assumption changes		(214,140)	(951,887)
Net changes		267,499	(1,008,394)
Balance at end of year	$	3,951,085	3,683,586

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2024 and 2023, the District recognized OPEB income of $412,379 and $398,866, respectively.

At June 30, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		June 30, 2024		June 30, 2023	
Description		**Deferred Outflows of Resources**	**Deferred Inflows of Resources**	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
OPEB contributions subsequent to the measurement date at June 30	$	179,366	-	156,710	-
Net change in assumptions		-	(357,386)	-	(303,670)
Experience (gains)/losses		-	(82,462)	-	(793,400)
Total	$	179,366	(439,848)	156,710	(1,097,070)

(6) Other Post-employment Benefits (OPEB) Plan, continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, continued

As of June 30, 2024, the District recognized other amounts reported by the Plan actuarial as deferred outflows of resources and deferred inflows of resources related to the total OPEB liability. OPEB related amounts will be recognized as OPEB expense as follows.

Fiscal Year Ending June 30,	Deferred Net Outflows / (Inflows) of Resources
2025	$ (539,113)
2026	49,633
2027	49,632

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30 percent
Salary increases	2.80 percent
Discount rate	2024 – 3.86 percent 2023 – 3.69 percent
Healthcare cost trend rates	2024 – 7.40 percent per year 2023 – 5.75 percent per year
Retirees' share of benefit-related costs	Actual premium increases through 2032, followed by projected premium increases shown in the 2021 Medicare Trustees report for the next six years followed by the same assumption as medical/rx. Cost sharing: same as medical/rx trend rates Dental/vision: 3.50% for all years.

Discount Rate

As of the measurement date June 30, 2023 and 2022, the discount rate used to measure the total OPEB liability was 3.86 and 3.69 percent, respectively. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The table on the following page presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

(6) Other Post-employment Benefits (OPEB) Plan, continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate, continued

At June 30, 2024, the discount rate comparison was the following:

	Discount Rate - 1% (2.86%)	Current Discount Rate (3.86%)	Discount Rate + 1% (4.86%)
District's total OPEB liability	$ 4,467,452	3,951,085	3,522,937

At June 30, 2023, the discount rate comparison was the following:

	Discount Rate - 1% (2.69%)	Current Discount Rate (3.69%)	Discount Rate + 1% (4.69%)
District's total OPEB liability	$ 4,180,623	3,683,586	3,271,825

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

At June 30, 2024 the healthcare cost trend rate comparison was the following:

	1% Decrease (5.40% decreasing to 3.14%)	Healthcare Cost Trend Rates (7.40% decreasing to 4.14%)	1% Increase (8.40% decreasing to 5.14%)
District's total OPEB liability	$ 3,500,402	3,951,085	4,488,110

At June 30, 2023 the healthcare cost trend rate comparison was the following:

	1% Decrease (4.50% decreasing to 3.04%)	Healthcare Cost Trend Rates (5.50% decreasing to 4.04%)	1% Increase 6.50% decreasing to 5.04%)
District's total OPEB liability	$ 3,195,700	3,683,586	4,267,570

Schedule of Changes in the District's Total OPEB Liability and Related Ratios

See page 47 for the Required Supplementary Information.

(7) Defined Benefit Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and the District's resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect January 1, 2013. The new legislation closed the District's CalPERS 2.0% at 60 (New Classic) Risk Pool Retirement Plan to new employee entrants effective December 31, 2012. Employees hired after January 1, 2013, and have not previously participated in a CalPERS plan are eligible for the District's CalPERS 2.0% at 62 Retirement Plan under PEPRA. New employees that have previously participated in the Classic Plan are eligible for the District's CalPERS 2.0% at 55 Retirement Plan.

The Plan's provisions and benefits in effect at June 30 are summarized as follows:

	Miscellaneous Plan	
	Classic	**PEPRA**
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	55 - 60	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
2024:		
Required employee contribution rates	6.92%	8.25%
Required employer contribution rates	13.26%	8.00%
2023:		
Required employee contribution rates	6.92%	7.25%
Required employer contribution rates	11.61%	7.76%

(7) Defined Benefit Pension Plan, continued

Benefits Provided, continued

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers to be determined on an annual basis by the actuary and shall be effective on the July 1, following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30, by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

As of the fiscal year ended June 30, the contributions for the Plan were as follows:

	Miscellaneous Plan	
	2024	**2023**
Contributions – employer	$ 555,433	773,342

Net Pension Liability

As of the fiscal year ended June 30, the District reported net pension liabilities for its proportionate share of the net pension liability of the Plan was as follows:

	Proportionate Share of Net Pension Liability	
	2024	**2023**
Miscellaneous Plan	$ 1,792,852	2,082,082

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability for the miscellaneous risk pool. As of the fiscal years ended June 30, 2024 and 2023, the net pension liability of the Plan is measured as of June 30, 2023 and 2022 (the measurement dates), respectively. The total pension liability for the Plan's miscellaneous risk pool used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 and 2021 (the valuation dates), rolled forward to June 30, 2023 and 2022, respectively, using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District's change in the proportionate share of the pension liability for the District's Plan as of the fiscal year ended June 30, were as follows:

	Miscellaneous Plan	
	2024	**2023**
Proportion – beginning of year	0.01803%	0.01524%
Proportion – end of year	0.01437%	0.01803%
Change – Increase (Decrease)	-0.00366%	0.00279%

Deferred Pension Outflows (Inflows) of Resources

As of June 30, 2024 and 2023, the District recognized pension income of $182,759 and $2,526, respectively.

(7) Defined Benefit Pension Plan, continued

Deferred Pension Outflows (Inflows) of Resources, continued

As of June 30, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	June 30, 2024 Deferred Outflows of Resources	June 30, 2024 Deferred Inflows of Resources	June 30, 2023 Deferred Outflows of Resources	June 30, 2023 Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	$ 555,433	-	773,342	-
Net difference between actual and expected experience	77,381	-	13,808	-
Net change in assumptions	108,243	-	213,353	-
Net difference between projected and actual earnings on plan investments	290,279	-	381,382	-
Net difference between actual contribution and proportionate share of contribution	438,303	-	345,592	-
Net adjustment due to differences in proportions of net pension liability	-	(414,233)	-	(347,692)
Total	$ 1,469,639	(414,233)	1,727,477	(347,692)

As of June 30, 2024 and 2023, employer pension contributions of $555,433 and $773,342, reported as deferred outflows of resources related to contributions subsequent to the measurement date will be and were recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2025 and 2024, respectively.

As of June 30, 2024, the District recognized other amounts reported by the Plan actuarial as deferred outflows of resources and deferred inflows of resources related to the pension liability. Pension related amounts will be recognized as pension expense as follows.

Fiscal Year Ending June 30,	Deferred Net Outflows / (Inflows) of Resources
2025	$ 159,030
2026	107,600
2027	225,013
2028	8,330

(7) Defined Benefit Pension Plan, continued

Actuarial Assumptions

The total pension liabilities in the June 30, 2022 and 2021, actuarial valuations were determined using the following actuarial assumptions and methods:

Valuation Date	June 30, 2021 and 2020
Measurement Date	June 30, 2022 and 2021
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial assumptions:	
Discount rate	2024 - 6.90% 2023 - 6.90%
Inflation	2024 - 2.30% 2023 - 2.30%
Salary increases	Varies by Entry Age and Service
Investment Rate of Return	6.90 % Net of pension plan investment and administrative expenses; includes inflation
Mortality Rate Table*	Derived using CalPERS' Membership Data for all Funds
Period upon which actuarial Experience Survey assumptions were based	2023 and 2022 – 1997–2015
Post Retirement Benefit	Contract COLA up to 2.30% until purchasing power protection allowance floor on purchasing power applies, 2.30% thereafter

* The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 6.90% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, the amortization and smoothing periods recently adopted by CalPERS were utilized. The crossover test was performed for a miscellaneous agent plan and a safety agent plan selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investments.

Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

(7) Defined Benefit Pension Plan, continued

Discount Rate, continued

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The tables below reflect the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

As of June 30, 2024 and 2023, the target allocation and the long-term expected real rate of return by asset class is as follows:

Asset Class	New Strategic Allocation	Real Return Years 1–10
Global Equity - Cap-weighted	30.0%	4.45%
Global Equity Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	27.00%
Mortgage-backed Securities	5.0%	50.00%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100%	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The table on the following page presents the District's proportionate share of the net position liability for the Plan, calculated using the discount rate, as well as what the District's proportional share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

(7) Defined Benefit Pension Plan, continued

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate, continued

As of June 30, 2024, the Agency's net pension liability at the current discount rate, using a discount rate that is one-percentage point lower, and using a discount rate that is one-percentage point higher, is as follows:

	Discount Rate – 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
District's Net pension liability	$ 3,491,640	1,792,852	394,604

As of June 30, 2023, the Agency's net pension liability at the current discount rate, using a discount rate that is one-percentage point lower, and using a discount rate that is one-percentage point higher, is as follows:

	Discount Rate – 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
District's Net pension liability	$ 3,674,497	2,082,082	771,290

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. See pages 48 and 49 for the Required Supplementary Information.

Payable to the Pension Plan

At June 30, 2024 and 2023, the Agency reported $0 in payables for the outstanding amount of contribution to the pension plan, respectively.

(8) Unrestricted Net Position

Calculation of net position as of June 30 was as follows:

	2024	2023
Unrestricted :		
Non-spendable net position:		
Water-in-storage inventory	$ 465,600	1,420,650
Prepaid and other assets	108,916	172,315
Total non-spendable net position	574,516	1,592,965
Spendable net position	36,970,747	33,080,388
Total unrestricted net position	$ 37,545,263	34,673,353

(9) Adjustments to Net Position

Deferred Outflows of Resources – Contributions

In fiscal year 2023, the District restated its net position for pension contributions reported in deferred outflows of resources, for the year ended June 30, 2022. Actual contributions reported by CalPERS for June 30, 2022, were overstated by $130,000 as reported in deferred outflows of resources for pensions which resulted in an overstatement of net income by the same amount.

Discount on Advance to Member Cities Receivable

In fiscal year 2023, the District restated its net position to recognize a discount on the note receivable for the City of Monterey Park (City). In March 2021, the District issued a zero-interest note in the amount of $4,000,000 to the City.

Following Generally Accepted Accounting Principles, when two parties enter into a transaction involving a note, the default assumption is that the interest rate associated with the note will be close to the market rate of interest. In circumstances where a zero-interest note is issued, it is necessary to record the transaction using an interest rate that closely compares with the current market rate. The rate should approximate what would have been used if an independent lender had entered into a similar agreement. The District chose the 10 year Treasury bill rate as of March 1, 2023. Please see Note 3 for further information.

The adjustments to net position were as follows:

Net position at July 1, 2021, as previously stated	$ 39,352,019
Change in net position at June 30, 2021, as previously stated	4,433,053
Effect of the adjustment for the overstatement of 2022 pension contributions reported in deferred outflows	(130,000)
Effect of the adjustment to record the discount on the zero-interest note receiveable for the City of Monterey Park	(322,824)
Subtotal adjustments	(452,824)
Net position at June 30, 2022, as restated	$ 43,332,248

(10) Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California water agencies. The purpose of the ACWA/JPIA is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage.

At June 30, 2024, the District participates in the ACWA/JPIA pooled programs for liability and property programs as follows:

- General and auto liability, public officials, employment practices liability, and employees' errors and omissions: The ACWA/JPIAs total risk financing self-insurance limits of $5,000,000 per occurrence. The ACWA/JPIA purchased additional excess coverage layers: $50 million for general, auto and public officials' liability, which increases the limits on the insurance coverage noted above.

(10) Risk Management, continued

In addition, the District also has the following insurance coverage:

- Crime and Public officials' and Employee dishonesty coverage up to $100,000 per loss includes public employee dishonesty, forgery or alteration, computer fraud coverage subject to a $1,000 deductible per occurrence.
- Property loss is paid at the replacement cost for property on file, if replaced within two years after the loss, otherwise paid on an actual cash value basis, to a combined total of $500 million per occurrence, subject to the following deductibles: $2,500 per occurrence for buildings, fixed equipment, $1,000 for mobile equipment, and $500 deductible per occurrence for licensed vehicles. Scheduled vehicles and mobile equipment are covered on an actual basis at the time of the loss.
- Boiler and machinery coverage for the replacement cost up to $100 million per occurrence, subject to various deductibles per occurrence on damage to scheduled items.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years. There were no reductions in insurance coverage in fiscal years 2024, 2023, and 2022. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2024, 2023, and 2022.

(11) Deferred Compensation Savings Plan

For the benefit of its employees, the District participates in a 457 Deferred Compensation Program (Program). The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust. The assets are held with Lincoln Financial for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District and are not subject to the claims of the District's general creditors. The total market value of all plan assets held in trust at June 30, 2024 and 2023, was $2,364,110 and $2,189,566, respectively.

The District has implemented GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the statements of net position.

(12) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2024, that has effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 101

In June 2022, the GASB issued Statement No. 101 – *Compensated Absences.* The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

(12) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued

Governmental Accounting Standards Board Statement No. 101, continued

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 102

In December 2023, the GASB issued Statement No. 102 – *Certain Risk Disclosures.* The primary objective of this Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 103

In April 2024, the GASB issued Statement No. 103 – *Financial Reporting Model Improvements.* The primary objective of this Statement is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government's accountability. Also, this Statement: (1) continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI); (2) describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence; (3) requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses; (4) requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements; and (5) requires governments to present budgetary comparison information using a single method of communication—RSI.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

(12) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued

Governmental Accounting Standards Board Statement No. 104

In September 2024, the GASB issued Statement No. 104 – *Disclosure of Certain Capital Assets*. The primary objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, Basic Financial Statements and Management Discussion and Analysis for State and Local Governments. Also, this Statement establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this Statement apply to the financial statements of all state and local governments.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

(13) Commitments and Contingencies

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such an audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. The management of the District believes that such disallowances, if any, would not be significant.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

(14) Subsequent Events

City of Azusa Loan Receivable

On September 9, 2024, the District approved a loan request in the amount of $3,400,000 from the City of Azusa for the purpose of financing the City's South Reservoir Replacement Project. Terms of the loan include a term of 10 years at 0% interest.

All other events occurring after June 30, 2024, have been evaluated for possible adjustment to the financial statements or disclosure as of February 10, 2025, which is the date the financial statements were available to be issued.

Required Supplementary Information

San Gabriel Valley Municipal Water District
Schedules of Changes in the District's Total OPEB Liability and Related Ratios
As of June 30, 2024
Last Ten Years*

Fiscal year		June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB liability								
Service cost	$	118,767	181,771	218,142	180,064	134,409	184,425	179,271
Interest		136,863	91,831	135,574	153,721	207,620	200,281	195,701
Employer contributions		(184,604)	(182,631)	(230,812)	(221,696)	(226,025)	(222,325)	(213,797)
Changes in benefit terms		-	55,866	-	-	-	-	-
Assumption changes		(214,140)	(951,887)	438,054	451,114	(374,643)	(128,680)	-
Experience (gains)/losses		412,671	(203,344)	(1,299,178)	25,010	(613,323)	-	-
Implicit subsidy credit		(2,058)	-	-	-	-	-	-
Net change in total OPEB liability		267,499	(1,008,394)	(738,220)	588,213	(871,962)	33,701	161,175
Total OPEB liability – beginning		3,683,586	4,691,980	5,430,200	4,841,987	5,713,949	5,680,248	5,519,073
Total OPEB liability – ending	$	3,951,085	3,683,586	4,691,980	5,430,200	4,841,987	5,713,949	5,680,248
Covered employee payroll	$	1,230,457	1,079,038	1,032,988	916,068	916,068	812,255	810,600
Total OPEB liability as a percentage of covered payroll		321.11%	341.38%	454.21%	592.77%	528.56%	703.47%	700.75%
Valuation Date		June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2017	June 30, 2017
Methods and Assumptions Used to Determine Contribution Rates:								
Single and Agent Employers		Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method		(1)	(1)	(1)	(1)	(1)	(1)	(1)
Inflation		2.30%	2.30%	2.50%	0.75%	2.50%	2.50%	2.50%
Salary Increases		2.80%	2.80%	2.80%	2.75%	2.75%	2.75%	2.75%
Investment Rate of Return		3.86%	3.69%	1.92%	2.45%	3.13%	3.13%	3.13%
Mortality, Retirement, Turnover		(2)	(2)	(2)	(2)	(2)	(2)	(2)

(1) Level percentage of payroll, closed

(2) Based on 2021 Getzen model that reflects actual premium increases through 2023, followed by 5.50% decreasing gradually to an ultimate rate of 4.04% in 2075 for non-Medicare and 4.00% for all years for Medicare.

* The District has presented information for those years for which information is available until a full 10-year trend is compiled.

San Gabriel Valley Municipal Water District
Schedules of District's Proportionate Share of the Net Pension Liability
As of June 30, 2024
Last Ten Years

Description	Measurement Dates									
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability	0.01437%	0.01803%	0.01524%	0.02370%	0.02298%	0.02209%	0.02179%	0.02102%	0.01869%	0.01991%
District's proportionate share of the net pension liability	$ 1,792,852	2,082,082	824,291	2,578,972	2,355,085	2,128,755	2,161,060	1,819,051	1,283,170	1,238,997
District's covered payroll	$ 1,024,751	1,064,443	1,010,926	919,383	881,317	804,724	795,176	844,340	754,456	753,981
District's proportionate share of the net pension liability as a percentage of its covered payroll	174.95%	195.60%	81.54%	280.51%	267.22%	264.53%	271.77%	215.44%	170.08%	164.33%
District's fiduciary net position as a percentage of the district's total pension liability	85.73%	82.18%	92.62%	75.89%	77.12%	78.42%	75.39%	79.58%	85.10%	83.03%

Notes To Schedule:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016:
GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses.
The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:
There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:
The discount rate was reduced from 7.65% to 7.15%

From fiscal year June 30, 2018 to June 30, 2019:
The inflation rate was reduced from 2.75% to 2.50%

From fiscal year June 30, 2019 to June 30, 2020:
There were no changes in assumptions.

From fiscal year June 30, 2020 to June 30, 2021:
There were no changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022:
There were no changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:
The discount rate was reduced from 7.15% to 6.90%
The inflation rate was reduced from 2.50% to 2.30%

From fiscal year June 30, 2023 to June 30, 2024:
There were no changes in assumptions.

San Gabriel Valley Municipal Water District
Schedules of Pension Plan Contributions
As of June 30, 2024
Last Ten Years

	Fiscal Years Ended									
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially determined contribution	$ 279,646	307,821	301,888	233,098	195,840	195,840	175,177	122,358	131,256	132,987
contribution's in relation to the actuarially determined contribution	(279,646)	(307,821)	(301,888)	(233,098)	(195,840)	(195,840)	(175,177)	(122,358)	(131,256)	(132,987)
Contribution deficiency (excess)	$ -	-	-	-	-	-	-	-	-	-
Covered payroll	$ 1,245,434	1,024,751	1,064,443	1,010,926	919,383	881,317	804,724	795,176	844,340	754,456
Contribution's as a percentage of covered payroll	22.45%	30.04%	28.36%	23.06%	21.30%	22.22%	21.77%	15.39%	15.55%	17.63%
Notes To Schedule:										
Valuation date	June 30, 2021	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	15 Year Smoothed Market Method
Inflation	2.30%	2.30%	2.50%	2.50%	2.63%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment rate of return	6.90% (3)	6.90% (3)	7.15% (3)	7.00% (3)	7.25% (3)	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement age	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed.
(2) Depending on age, service, and type of employment.
(3) Net of pension plan investment expenser, including inflation.
(4) 50 for all plans with exception of 52 for Miscellaneous 2% @ 62.
(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

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Supplemental Information

San Gabriel Valley Municipal Water District
Schedule of Operating Expenses
For the Fiscal Year Ended June 30, 2023

		2024	2023
Source of supply:			
Salaries and wages	$	292,154	306,091
Maintenance – plant and pipeline		119,902	57,853
Water sold		5,231,131	232,200
State water supply contract costs		8,686,151	8,107,686
Hydroelectric plant maintenance		24,196	9,734
Total source of supply	$	14,353,534	8,713,564
General and administrative:			
Salaries and wages		1,044,843	906,558
Employee benefits:			
Public employees retirement benefits		658,692	839,983
Payroll taxes		94,116	78,944
Workers' compensation insurance		17,026	17,411
Group health, dental and life insurance		531,503	523,750
Other post-employment benefits		(12,379)	(355,576)
Uniforms		2,845	2,493
Insurance		51,930	46,339
Office supplies and expense		28,828	28,161
Membership dues, conferences, and travel		137,668	119,240
Public relations and water conservation program		203,166	333,042
Consulting and engineering fees		571,992	458,843
Government relations		97,705	96,116
Directors fees		54,400	28,400
Legal fees		74,259	72,426
Accounting fees		36,539	29,228
Telephone and communications		47,694	51,378
Utilities		20,972	20,657
Vehicle maintenance		38,660	29,605
Maintenance – buildings and grounds		77,058	67,342
Property tax		799	616
Total general and administrative	$	3,778,316	3,394,956

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Report on Internal Controls and Compliance

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
San Gabriel Valley Municipal Water District
Azusa, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the San Gabriel Valley Municipal Water District (District), as of and for the year June 30, 2024, and the related notes to the financial statements, which collectively comprises the District's basic financial statements, and have issued our report thereon dated February 10, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected, and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the district's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

C.J. Brown & Company, CPAs
Cypress, California
February 10, 2025

San Gabriel Valley Municipal Water District

Management Report

June 30, 2024

San Gabriel Valley Municipal Water District

Management Report

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Board of Directors
San Gabriel Valley Municipal Water District
Azusa, California

Dear Members of the Board:

In planning and performing our audit of the financial statements of San Gabriel Valley Municipal Water District (District) as of and for the years ended June 30, 2024 and 2023, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible*. The chance of the future event or events occurring is more than remote but less than likely.
- *Probable*. The future event or events are likely to occur.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Current Year Comment and Recommendation

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the District are properly adjusted before the audit begins. However, in many cases audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

Current Year Comment and Recommendation, continued

Management's Response

We have reviewed and approved all of the audit adjustment and reclassification entries and have entered them into the general ledger of the District as of year end.

Prior Year Comment and Recommendation

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the District are properly adjusted before the audit begins. However, in many cases audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

Management's Response

We have reviewed and approved all of the audit adjustment and reclassification entries and have entered them into the general ledger of the District as of year end.

* * * * * * * * * *

This report is intended solely for the information and use of management and the Board of Directors of the District. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

C.J. Brown & Company, CPAs
Cypress, California
February 10, 2025

APPENDIX

San Gabriel Valley Municipal Water District

Audit/Finance Committee Letter

June 30, 2024

Board of Directors
San Gabriel Valley Municipal Water District
Azusa, California

We have audited the financial statements of the business-type activities, of the San Gabriel Valley Municipal Water District (District) for the years ended June 30, 2024 and 2023. and have issued our report thereon dated February 10, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 4, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

If any, we have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated February 10, 2025.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

An auditor that is not involved in the engagement performed an independent review of the financial statements that was prepared by us based on the information provided by management. This safeguard reduces the threat of self-review risk to an acceptable level.

Required Risk Assessment Procedures per Auditing Standards:

As auditors of the District, we are required per AU-C Section 240, "Consideration of Fraud in a Financial Statement Audit", to "ordinarily" presume and consider the following risks in designing our audit procedures:

- Management override of controls
- Revenue recognition

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. As of and for the year ended June 30, 2024, the District implemented the provisions of *GASB Statement No. 99 – Omnibus 2022 and GASB Statement No. 100 – Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62.* There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The most sensitive accounting estimates affecting the financial statements are as follows:

Management's estimate of capital assets depreciation and amortization is based on historical estimates of each capitalized / amortized item's useful life expectancy or cost recovery period. We evaluated the key factors and assumptions used to develop the capital asset depreciation and amortization calculations in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the other post-employment benefits (OPEB) plan: deferred outflows of resources, total OPEB liability, and deferred inflows of resources are based on the alternative measurement method to determine the liability balance. This alternative measurement method was determined and prepared by the District's third-party actuary. We evaluated the basis, methods and assumptions used by the actuary to calculate the annual required contribution for the District to determine that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the defined benefit pension plan's deferred outflows of resources, net pension liability, and deferred inflows of resources are based on an actuarial evaluation of these amounts which was conducted by a third-party actuary. We evaluated the basis, actuarial methods and assumptions used by the actuary to calculate these amounts for the District to determine that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to:

Qualitative Aspects of the Entity's Significant Accounting Practices, continued

Significant Accounting Estimates, continued

The disclosure of capital assets, net in Note 4 to the basic financial statements is based on historical information which could differ from actual useful lives of each capitalized item.

The disclosure of the District's other post-employment benefits plan, in Note 6 to the basic financial statements is based on information which could differ from those in future periods.

The disclosure of the District's defined benefit pension plan, in Note 7 to the basic financial statements is based on actuarial assumptions which could differ from actual costs.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were identified as a result of our audit procedures that were brought to the attention of management:

Identified or Suspected Fraud

We have not identified or have not obtained information that indicates that fraud may have occurred.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached schedule on pages 5 and 6 discloses all material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For the purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There were no circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated February 10, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Other Matters

We applied certain limited procedures to the Management Discussion and Analysis, Schedules of Changes in the District's Total OPEB Liability and Related Ratios, Schedules of District's Proportionate Share of the Net Pension Liability, and Schedules of Pension Plan Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

Conclusion

We appreciate the cooperation extended to us by Darin Kasamoto, General Manager, Linda Esquivel, Executive Assistant, Gigi Jarmin, Accounting Specialist, and Linda Glau, CPA in the performance of our audit testwork. We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the District.

C.J. Brown & Company, CPAs
Cypress, California
February 10, 2025

San Gabriel Valley Municipal Water District
Schedule of Audit Adjusting Journal Entries
June 30, 2024

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 1			
AJE - To correct beginning net position per trial balance provided versus net position per issued 2023 financial statements.			
2970-000	Retained Earnings	4,649.00	
4056-000	Miscellaneous		4,649.00
Total		**4,649.00**	**4,649.00**
Adjusting Journal Entries JE # 2			
AJE - To correct SWP accumulated depreciation per G/L to match detailed schedule.			
1701-100	Accum Ammort - State Water Proj	10.00	
4112-000	Depreciation Expense	5.00	
4511-000	State Project Amortization		5.00
6690-000	Reconciliation Discrepancies		10.00
Total		**15.00**	**15.00**
Adjusting Journal Entries JE # 3			
CPE - To correct expense for AUP report coded to the wrong expense account. Check 43985.			
4051-000	Travel and Conferences -Dir	35.00	
4050-000	Dues and Associations		35.00
Total		**35.00**	**35.00**
Adjusting Journal Entries JE # 4			
GASB 68 Entry - To adjust pension related amounts per CalPERS Employer Tool calculation at June 30, 2024.			
2219-099	Net Pension Liability	289,230.00	
4039-099	GASB 68 Contra Income Expense - Adjustment Account	35,149.00	
1699-099	Deferred Inflow of Resources		66,541.00
1999-099	Deferred Outflows of Res		257,838.00
Total		**324,379.00**	**324,379.00**
Adjusting Journal Entries JE # 5			
CPE - To accrue June invoice received in August 2024.			
4065-000	Water Conservation/Rebates Prog	13,101.00	
2001-000	Accounts Payable		13,101.00
Total		**13,101.00**	**13,101.00**
Adjusting Journal Entries JE # 6			
AJE - To record property tax receivable allocation at June 30, 2024.			
1605-000	Taxes Receivable	437,635.03	
3002-000	Property Tax Revenue		189,011.00
3306-000	Tax Revenue - State Water Proje		248,624.03
Total		**437,635.03**	**437,635.03**
Adjusting Journal Entries JE # 7			
CPE - To reclassify amounts posted to 4033 (Public Relations) to account 4035 (Consulting & Engineering expenses) at June 30, 2024.			
4035-000	Consulting & Engineering Expens	1,820.00	
4035-000	Consulting & Engineering Expens	6,840.00	
4033-000	Public Relations		1,820.00
4033-000	Public Relations		6,840.00
Total		**8,660.00**	**8,660.00**

San Gabriel Valley Municipal Water District
Schedule of Audit Adjusting Journal Entries
June 30, 2024

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 8			
AJE - To adjust beginning balance of OPEB liability to prior year balance prior to actuarial adjustment.			
2209-000	Other Post-Employment Benefits	280,000.00	
4067-000	OPEB -Other Post Employment Ben		280,000.00
Total		**280,000.00**	**280,000.00**
Adjusting Journal Entries JE # 9			
GASB 75 Entry #1 - To adjust OPEB per Actuary Valuation report at June 30, 2024.			
1698-099	Deferred Inflows- OPEB	710,938.00	
1998-099	Deferred Outflows -OPEB	179,366.00	
2209-000	Other Post-Employment Benefits	156,710.00	
1698-099	Deferred Inflows- OPEB		53,716.00
1998-099	Deferred Outflows -OPEB		156,710.00
2209-000	Other Post-Employment Benefits		424,209.00
4067-099	GASB 75 Contra Income Expense - Adjustment Account		179,366.00
4067-099	GASB 75 Contra Income Expense - Adjustment Account		233,013.00
Total		**1,047,014.00**	**1,047,014.00**
	Total Adjusting Journal Entries	**2,115,488.03**	**2,115,488.03**
	Total All Journal Entries	**2,115,488.03**	**2,115,488.03**

Legend:

AJE	Audit Adjusting Journal Entry
CPE	Client Prepared Audit Adjusting Journal Entry
GASB 68 Entry	Audit Pension Adjusting Journal Entry
GASB 75 Entry	Audit OPEB Adjusting Journal Entry

SAN GABRIEL VALLEY
MUNICIPAL
WATER DISTRICT
AZUSA | SIERRA MADRE | MONTEREY PARK | ALHAMBRA

San Gabriel Valley Municipal Water District

Agreed-Upon Procedures Related to Review of Travel and Conference Expenses

For the Fiscal Year Ended June 30, 2024

Independent Accountant's Report
On Applying Agreed-Upon Procedures

Board of Directors
San Gabriel Valley Municipal Water District
Azusa, California

We have performed the procedures enumerated below, which were agreed to by the Board of Directors and Management, solely to assist you with assessing that the payment of Travel and Conference Expenses are in compliance with the San Gabriel Valley Municipal Water District's policies. The report has been prepared on the accrual basis of accounting. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested for any other purpose.

Our procedures and findings are as follows:

1) We analyzed General Ledger Accounts No. 4051-000, Travel and Conference Expenses – Dir. and No. 4055-000, Travel and Conference Expenses – Staff, and prepared a detailed list of individual charges to these accounts – see the following schedule.
2) We vouched all charges to supporting documentation such as invoices, credit card statements, expense reports, etc.
3) We verified that the Board of Directors approved all District checks.
4) We verified authorization or approval and compliance with San Gabriel Valley Municipal Water District's policies.

We were not engaged to, and did not, conduct an audit, the objective of which would be an expression of an opinion, on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of specified users listed above and is not intended to be and should not be used by anyone other than those specified parties.

C.J. Brown & Company, CPAs
Cypress, California
February 10, 2025

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT

Agreed-Upon Procedure of Travel and Conference Expenses – Accrual Basis

General Ledger Account No. 4051-000

For the Fiscal Year Ended June 30, 2024

Selection Number	Check Number	Check Date	Payee Vendor / Employee	Description	Authorized or Approved by	Compliant with Policies Yes/No	Check Amount	Procedures 1	2	3	4
1	43985	10/9/2023	Michael F Eng (Expense)	MEng Monterey Park COC Mid-Autumn Festival Mixer Event $35.00	Darin Kasamoto	Yes	$ 35.00	X	X	X	X
2	43856	8/14/2023	Mark Paulson (Expense)	Travel, Hotel expense reimbursement 7/10,7/19,7/24,7/25,726-30 - MPaulson	Darin Kasamoto	Yes	2,127.72	X	X	X	X
3	43858	8/14/2023	Michael F Eng (Expense)	Travel expense reimbursement 7/5,7/10,7/21,7/23 -MEng	Darin Kasamoto	Yes	32.11	X	X	X	X
4	43923	9/11/2023	Mark Paulson (Expense)	Travel expense reimbursement 08/08,08/14,08/16,08/23,08/28,08/30 - MPaulson	Darin Kasamoto	Yes	34.06	X	X	X	X
5	43924	9/11/2023	Michael F Eng (Expense)	Travel expense reimbursement 08/14,08/17,08/23,08/28,08/30 -MEng	Darin Kasamoto	Yes	79.92	X	X	X	X
6	43925	9/11/2023	Miles L Prince (Expense)	Travel,Hotel,Registration,Parking expense reimbursement 08/01-04, 08/06,08/13-14,08/22,08/28 -MP...	Darin Kasamoto	Yes	2,557.10	X	X	X	X
7	43967	10/9/2023	BOA-Visa	M. Prince CLE Webinars	Darin Kasamoto	Yes	225.00	X	X	X	X
8	40993	10/9/2023	Mark Paulson (Expense)	September Mileage	Darin Kasamoto	Yes	22.27	X	X	X	X
9	40994	10/9/2023	Michael F Eng (Expense)	September Mileage	Darin Kasamoto	Yes	53.73	X	X	X	X
10	44061	11/13/2023	Mark Paulson (Expense)	Travel expense reimbursement 10/9/23 MPaulson	Darin Kasamoto	Yes	22.27	X	X	X	X
11	44062	11/13/2023	Michael F Eng (Expense)	Travel mileage expense reimbursement 10/7,9,12,13,19,24,25,26,29 - MEng	Darin Kasamoto	Yes	57.64	X	X	X	X
12	44086	11/27/2023	Independent Cities	Winter Seminar 2024 - MPaulson	Darin Kasamoto	Yes	675.00	X	X	X	X
13	44086	11/27/2023	Independent Cities	Winter Seminar 2024 - MPrince	Darin Kasamoto	Yes	675.00	X	X	X	X
14	44106	12/11/2023	BOA-Visa	MEng SGVGala registration $275, MPrince/ MEng League of Cal 2 x100	Darin Kasamoto	Yes	475.00	X	X	X	X
15	44130	12/11/2023	Miles L Prince (Expense)	Travel, Hotel, Meals, Parking expense reimbursement 11/13, 11/26, 11/27, 11/28 -MPrince	Darin Kasamoto	Yes	1,224.54	X	X	X	X
16	44128	12/11/2023	Mark Paulson (Expense)	Travel expense reimbursement 11/2, 11/7, 11/13, 11/15, 11/30 -MPaulson	Darin Kasamoto	Yes	22.27	X	X	X	X
17	4129	12/11/2023	Michael F Eng (Expense)	Travel expense reimbursement 11/4, 11/8, 11/11, 11/13, 11/28 -MEng	Darin Kasamoto	Yes	37.35	X	X	X	X
18	44186	1/8/2024	Mark Paulson (Expense)	Travel expense reimbursement 12/11, 12/12, 12/20 -MPaulson	Darin Kasamoto	Yes	22.27	X	X	X	X
19	44187	1/8/2024	Michael F Eng (Expense)	Travel expense reimbursement 12/1, 12/5, 12/6, 12/7, 12/11, 12/13, 12/14, 12/15, 12/16 - MEng	Darin Kasamoto	Yes	94.98	X	X	X	X
20	44239	2/12/2024	BOA-Visa	BKnoles AGWT Groundwater conference	Darin Kasamoto	Yes	475.00	X	X	X	X
21	44264	2/12/2024	Michael F Eng (Expense)	Travel expense reimbursement 1/8 - 1/28, MEng	Darin Kasamoto	Yes	70.35	X	X	X	X
22	44262	2/12/2024	Mark Paulson (Expense)	travel expense reimbursement 1/8, 1/22 -MPaulson	Darin Kasamoto	Yes	45.56	X	X	X	X
23	44297	3/11/2024	BOA-Visa	MEng SGV Econ Partners Event $100.00, Future of Water Event $90.00, SGV Congressional Forum $50.0...	Darin Kasamoto	Yes	270.00	X	X	X	X
24	44293	2/29/2024	Three Valleys Municipal Water District	Attendance at Feb 29, 2024 Leadership Breakfast - BKnoles	Darin Kasamoto	Yes	30.00	X	X	X	X
25	44319	3/11/2024	Michael F Eng (Expense)	Travel, Parking expense reimbursements Feb 12,15,18,20,20 -MEng	Darin Kasamoto	Yes	103.96	X	X	X	X

Comment Legend:

X Procedure performed without exception.

Continued on next page.

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT

Agreed-Upon Procedures of Travel and Conference Expenses – Accrual Basis

General Ledger Account No. 4051-000

For the Fiscal Year Ended June 30, 2024

Selection Number	Check Number	Check Date	Payee Vendor / Employee	Description	Authorized or Approved by	Compliant with Policies Yes/No	Check Amount	Procedures 1	2	3	4
26	44318	3/11/2024	Mark Paulson (Expense)	Travel, Hotel expense reimbursements Feb 1,2,3,12,13,21,23 -MPaulson	Darin Kasamoto	Yes	861.08	X	X	X	X
27	44325	3/11/2024	Steven T. Placido DDS (Expense)	Travel, Hotel,Registration,Misc expense reimbursements Feb2,12 - SPlacido	Darin Kasamoto	Yes	1,900.11	X	X	X	X
28	44320	3/11/2024	Miles L Prince (Expense)	Travel, Hotel,Meals,Parking expense reimbursements Feb 2,3,4,12,13,18,20 -MPrince	Darin Kasamoto	Yes	928.00	X	X	X	X
29	44358	4/8/2024	BOA-Visa	BKnoles NALEO Ed Fund Conf $900, Hotel $230.16, Legislative airfare $309.96	Darin Kasamoto	Yes	1,440.12	X	X	X	X
30	44387	4/8/2024	Michael F Eng (Expense)	Travel expense reimbursements 3/11,3/14, 3/26, 3/27 -MEng	Darin Kasamoto	Yes	89.78	X	X	X	X
31	44385	4/8/2024	Mark Paulson (Expense)	Travel expense reimbursement 3/11, 3/20 -MPaulson	Darin Kasamoto	Yes	22.78	X	X	X	X
32	44423	5/13/2024	BOA-Visa	Placido Legislative trip Sac4/Airfare $593.95, Knoles EB 2024 Luncheon $50.00	Darin Kasamoto	Yes	643.95	X	X	X	X
33	44449	5/13/2024	Mark Paulson (Expense)	Travel expense reimbursement 4/8-9, 4/11,4/17,4/22-23,4/25 -Paulson	Darin Kasamoto	Yes	45.56	X	X	X	X
34	44424	5/13/2024	Bruce H Knoles (Expense)	Travel,Parking expense reimbursement 4/1,4/3,4/8,4/11,4/15,4/18,4/22 - BKnoles	Darin Kasamoto	Yes	78.94	X	X	X	X
35	44452	5/13/2024	Miles L Prince (Expense)	Registration expense reimbursement 4/13,4/25-MPrince	Darin Kasamoto	Yes	155.00	X	X	X	X
36	44457	5/13/2024	Michael F Eng (Expense)	Travel expense reimbursement 4/8,4/11,4/19,4/25,4/27-28 -MEng	Darin Kasamoto	Yes	40.87	X	X	X	X
37	44476	5/27/2024	Independent Cities	Summer Seminar 2024 - Mark Paulson for July 11th	Darin Kasamoto	Yes	900.00	X	X	X	X
38	44538	6/10/2024	SGV Economic Partnership (Corp)	Legislative reception - MEng	Darin Kasamoto	Yes	75.00	X	X	X	X
39	44527	6/10/2024	Michael F Eng (Expense)	Travel expense reimbursement 5/4, 5/12-13, 5/18,5/20,5/23,5/27,5/30-31 - MEng	Darin Kasamoto	Yes	42.21	X	X	X	X
40	44524	6/10/2024	Mark Paulson (Expense)	Travel expense reimbursement 5/13-14,5/22,5/30 -MPaulson	Darin Kasamoto	Yes	22.78	X	X	X	X
41	44565	7/8/2024	BOA-Visa	BKnoles NALEO Airfare	Darin Kasamoto	Yes	310.96	X	X	X	X
42	44565	7/8/2024	BOA-Visa	BKnoles cancel room reservation NV	Darin Kasamoto	Yes	(230.16)	X	X	X	X
43	44586	7/8/2024	Mark Paulson (Expense)	Travel miles expense reimbursement 6/6, 6/10, 6/11 - MPaulson	Darin Kasamoto	Yes	53.60	X	X	X	X
44	44587	7/8/2024	Michael F Eng (Expense)	Travel miles expense reimbursement 6/1, 6/8, 6/10, 6/24, 6/28 -MEng	Darin Kasamoto	Yes	45.56	X	X	X	X

Comment Legend:

X Procedure performed without exception.

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT

Agreed-Upon Procedure of Travel and Conference Expenses – Accrual Basis

General Ledger Account No. 4055-000

For the Fiscal Year Ended June 30, 2024

Selection Number	Check Number	Check Date	Payee Vendor / Employee	Description	Authorized or Approved by	Compliant with Policies Yes/No	Check Amount	Procedures 1	2	3	4
1	43823	8/14/2023	Albert Lu	Travel expense reimbursement Jun 27, Jul 5,7,13,22 -ALu	Darin Kasamoto	Yes	$ 71.00	X	X	X	X
2	43855	8/14/2023	Maria Jarmin	Mileage expense reimbursement 7/3-31/2023 -GJarmin	Darin Kasamoto	Yes	60.65	X	X	X	X
3	43845	8/14/2023	Evelyn Reyes	Travel, Hotel, Meals Registration & Parking expense reimbursement 7/13,7/24,7/26,8/1-4 -EReyes	Darin Kasamoto	Yes	967.92	X	X	X	X
4	43829	8/14/2023	BOA-Visa	6/27 Webinar $45.00,SAC 7/19-20 Airfare $502.76,SAC 7/19-20 expenses $11,27.44,-4.80 airfare credit	Darin Kasamoto	Yes	581.40	X	X	X	X
5	43893	8/28/2023	Terence White	Travel & meals expense reimbursement 8/7-10 Tri-State - TWhite	Darin Kasamoto	Yes	371.70	X	X	X	X
6	43904	9/11/2023	BOA-Visa	SWC-SAC 7/19-20 $75,56.32,228.09,267.93, AWWA Wtrsmart conference $520.00, Wtrsmart Oct2-6 Hotel...	Darin Kasamoto	Yes	1,249.04	X	X	X	X
7	43922	9/11/2023	Maria Jarmin	Mileage expense reimbursement 8/1/23-8/31/23	Darin Kasamoto	Yes	91.44	X	X	X	X
8	43917	9/11/2023	Evelyn Reyes	August Mileage 2023	Darin Kasamoto	Yes	46.44	X	X	X	X
9	43980	10/9/2023	Evelyn Reyes	September Mileage	Darin Kasamoto	Yes	42.90	X	X	X	X
10	43987	10/9/2023	L Esquivel	September & Oct. 3 Mileage	Darin Kasamoto	Yes	13.79	X	X	X	X
11	44038	11/13/2023	BOA-Visa	ALu expenses- So Pt Hotel conference $377.10, ACWA Webinar 10/24/23 $50.00	Darin Kasamoto	Yes	427.10	X	X	X	X
12	44060	11/13/2023	Maria Jarmin	Mileage reimbursement expense Sept 17-28, Oct 2-31 -GJarmin	Darin Kasamoto	Yes	139.25	X	X	X	X
13	44051	11/13/2023	Evelyn Reyes	Travel expense reimbursement 10/12,18,19,24,25,26 -EReyes	Darin Kasamoto	Yes	95.64	X	X	X	X
14	44033	11/13/2023	Albert Lu	Travel, meal expense reimbursement 10/2,6,10,17,24,26, 11/01,2,3,4 - ALu	Darin Kasamoto	Yes	579.90	X	X	X	X
15	44106	12/11/2023	BOA-Visa	EReyes/ALu SCWUA luncheon $70., EReyes SGV water asso annual mtg $30	Darin Kasamoto	Yes	100.00	X	X	X	X
16	44127	12/11/2023	Maria Jarmin	Mileage expense reimbursement 11/01/23 -11/30/23 , GJarmin	Darin Kasamoto	Yes	55.94	X	X	X	X
17	44119	12/11/2023	Evelyn Reyes	Travel expense reimbursement 11/8, 11/16, 11/21, 11/30 -EReyes	Darin Kasamoto	Yes	122.81	X	X	X	X
18	44102	12/11/2023	Albert Lu	Travel expense reimbursement 11/16, 11/21, 12/4, 12/5 -ALu	Darin Kasamoto	Yes	84.23	X	X	X	X
19	44157	1/8/2024	BOA-Visa	staff Christmas luncheon $245.00, SWC-SAC(DK) airfare $447.80	Darin Kasamoto	Yes	692.80	X	X	X	X
20	44185	1/8/2024	Maria Jarmin	Mileage expense reimbursement 12/4/23 - 12/28/23 -GJarmin	Darin Kasamoto	Yes	58.69	X	X	X	X
21	44173	1/8/2024	Evelyn Reyes	Travel miles expense 12/7 -EReyes	Darin Kasamoto	Yes	22.59	X	X	X	X
22	N/A	12/13/2023	Petty Cash	Breakfast meeting-ALu & EReyes	Darin Kasamoto	Yes	62.47	X	X	X	X
23	44239	2/12/2024	BOA-Visa	SK SAC Travel expense $498.71, SKiggins Groundwater conference $505.00, Staff AWWA webinar subscription...	Darin Kasamoto	Yes	1,198.71	X	X	X	X
24	44258	2/12/2024	L Esquivel	Mileage expense reimbursement 1/23, 1/24, 1/25, 1/29 -LEsquivel	Darin Kasamoto	Yes	18.89	X	X	X	X
25	44261	2/12/2024	Maria Jarmin	Mileage expense reimbursement 1/3 - 1/31-GJarmin	Darin Kasamoto	Yes	41.27	X	X	X	X
26	44297	3/11/2024	BOA-Visa	DK SWC-SAC2/15 Airfare$499.95,Gas $8.20,Renta $65.47,Meals $34.70,Parking $30.00	Darin Kasamoto	Yes	638.32	X	X	X	X
27	44317	3/11/2024	Maria Jarmin	Mileage expense reimbursement 02/01/24 - 02/29/24-GJarmin	Darin Kasamoto	Yes	62.04	X	X	X	X
28	44311	3/11/2024	Evelyn Reyes	Travel miles expense reimbursement Jan 18,25,31, Feb 7,14,18,22,23,28,29 -EReyes	Darin Kasamoto	Yes	213.62	X	X	X	X

Comment Legend:

X Procedure performed without exception.

Continued on next page.

SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT

Agreed-Upon Procedures of Travel and Conference Expenses – Accrual Basis

General Ledger Account No. 4055-000

For the Fiscal Year Ended June 30, 2024

Selection Number	Check Number	Check Date	Payee Vendor / Employee	Description	Authorized or Approved by	Compliant with Policies Yes/No	Check Amount	Procedures 1	2	3	4
29	44358	4/8/2024	BOA-Visa	SKiggins wtr tour $999,Airfare EB Bay Delta tour $222.96, ALu wtr tour $999, Airfare EB Delta t...	Darin Kasamoto	Yes	4,349.82	X	X	X	X
30	44384	4/8/2024	Maria Jarmin	Mileage expense reimbursement 3/04/24 - 3/28/24 GJarmin	Darin Kasamoto	Yes	64.86	X	X	X	X
31	44375	4/8/2024	Evelyn Reyes	Travel expense, Registration, Parking expense reimbursement 3/20,3/21, 3/25,3/27,3/28, 4/3 -EReyes	Darin Kasamoto	Yes	162.16	X	X	X	X
32	44423	5/13/2024	BOA-Visa	DK SWC travel, hotel expenses $1087.53, SWC Airfare $575.96, Staff SWC-SAC expenses $476.28	Darin Kasamoto	Yes	2,378.19	X	X	X	X
33	44441	5/13/2024	Evelyn Reyes	Travel, Meals expense reimbursement Apr 10,19-20,22-25 -EReyes	Darin Kasamoto	Yes	99.35	X	X	X	X
34	44448	5/13/2024	Maria Jarmin	Mileage expense reimbursement 04/01/24-04/30/24 -GJarmin	Darin Kasamoto	Yes	71.69	X	X	X	X
35	N/A	4/18/2024	Petty Cash	SCWA Registration for KWise	Darin Kasamoto	Yes	35.00	X	X	X	X
36	44500	6/10/2024	BOA-Visa	DK SWC airfare$468.96, parking/meals $60.00, ER SAC airfare $378.46, Alliance conference $400.00...	Darin Kasamoto	Yes	2,942.08	X	X	X	X
37	44474	5/27/2024	Evelyn Reyes	Travel, Meals, Parking expense reimbursement 5/1-2, 5/16, 5/20, 5/21-22, 5/23 -EReyes	Darin Kasamoto	Yes	407.44	X	X	X	X
38	44491	6/10/2024	Albert Lu	Travel and Registration expense reimbursement 5/14,17,18,20,21,22,23,25,28,30 - ALu	Darin Kasamoto	Yes	239.83	X	X	X	X
39	44523	6/10/2024	Maria Jarmin	Mileage expense reimbursement 5/01-30/2024 -GJarmin	Darin Kasamoto	Yes	66.87	X	X	X	X
40	44565	7/8/2024	BOA-Visa	MJ CalPERS conference $549, Hotel $261.70, DK SWC-SAC fuel $92.30, meals $54.35	Darin Kasamoto	Yes	957.35	X	X	X	X
41	44585	7/8/2024	Maria Jarmin	Travel miles expense reimbursement 6/3 -6/27 -GJarmin	Darin Kasamoto	Yes	87.89	X	X	X	X
42	44578	7/8/2024	Evelyn Reyes	Travel miles expense reimbursement 6/6, 6/8, 6/24, 6/26, 6/27 -EReyes	Darin Kasamoto	Yes	74.30	X	X	X	X

Comment Legend:

X Procedure performed without exception.

AGENDA ACTION ITEM NO. 3

STANDBY GENERATOR AND TRANSFER SWITCH PRE-PURCHASE

RECOMMENDED ACTION: Approve the pre-purchase of (5) C10D6, 10kW diesel standby gensets and (5) OTECB, OTEC 150A transfer switches from Cummins Commercial Power Generation (Quotation: Q-352352-2024 1210-1501) and (1) Caterpillar, Model C2.2, 25kW diesel standby generator set and (1) Caterpillar, Model CS, 160A automatic transfer switch from Quinn Power Systems (Quotation: NO. 240524 REV1).

BACKGROUND: Five existing standby generators are at end-of-life and require replacement, and Riverside Meter Structure currently does not have standby power. The bids received August 14, 2024, for the generator replacement and electrical upgrades at six sites were approximately twice the engineer's estimate. Due to the increased cost and the multi-month lead time, staff recommends pre-purchasing the standby generation equipment for the six sites.

BUDGET IMPACT: $606,000.00 for standby generator replacement was included in the Major Capital Expenditures for the 2024/2025 budget adopted June 10, 2024.

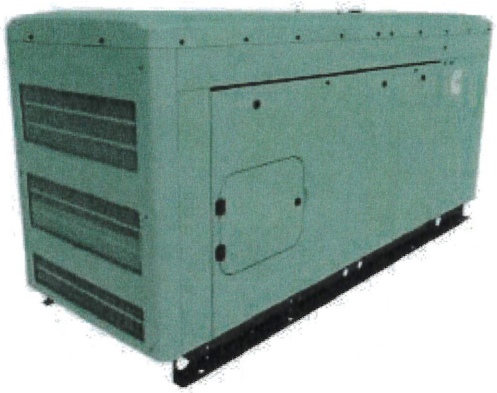
PRIOR BOARD ACTION: The Board rejected all Generator Replacement Project proposals on September 9, 2024.

Project: SGVMWD Generator Replacement

December 10, 2024

Prepared by
Ryan M Cavitt
Inside Sales Representative Commercial Power Generation
fm316@cummins.com

We are pleased to provide you this quotation based on your inquiry.

GENERATOR			
	Description	**Qty**	**Sell Price**
		5	$145,498.33

C10D6, 10kW, 60Hz, Standby, Diesel Genset

U.S. EPA, Stationary Emergency Application
Duty Rating - Standby Power (ESP)
Emission Certification, EPA, Tier 4i, NSPS CI Stationary Emer.
Listing - UL 2200
NFPA 110 Type 10 Level 1 Capable
Cert - Seismic, IBC2000, IBC2003, IBC2006, IBC2009, IBC2011
Exciter/Reg - Torque Match
Voltage - 240, 1 Phase, Wye
Alternator - 60Hz, 12L, 240V, 120C, 40C Ambient
Aluminum Sound Attenuated Level 2 Enclosure, with Exhaust System
Enclosure Color - Green, Aluminum
Enclosure - Wind Load 180 MPH, ASCE7-10
Battery Rack
Skidbase - Housing Ready
Fuel Tank - Regional, Dual Wall, Sub Base, 24 Hour Minimum
High Fuel Level Alarm Panel
High Fuel Level Switch, 90%
Low Fuel Level Switch, 40%
Mechanical Fuel Gauge
5 Gallon Lockable Spill Containment Fuel Fill Box
Fuel Tank Vent Extension Kit, 12ft External Vents, 1 Normal, 2 Emergency
Valve - Fuel Tank, Over Fill Protection Valve, 95%

	Riser - Fuel Tank, 2 inch		
	Switch - Fuel Tank, Rupture Basin		
	Control Mounting - Right Facing		
	PowerCommand 1.1 Controller		
	Gauge - Oil Pressure		
	Meters - AC Output Analog (kVA)		
	Stop Switch - Emergency		
	Relays - Auxiliary, Qty 2, 25A - 15V DC/10A - 30V DC		
	Signals - Auxiliary, 8 Inputs/8 Outputs		
	Control Display Language - English		
	Load Connection - Single		
	Circuit Breaker, Location A, 25A, 3P, 600 Volts AC, 80%, UL		
	Engine Governor - Electronic, Isochronous		
	Engine Starter - 12 Volt DC Motor		
	Engine Air Cleaner - Heavy Duty		
	Battery Charging Alternator		
	Battery Charger - 6 Amp, Regulated		
	Engine Cooling - Radiator, High Ambient Air Temperature, Ship Fitted		
	Shutdown - Low Coolant Level		
	Extension - Coolant Drain		
	Engine Coolant - 50% Antifreeze, 50% Water Mixture		
	Extension - Oil Drain		
	Genset Warranty - 2 Years Base		
	Green Sound Level 2 Intake Baffle - Ship Loose		
	Ship Loose - Vent Kit A		
	Ship Loose - Tank Riser A		
	Enclosure Kit-Onan Green, Sound Level 2	5	
	Fuel Tank Riser 2"	5	
	Fuel Tank, Extension Kit-1 Normal, 2 Emergency, 12ft	5	
	Genset Delivery	5	$5,128.21
	Remote E-stop W/Cover	5	$3,205.13
	Group 26 Battery	5	$688.91
	Annunciator-Panel Mounted With Enclosure (RS485)	5	$2,462.50

ATS

	Description	Qty	Sell Price

	 **OTECB, OTEC Transfer Switch-Electronic Control: 150A** Load Shed from Standby Source Integral Control Power Supply Listing - UL 1008/CSA Certification IBC Seismic Certification Application - Utility to Genset Cabinet - Type 1 Load Phase Power Monitoring Poles - 3 (Solid Neutral) Frequency - 60 Hz System - 1 Phase, 3 Wire Voltage - 240 Volts AC Genset Starting Battery - 12V DC PC40 Control Auxiliary Relay - 12 Volts DC Coil - Installed Only Aux Relay - Emergency Position - 12 Volts DC Aux Relay - Normal Position - 12 Volts DC Interface - Communications Network, MODBUS RTU Module Control Panel, Security Key Cover Terminal Block - 30 Points Auxiliary Contact Module-8 Transfer Switch Warranty - 2 Year Comprehensive Genset Delivery	5 5	$22,632.63 $2,564.10

TOTAL: $182,179.81

Quote value does not include any tax.

EXCEPTIONS AND CLARIFICATIONS:
This quote was based on verbal requests and this package may or may not fit the owner's application. However, if unforeseen design changes **are required, please notify us right away.**

-

Offloading, installation, permits, fuel, and fuel for testing, start-up service is to be provided by others.

-

- Installation and Housekeeping Pad are by others.
- Grounding and Connections are by others.
- NETA Testing if required is by others.
- Diesel fuel is by others.
- Exhaust piping and wrapping is by others.
- No aftertreatment is being provided.
- Infrared Scanning if required is by others.
- Fire Pump connections by others.
- Lead Acid batteries will be supplied.
- Fuel Tank has been pressure tested. If the AHJ prefers redundant pressure testing onsite, by others.
- Purchaser's responsibility to verify that the generator complies with the emission regulations of the local air quality district prior to purchasing proposed generator.
- Permitting by end customer if required.
- Warranty period begins at time of startup completion or 18 months from date of invoice, whichever occurs first.

Quote is subject to price increase(s). Quote valid for 30 days.

LEAD TIME:
Please note the following: The current lead time on the Generator is 23 weeks after approved submittals.

-

Please note the following: The current lead time on the ATS is 11 weeks after approved submittals.

Please feel free to contact me if you require any additional information; or if you have any further questions or concerns that I may be of assistance with.

Thank you for choosing Cummins.

Submitted by:

Max Montero
Territory Manager
(949) 275-6302
cq303@cummins.com

SUBMITTALS. An order for the equipment covered by this quotation will be accepted on a hold for release basis. Your order will not be released and scheduled for production until written approval to proceed is received in our office. Such submittal approval shall constitute acceptance of the terms and conditions of this quotation unless the parties otherwise agree in writing.

THERE ARE ADDITIONAL CONTRACT TERMS AND CONDITIONS ATTACHED TO THIS QUOTATION, INCLUDING LIMITATIONS OF WARRANTIES AND LIABILITIES, WHICH ARE EXPRESSLY INCORPORATED HEREIN. BY ACCEPTING THIS QUOTATION, CUSTOMER ACKNOWLEDGES THAT THE CONTRACT TERMS AND CONDITIONS HAVE BEEN READ, FULLY UNDERSTOOD AND ACCEPTED.

_____ _____
Authorized Signature Date

_____
Company Name

_____
Printed Name & Title

_____
Purchase Order No

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QUINN POWER SYSTEMS CAT
3500 Shepherd Street, City of Industry, California 90601
Box 226789, Los Angeles, California 90022-0744
(562) 463-6000 Fax: (562) 463-7156

QUOTATION

NO. 240524 REV1

Date: ***January 29, 2025*** Page: ***1 of 5***

Contact:	**Steve Walker**	Terms:	**COD or Subject to Credit Approval**
Company:	**Civil Tech Engineering**	F.O.B.	**Jobsite, unloading by others**
Address:		Sales Rep.:	**Eddie Valentin**
City, Zip:		Contact #:	**(562) 858-0645**
Phone:	Email: swalker@civiltec.com	Email:	**Eddie.Valentin@QuinnPower.com**

Project Name: **SGVMWD Generator Replacement Project**

Qty:	Description	Unit Price	Extension
1	**(San Dimas Site)** Caterpillar, Model C2.2, Tier 4I, Diesel Standby Generator Set. Rated 25kW, w/fan, 60Hz, 1Ph, 240/120V at 1800 RPM.	$34,200.00	**$34,200.00**
1	**(San Dimas Site)** Caterpillar, Model CS, Automatic Transfer Switch, Delayed Transition. Rated 160A, 2P, 240/120V, 60Hz, 1Ph, NEMA 1 Enclosure, 30KAIC WCR.	$4,400.00	**$4,400.00**
	Quote Valid for 30 days ***Includes standard features as listed in product data sheet and additional accessories as listed herein…***		
	SALES TAX NOT INCLUDED. Buyer responsible for all taxes including any applicable tire fees. The quotation provided herein is for information only, and is not a valid offer to sell unless signed by an officer of Quinn Power Systems in the space provided below. Any offer to sell or any offer accepted shall be subject to the Terms and Conditions page. Unless expressly stated on the face of this quotation, all prices, delivery schedules and product specifications are subject to change without notice. **Quotation is good for *30 days* from quote date above, expires after that duration.**	**Total Price (SALES TAX NOT INCLUDED):**	**$38,600.00**

PRODUCT DESCRIPTION

Generator & Accessories:
25KW Caterpillar Diesel Standby Generator (Model D25)
Stationary Emergency
UL2200 Listed Package Genset
NFPA 110 Approved
Sound Attenuated Enclosure 64 dBA at 23 feet
Subbase Fuel Tank – 52 Gallons (24hrs Fuel Supply @ 100% Load)
Fuel Tank w Fill Pipe & Lock Cap, Overfill prevention & 12ft Normal Vent Extension
Alternator – 105C Temp Rise Over 40C Amb
Control Panel
Remote E-Stop Button
Panel Mounted Audible Alarm
Fuel Level Alarms
Low Coolant Temp Alarm
Electronic Governor
Automatic Voltage Regulator
Single Circuit Breakers – 150A
Battery and Cables
Battery Charger
Coolant Heater
Seismic Vibration Isolators (Between Skid & Generator Set)
Standard Duty Air Cleaner
Standard Radiator
Spare Parts (Per Spec)
Staff Training (1 day/ 4hrs)
Operations & Maintenance Manuals (1 Copy)
Includes Freight to Jobsite (Offload by others)
5 Standby Warranty (standard)

3500 Shepherd Street, City of Industry, California 90601
Box 226789, Los Angeles, California 90022-0744
(562) 463-6000 Fax: (562) 463-7156

Transfer Switch (Quantity 1 San Dimas Site):
160A Caterpillar (Model CS) Delayed Transition Transfer Switch
Contactor Type
Controller
240/120V 1 Phase, 60Hz
Two Pole
NEMA1 Enclosure

Specifications
This quote is based on our understanding of your written specifications listed below:

Specification Section: 263226 Engine Generators pages 1-37, 26 36 23 Transfer Switches pages 1-3, Single Line Diagram G-1, E-1 to E-15

Clarifications
Quinn Power Systems is quoting a standard engineered product that has been modified, and complies with the functional intent of the specification. The quoted product may or may not meet all of the project specifications.

Quinn Power Systems and Caterpillar will make every effort to meet the project delivery schedule requirements. However, do to the ongoing global supply chain disruptions, Quinn Power Systems will not be liable or accept any liquidated damage clause on a purchase order.

Included in this quote is one (1), one day/ 8hrs (max) startup/ commissioning, using site loads (Level 1). Additional technician trips to the jobsite due to insufficient site readiness will result in additional cost, at a billable rate of $1600 per day. . A change order will be required prior to the scheduling of additional technician site visits.

Accessories and/or modifications

Initial fill of coolant and lube oil
(1 set) Operation & Maintenance manuals (electronic copy) * ***(additional sets, at additional cost)***
Factory standard warranty - 5 years from startup service
Fuel Tank Normal Vent Extension (12'ft above grade) *

QPS field work

Delivery to jobsite ***(offload/crane service by others)***
Level 2 Startup Service ***[incl. generator inspection & 2hr load bank test] ~***
On-site Training Session ***[single, 4 hour day]***
CSA (Preventative Maintenance) – 1 year, Annual Visit
Basic Demonstration – ***[included at no charge, if provided during the time of startup].***

Not included
Sales tax
Air, building or construct permits
Offloading/crane service of equipment off delivery truck
Installation, wiring, piping, plumbing or anchoring of equipment
Diesel fuel, initial fill or for testing

Availability:
Submittals: Estimated (10+ Weeks) on receipt and approval of purchase order, (1 electronic copy). Submittal approval is expected not to exceed 60 days, additional time beyond 60 days will impact equipment delivery schedule, and may result in equipment price increases. In such event, a revised purchase order will be required prior to factory order production release.
Equipment: Estimated (19 - 23 Weeks) for factory build time after submittal approval.
Not included: Unforeseen factory delays, transit time from factory or vendor and/or delays due to project site readiness.
*** Equipment prices and lead times are subject to change without notice.****

NOTES, EXCEPTIONS, CLARIFICATION

- Quinn Power Systems is not a general, electrical or installing contractor. Providing equipment and services as described above only.

Cat® D25

Diesel Generator Sets

Standby : 60 Hz

Image shown may not reflect actual configuration

Engine Model	Cat® C2.2 In-line 4, 4-cycle Diesel
Bore x Stroke	84 mm x 100 mm (3.3 in x 3.93 in)
Displacement	2.2 L (134 in³)
Compression Ratio	23.3:1
Aspiration	Turbocharged
Fuel Injection System	Mechanical Cassette Type

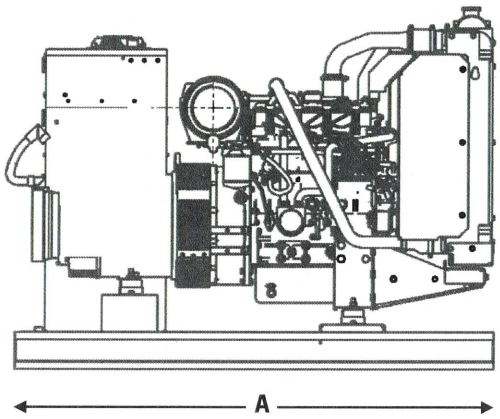
Model	Standby	Emission Strategy
D25	25	EPA TIER 4I (EPA 40 CFR Part 1039 Interim Tier 4)

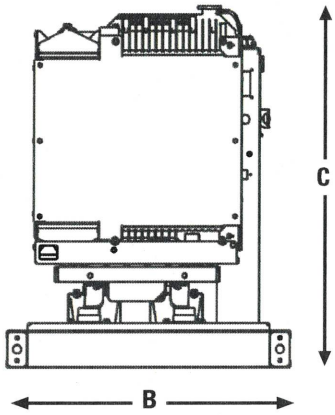
Package Performance

Performance	Standby	
	3-Phase	1-Phase
Frequency, Hz	60	
Genset Power Rating, kVA	31.3	25
Genset power rating with fan, ekW	25	25
Performance Number	P3528A	
Fuel Consumption		
100% load with fan, L/hr (gal/hr)	9.3 (2.45)	
75% load with fan, L/hr (gal/hr)	6.6 (1.74)	
50% load with fan, L/hr (gal/hr)	5.1 (1.35)	
Cooling System[1]		
Radiator air flow, m³/min (CFM)	107 (3778)	
Radiator air flow restriction (system), kPa (in. water)	0.12	
Engine coolant capacity, L (gal)	3.6 (0.95)	
Radiator coolant capacity, L (gal)	5.72 (1.51)	
Total coolant capacity, L (gal)	9.32 (2.46)	
Inlet Air		
Max. combustion air intake restriction, kPa (in. water)	6.4 (25.7)	
Combustion air inlet flow rate, m³/min (CFM)	2.49 (87.9)	
Exhaust System		
Exhaust stack gas temperature, °C (°F)	530 (986)	
Exhaust gas flow rate, m³/min (CFM)	7.5 (265)	
Exhaust system backpressure (maximum allowable), kPa (in. water)	10.2 (41.0)	
Heat Rejection		
Heat rejection to jacket water, kW (BTU/min)	33.7 (1916)	
Heat rejection from alternator, kW (BTU/min)	4.2 (238)	
Heat rejection to atmosphere from engine, kW (BTU/min)	7.2 (409)	
Heat rejection to exhaust (total), kW (BTU/min)	25.6 (1456)	

Alternator[3]						
Duty Cycle		Standby				
Phase		3-Phase				1-Phase
Voltages, V		208/120	480/277	600/346	240/120	240/120V
Current, Amps		87	38	30	75	104
Excitation		SE	SE	AREP	SE	SE
Frame: M1713L4	Temperature Rise, °C	125	125	125	125	
	Motor Starting Capability @ 30% Voltage Dip, skVA	11	50	58	14	
Frame: M1717L4	Temperature Rise, °C	105	105	105	105	
	Motor Starting Capability @ 30% Voltage Dip, skVA	11	67	76	53	
Frame: M1736L4	Temperature Rise, °C					105
	Motor Starting Capability @ 30% Voltage Dip, skVA					76
Frame: M1715L4	Temperature Rise, °C					125
	Motor Starting Capability @ 30% Voltage Dip, skVA					53

WEIGHTS & DIMENSIONS





Dim "A" mm (in)	Dim "B" mm (in)	Dim "C" mm (in)	Dry Weight kg (lb)
1503 (59)	970 (38)	1169 (46)	498 (1098)

Note: General configuration not to be used for installation. See general dimension drawings for detail.

APPLICABLE CODES AND STANDARDS:

CSA C22.2 No 100-04, UL142, UL489, UL869, cUL/UL2200, NFPA 37, NFPA 70, NFPA 99,NFPA 110, IBC, IEC60034-1, ISO 3046, ISO 8528, NEMA MG 1-33.

Note: Codes may not be available in all model configurations. Please consult your local Cat Dealer representative for availability.

STANDBY: Output available with varying load for the duration of the interruption of the normal source power. Average power output is 70% of the standby power rating. Typical operation is 200 hours per year, with maximum expected usage of 500 hours per year.

RATINGS: Ratings are based on SAE J1349 standard conditions. These ratings also apply at ISO3046 standard conditions.

DEFINITIONS AND CONDITIONS

[1] For ambient and altitude capabilities consult your Cat dealer. Air flow restriction (system) is added to existing restriction from factory.

[2] Emissions data measurement procedures are consistent with those described in EPA CFR 40 Part 89, Subpart D & E and ISO8178-1 for measuring HC, CO, PM, NOx. Data shown is based on steady state operating conditions of 77° F, 28.42 in HG and number 2 diesel fuel with 35° API and LHV of 18,390 BTU/lb. The nominal emissions data shown is subject to instrumentation, measurement, facility and engine to engine variations. Emissions data is based on 100% load and thus cannot be used to compare to EPA regulations which use values based on a weighted cycle.

[3] UL 2200 Listed packages may have oversized generators with a different temperature rise and motor starting characteristics. Generator temperature rise is based on a 40° C ambient per NEMA MG1-32.

LET'S DO THE WORK.™

www.cat.com/electricpower

LEHE20838-03 (01/25)

AGENDA ACTION ITEM NO. 4

F-350 TRUCK AND SERVICE BODY PURCHASE

RECOMMENDED ACTION: Approve the purchase of a Ford F-350 cab & chassis from Ford of Upland and service body upfit by California Truck Equipment Co. NTE $140,000.00.

BACKGROUND: The F-350 and service body quoted will replace the 2013 F-150 and is the same configuration as the service vehicle ordered in 2021, with the addition of an upgraded crane with powered controls.

BUDGET IMPACT: This purchase is included in the Major Capital Expenditures for the 2024/2025 budget adopted June 10, 2024.

PRIOR BOARD ACTION: N/A

Preview Order T033 - X3F 4x4 Super Chas Cab SRW : Order Summary Time of Preview: 01/15/2025 12:47:45 Receipt: NA

Dealership Name : Ford of Upland **Sales Code :** F71106

Dealer Rep.	Taylor Alvarez
Customer Name	X XXXXX

Type	Retail
Priority Code	03

Vehicle Line	Superduty
Model Year	2025

Order Code	T033
Price Level	520

DESCRIPTION	MSRP	INVOICE
F350 4X4 SUPERCAB CHAS CAB/168	$55450	$52678
.168 INCH WHEELBASE	$0	$0
OXFORD WHITE	$0	$0
VINYL 40/20/40 SEATS	$0	$0
MEDIUM DARK SLATE	$0	$0
PREFERRED EQUIPMENT PKG.630A	$0	$0
.XL TRIM	$0	$0
.AIR CONDITIONING -- CFC FREE	$0	$0
.AM/FM STEREO MP3/CLK	$0	$0
.7.3L DEVCT NA PFI V8 ENGINE	$0	$0
10-SPEED AUTO TORQSHIFT	$0	$0
LT275/70R18E BSW ALL TERRAIN	$265	$241
4.30 ELECTRONIC-LOCKING AXLE	$0	$0
JACK	$55	$50
CV LOT MANAGEMENT	$0	$10
FRONT LICENSE PLATE BRACKET	$0	$0
11300# GVWR PACKAGE	$0	$0
SKID PLATES	$100	$91

DESCRIPTION	MSRP	INVOICE
50 STATE EMISSIONS	$0	$0
120V/400W OUTLET	$175	$160
JOB #1 ORDER	$0	$0
INTERIOR WORK SURFACE	$140	$128
CENTER HIGH MOUNT STOP LAMP	$0	$0
410 AMP DUAL ALTERNATOR	$115	$104
HEAVY SERVICE FRONT SUSPENSION	$125	$114
EXTERIOR BACKUP ALARM	$220	$200
DUAL BATTERY	$0	$0
REAR VIEW CAMERA & PREP KIT	$415	$377
XL CHROME PACKAGE	$225	$205
.BACKGLASS DEFROST	$0	$0
.POWER SLIDING REAR WINDOW	$0	$0
.FOG LAMPS	$0	$0
.REMOTE START SYSTEM	$0	$0
.PRIVACY GLASS	$0	$0
FUEL CHARGE	$0	$120
PRICED DORA	$0	$0
DESTINATION & DELIVERY	$1995	$1995

	MSRP	INVOICE
TOTAL BASE AND OPTIONS	$59280	$56473
DISCOUNTS	NA	NA
TOTAL	$59280	$56473

This order has not been submitted to the order bank.

This is not an invoice.

Preview Order 555G - X3F 4x4 Super Chas Cab SRW: Order Summary Time of Preview: 01/09/2025 13:28:28 Receipt: 1/9/2025

Dealership Name: Citrus Motors **Sales Code :** F71105

Dealer Rep.	Margaret Roberts	**Type**	Retail	**Vehicle Line**	Superduty	**Order Code**	555G
Customer Name	X XXXXX	**Priority Code**	10	**Model Year**	2025	**Price Level**	520

DESCRIPTION	MSRP	DESCRIPTION	MSRP
F350 4X4 SUPERCAB CHAS CAB/168	$55450	120V/400W OUTLET	$175
.168 INCH WHEELBASE	$0	JOB #1 ORDER	$0
OXFORD WHITE	$0	WHEEL WELL LINERS - FRONT	$180
VINYL 40/20/40 SEATS	$0	410 AMP DUAL ALTERNATOR	$115
MEDIUM DARK SLATE	$0	HEAVY SERVICE FRONT SUSPENSION	$125
PREFERRED EQUIPMENT PKG.630A	$0	EXTERIOR BACKUP ALARM	$220
.XL TRIM	$0	DUAL BATTERY	$0
.AIR CONDITIONING -- CFC FREE	$0	XL CHROME PACKAGE	$225
.AM/FM STEREO MP3/CLK	$0	.BACKGLASS DEFROST	$0
.7.3L DEVCT NA PFI V8 ENGINE	$0	.POWER SLIDING REAR WINDOW	$0
10-SPEED AUTO TORQSHIFT	$0	.FOG LAMPS	$0
.LT275/65R18E BSW ALL SEASON	$0	.REMOTE START SYSTEM	$0
4.30 ELECTRONIC-LOCKING AXLE	$0	.PRIVACY GLASS	$0
CV LOT MANAGEMENT	$0	FUEL CHARGE	$0
FRONT LICENSE PLATE BRACKET	$0	PRICED DORA	$0
11300# GVWR PACKAGE	$0	DESTINATION & DELIVERY	$1995
50 STATE EMISSIONS	$0		

	MSRP
TOTAL BASE AND OPTIONS	$58485
DISCOUNTS	NA
TOTAL	$58485

Customer Name:
Customer Address:

Customer Email:

Customer Phone:

Customer Signature Date

This order has not been submitted to the order bank.

National Auto Fleet Group

A Division of Chevrolet of Watsonville
490 Auto Center Drive, Watsonville, CA 95076
(855) 289-6572 • (831) 480-8497 Fax
Fleet@NationalAutoFleetGroup.com

1/7/2025
1/7/2025 Re-Configured

Quote ID: **30692 R1**

Order Cut Off Date: **TBA**

Mr Steve Kiggins
San Gabriel Valley Municipal Water District

1402 N Vosburg Dr
PO Box 1299

Azusa, California, 91702

Dear Steve Kiggins,

National Auto Fleet Group is pleased to quote the following vehicle(s) for your consideration.
One (1) New/Unused (2025 Ford Super Duty F-350 SRW (X3F) XL 4WD SuperCab 168" WB 60" CA, CTEC Quote pending) and delivered to your specified location, each for

	One Unit (MSRP)	One Unit	Total % Savings	Total Savings
Contract Price	$59,850.00	$57,858.36	3.328 %	$1,991.64
Tax (10.2500 %)		$5,930.48		
CTEC Quote pending				
Tire fee		$8.75		
Total		$63,797.59		

- per the attached specifications.

This vehicle(s) is available under the **Sourcewell Contract 091521-NAF** . Please reference this Contract number on all purchase orders to National Auto Fleet Group. Payment terms are Net 20 days after receipt of vehicle.

Thank you in advance for your consideration. Should you have any questions, please do not hesitate to call.

Sincerely,

Jesse Cooper
Account Manager
Email: Fleet@NationalAutoFleetGroup.com
Office: (855) 289-6572
Fax: (831) 480-8497

Quoting Department
Account Manager
Fleet@NationalAutoFleetGroup.com
(855) 289-6572

Purchase Order Instructions & Resources

In order to finalize your purchase please submit this purchase packet to your governing body for a purchase order approval and submit your purchase order in the following way:

Email: Fleet@NationalAutoFleetGroup.com

Fax: (831) 480-8497

Mail: National Auto Fleet Group

490 Auto Center Drive

Watsonville, CA 95076

We will send a courtesy confirmation for your order and a W-9 if needed.

Additional Resources

Learn how to track your vehicle:	**www.NAFGETA.com**
Use the upfitter of your choice:	**www.NAFGpartner.com**
Vehicle Status:	**ETA@NationalAutoFleetGroup.com**
General Inquiries:	**Fleet@NationalAutoFleetGroup.com**

For general questions or assistance please contact our main office at:

1-855-289-6572

Vehicle Configuration Options

ENGINE	
Code	**Description**
99N	Engine: 7.3L 2V DEVCT NA PFI V8 Gas, (STD)
TRANSMISSION	
Code	**Description**
44G	Transmission: TorqShift 10-Speed Automatic, (STD)
TIRES	
Code	**Description**
TDX	Tires: LT275/70Rx18E BSW AT, -inc: Spare may not be the same as road tire
PRIMARY PAINT	
Code	**Description**
Z1	Oxford White
SEAT TYPE	
Code	**Description**
AS	Medium Dark Slate, HD Vinyl 40/20/40 Split Bench Seat, -inc: center armrest, cupholder, storage, 2-way adjustable driver/passenger headrests and driver's side manual lumbar
AXLE RATIO	
Code	**Description**
X4M	Electronic-Locking w/4.30 Axle Ratio, (STD)
ADDITIONAL EQUIPMENT	
Code	**Description**
96V	XL Chrome Package, -inc: Privacy Glass w/Power Sliding Rear Glass, Bright Chrome Hub Covers & Center Ornaments, Halogen Fog Lamps, Bright Grille, Remote Start, Chrome Front Bumper, Rear Window Defroster
86M	Dual 68 AH/65 AGM Battery
67A	350 Amp Dual Alternators, -inc: 190 Amp + 160 Amp
41P	Transfer Case Skid Plates
67H	Heavy-Service Front Suspension Package, -inc: pre-selected heavy-service front springs (see Order Guide Supplemental Reference for springs/FGAWR of specific vehicle configurations), Recommended only on vehicles which will permanently utilize aftermarket equipment such as heavy-duty winches, brush guards or other apparatus which loads the front axle to the specified Gross Axle Weight Rating (GAWR), Note 1: May result in a deterioration of ride quality, Note 2: Vehicle ride height will increase w/the addition of this package

512	Spare Tire & Wheel, -inc: Excludes carrier, 3-Ton Mechanical Jack
153	Front License Plate Bracket
59H	Center High-Mounted Stop Lamp (CHMSL)
61J	3-Ton Mechanical Jack
61L	Front Wheel Well Liners (Pre-Installed)
872	Rear View Camera & Prep Kit, -inc: Pre-installed content includes cab wiring and frame wiring to the rear most cross member, Upfitters kit includes camera w/mounting bracket, 20' jumper wire and camera mounting/aiming instructions
76C	Exterior Backup Alarm (Pre-Installed)
52S	Interior Work Surface
43C	120V/400W Outlet, -inc: 1 in-dash mounted outlet and 2nd outlet in the console

OPTION PACKAGE

Code	Description
630A	Order Code 630A

2025 Fleet/Non-Retail Ford Super Duty F-350 SRW XL 4WD SuperCab 168" WB 60" CA

WINDOW STICKER

2025 Ford Super Duty F-350 SRW XL 4WD SuperCab 168" WB 60" CA

CODE	MODEL	MSRP
X3F	2025 Ford Super Duty F-350 SRW XL 4WD SuperCab 168" WB 60" CA	$55,450.00
	OPTIONS	
99N	Engine: 7.3L 2V DEVCT NA PFI V8 Gas, (STD)	$0.00
44G	Transmission: TorqShift 10-Speed Automatic, (STD)	$0.00
TDX	Tires: LT275/70Rx18E BSW AT, -inc: Spare may not be the same as road tire	$265.00
Z1	Oxford White	$0.00
AS	Medium Dark Slate, HD Vinyl 40/20/40 Split Bench Seat, -inc: center armrest, cupholder, storage, 2-way adjustable driver/passenger headrests and driver's side manual lumbar	$0.00
X4M	Electronic-Locking w/4.30 Axle Ratio, (STD)	$0.00
96V	XL Chrome Package, -inc: Privacy Glass w/Power Sliding Rear Glass, Bright Chrome Hub Covers & Center Ornaments, Halogen Fog Lamps, Bright Grille, Remote Start, Chrome Front Bumper, Rear Window Defroster	$225.00
86M	Dual 68 AH/65 AGM Battery	$210.00
67A	350 Amp Dual Alternators, -inc: 190 Amp + 160 Amp	$0.00
41P	Transfer Case Skid Plates	$100.00
67H	Heavy-Service Front Suspension Package, -inc: pre-selected heavy-service front springs (see Order Guide Supplemental Reference for springs/FGAWR of specific vehicle configurations), Recommended only on vehicles which will permanently utilize aftermarket equipment such as heavy-duty winches, brush guards or other apparatus which loads the front axle to the specified Gross Axle Weight Rating (GAWR), Note 1: May result in a deterioration of ride quality, Note 2: Vehicle ride height will increase w/the addition of this package	$125.00
512	Spare Tire & Wheel, -inc: Excludes carrier, 3-Ton Mechanical Jack	$350.00
153	Front License Plate Bracket	$0.00
59H	Center High-Mounted Stop Lamp (CHMSL)	$0.00
61J	3-Ton Mechanical Jack	INC
61L	Front Wheel Well Liners (Pre-Installed)	$180.00
872	Rear View Camera & Prep Kit, -inc: Pre-installed content includes cab wiring and frame wiring to the rear most cross member, Upfitters kit includes camera w/mounting bracket, 20' jumper wire and camera mounting/aiming instructions	$415.00
76C	Exterior Backup Alarm (Pre-Installed)	$220.00
52S	Interior Work Surface	$140.00
43C	120V/400W Outlet, -inc: 1 in-dash mounted outlet and 2nd outlet in the console	$175.00
630A	Order Code 630A	$0.00

Please note selected options override standard equipment

SUBTOTAL	**$57,855.00**
Advert/ Adjustments	$0.00
Manufacturer Destination Charge	$1,995.00
TOTAL PRICE	**$59,850.00**

Est City: N/A MPG
Est Highway: N/A MPG
Est Highway Cruising Range: N/A mi

Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

Notes

Standard Equipment

MECHANICAL

Engine: 7.3L 2V DEVCT NA PFI V8 Gas (STD)
Transmission: TorqShift 10-Speed Automatic -inc: 10R140 w/neutral idle, SelectShift and selectable drive modes: normal, tow/haul, eco, slippery roads and off-road (STD)
Electronic-Locking w/4.30 Axle Ratio (STD)

EXTERIOR

Tires: LT275/65Rx18E BSW A/S -inc: Spare may not be the same as the road tire (STD)

ADDITIONAL EQUIPMENT

50-State Emissions System
Transmission w/Oil Cooler
Electronic Transfer Case
Part-Time Four-Wheel Drive
Driver Selectable Rear Locking Differential
68-Amp/Hr 750CCA Maintenance-Free Battery w/Run Down Protection
190 Amp Alternator
Towing Equipment -inc: Trailer Sway Control
Trailer Wiring Harness
4880# Maximum Payload
GVWR: 11,300 lb Payload Package Complete restrictions/requirements not available.
HD Shock Absorbers
Front And Rear Anti-Roll Bars
Firm Suspension
Hydraulic Power-Assist Steering
40 Gal. Fuel Tank
Single Stainless Steel Exhaust
Auto Locking Hubs
Front Suspension w/Coil Springs
Solid Axle Rear Suspension w/Leaf Springs
4-Wheel Disc Brakes w/4-Wheel ABS, Front And Rear Vented Discs, Brake Assist and Hill Hold Control
Upfitter Switches
Wheels: 18" Argent Painted Steel -inc: painted hub covers/center ornaments
Clearcoat Paint
Black Front Bumper w/Black Rub Strip/Fascia Accent and 2 Tow Hooks
Black Side Windows Trim and Black Front Windshield Trim

Black Door Handles
Black Power Heated Side Mirrors w/Convex Spotter, Manual Folding and Turn Signal Indicator
Manual Extendable Trailer Style Mirrors
Fixed Rear Window
Light Tinted Glass
Variable Intermittent Wipers
Aluminum Panels
Black Grille
Reverse Opening Rear Doors
Autolamp Auto On/Off Reflector Halogen Daytime Running Lights Preference Setting Headlamps w/Delay-Off
Cab Clearance Lights
Perimeter/Approach Lights
Radio w/Seek-Scan, Clock, Speed Compensated Volume Control, Steering Wheel Controls and External Memory Control
Radio: AM/FM Stereo w/MP3 Player -inc: 6 speakers
Fixed Antenna
2 LCD Monitors In The Front
4-Way Driver Seat -inc: Manual Recline and Fore/Aft Movement
4-Way Passenger Seat -inc: Manual Recline and Fore/Aft Movement
60-40 Folding Split-Bench Front Facing Fold-Up Cushion Rear Seat
Manual Tilt/Telescoping Steering Column
Gauges -inc: Speedometer, Odometer, Oil Pressure, Engine Coolant Temp, Tachometer, Transmission Fluid Temp, Engine Hour Meter, Trip Odometer and Trip Computer
Power Rear Windows
FordPass Connect 5G Mobile Hotspot Internet Access
Rear Cupholder
Remote Keyless Entry w/Integrated Key Transmitter, Illuminated Entry and Panic Button
Cruise Control w/Steering Wheel Controls
Manual Air Conditioning
HVAC -inc: Underseat Ducts
Illuminated Locking Glove Box
Interior Trim -inc: Chrome Interior Accents
Full Cloth Headliner
Urethane Gear Shifter Material
HD Vinyl 40/20/40 Split Bench Seat -inc: center armrest, cupholder, storage, 2-way adjustable driver/passenger headrests and driver's side manual lumbar
Day-Night Rearview Mirror
Passenger Visor Vanity Mirror
Full Overhead Console w/Storage and 2 12V DC Power Outlets
Front Map Lights

Fade-To-Off Interior Lighting
Full Vinyl/Rubber Floor Covering
Smart Device Remote Engine Start
SYNC 4 Communication & Entertainment System -inc: enhanced voice recognition, 911 Assist, 8" LCD center stack screen, AppLink and 1 smart-charging USB port
Instrument Panel Covered Bin and Dashboard Storage
Power 1st Row Windows w/Driver And Passenger 1-Touch Up/Down
Delayed Accessory Power
Power Door Locks w/Autolock Feature
Driver Information Center
Trip Computer
Outside Temp Gauge
Digital/Analog Appearance
Seats w/Vinyl Back Material
Manual Adjustable Front Head Restraints and Manual Adjustable Rear Head Restraints
Perimeter Alarm
Securilock Anti-Theft Ignition (pats) Immobilizer
2 12V DC Power Outlets
Air Filtration
AdvanceTrac w/Roll Stability Control Electronic Stability Control (ESC) And Roll Stability Control (RSC)
ABS And Driveline Traction Control
Side Impact Beams
Dual Stage Driver And Passenger Seat-Mounted Side Airbags
Pre-Collision Assist with Automatic Emergency Braking (AEB)
Lane Departure Warning
Collision Mitigation-Front
Tire Specific Low Tire Pressure Warning
Dual Stage Driver And Passenger Front Airbags w/Passenger Off Switch
Outboard Front Lap And Shoulder Safety Belts -inc: Height Adjusters
Safety Canopy System Curtain 1st And 2nd Row Airbags

CALIFORNIA TRUCK EQUIPMENT CO.

12351 Bellflower Blvd, Downey CA 90242

PH - 562-803-4466 F - 562-803-8795

ctec-truckbody.com

QUOTE

Quote Date	Quote #
1/16/2025	15291

Sold To:	End User
San Gabriel vallley Mincipal Water Dist 1402 N. Vosburg Drive Azusa, Ca 91702 Attn: Kevin Wise kwise@sgvmwd.com	Same

Terms	Net 30
FOB	CTEC
Rep	JG

Model Cab	Fuel	Truck Available	Rear wheel	Bed width Compartment depth	CA
F350	Gas		SRW	49x15	60"

PROUDLY PRODUCED - 100% - IN CALIFORNIA - USA

Description	Qty	Total
Chassis:: 2024 Ford F 350 Gas Super Cab 60" CA SRW 4 WD Minimum 9,000 LB GVWR chassis to support crane requirement		
CTEC 10443 - Vertical / Horizontal VFT - 79 Wide Body 108" Long Vertical Front Compartments 43" Tall -34" Wide 15" Deep Adjustable Shelves in Vertical Compartments Horizontal Compartments 27" Tall - 50" Wide - 15" Deep Adjustable Tray in Horizontal Compartments Stainless Steel Lock Pockets T Handle Barrel Locks (4 Keys) Gas Shocks Compartment Doors Drop in Wood Gate 24" Rear Work Deck 1/4" steel Top Plate with Vertical Hinged Doors 10" Tall x 24" Wide- Rear Pocket Steps	1	

QUOTE VALID FOR 30 DAYS	**Subtotal**
Order accepted by: _____ Date_____	**Tax (10.0%)**
Print Name _____ PO # _____	**Total**

ANY AND ALL WARRANTY WORK WILL BE DONE BY CTEC AT 12351 BELLFLOWER BLVD DOWNEY , CA - CTEC IS NOT RESPONSABEE FOR ANY WORK DONE BY 3RD PARTIES

CALIFORNIA TRUCK EQUIPMENT CO.

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QUOTE

Quote Date	Quote #
1/16/2025	15291

Sold To:	End User
San Gabriel vallley Mincipal Water Dist 1402 N. Vosburg Drive Azusa, Ca 91702 Attn: Kevin Wise kwise@sgvmwd.com	Same

Terms	Net 30
FOB	CTEC
Rep	JG

Model Cab	Fuel	Truck Available	Rear wheel	Bed width Compartment depth	CA
F350	Gas		SRW	49x15	60"

PROUDLY PRODUCED - 100% - IN CALIFORNIA - USA

Description	Qty	Total
LED Legal Lights 60 Series Oval Recessed in Rear Work Deck Painted White and Installed Paint to Match Wheel Well Tuning Step Rear Bumper Painted Black		
Provide and install 4 corner LED Light Package 2 in front grille 1 per side 2 in rear end panels 1 per side	1	
Cab High Headache Rack with Mounting Plate for lightbar	1	
Whelen Justice Series Super-LED Lightbar 50 inches wide fully loaded with rear traffic adviser	1	
Floor Recessed Tie Down with 360° Rotating and Pivoting up/down 1 Each Corner Bed Floor Weld from bottom side of bed.	4	
E-Track Section 2 Rows Per Back Wrapper 10" from Top 10" from Bottom	4	

QUOTE VALID FOR 30 DAYS	**Subtotal**
Order accepted by: _____ Date_____	**Tax (10.0%)**
Print Name _____ PO # _____	**Total**

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QUOTE

Quote Date	Quote #
1/16/2025	15291

Sold To:	End User
San Gabriel vallley Mincipal Water Dist 1402 N. Vosburg Drive Azusa, Ca 91702 Attn: Kevin Wise kwise@sgvmwd.com	Same

Terms	Net 30
FOB	CTEC
Rep	JG

Model Cab	Fuel	Truck Available	Rear wheel	Bed width Compartment depth	CA
F350	Gas		SRW	49x15	60"

PROUDLY PRODUCED - 100% - IN CALIFORNIA - USA

Description	Qty	Total
'Spray-on Protective Coating-Black 104 series - Complete Cargo Area and Rear Work deck	1	
1/4" Vise Plate Welded to C/S Rear Corner of Work Deck	1	
Grab Handle 1 Each Rear End Panel	2	
Install OEM camera prep package	1	
Provide and Install Class IV Receiver Hitch	1	
Provide and Install Pollack 4/6 pin Trailer Connector	1	
Weight Certificate		
PDI & Delivery	1	
3000 Watt inverter	1	
Drawer 3 inches tall - 15" x 32" Compartment	2	
Drawer 4 inches tall - 15" x 32" Compartment	3	
Drawer 5 inches tall - 15" x 32" Compartment	2	
CHASSIS MUST BE EQUIP WITH FACTORY OEM CAMERA PREP KIT		

QUOTE VALID FOR 30 DAYS	**Subtotal**
Order accepted by: _____ Date_____	**Tax (10.0%)**
Print Name _____ PO # _____	**Total**

ANY AND ALL WARRANTY WORK WILL BE DONE BY CTEC AT 12351 BELLFLOWER BLVD DOWNEY , CA - CTEC IS NOT RESPONSABEE FOR ANY WORK DONE BY 3RD PARTIES

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QUOTE

Quote Date	Quote #
1/16/2025	15291

Sold To:	End User
San Gabriel vallley Mincipal Water Dist 1402 N. Vosburg Drive Azusa, Ca 91702 Attn: Kevin Wise kwise@sgvmwd.com	Same

Terms	Net 30
FOB	CTEC
Rep	JG

Model Cab	Fuel	Truck Available	Rear wheel	Bed width Compartment depth	CA
F350	Gas		SRW	49x15	60"

PROUDLY PRODUCED - 100% - IN CALIFORNIA - USA

Description	Qty	Total
DRAWINGS TO BE APPROVED BY CUSTOMER BEFORE PRODUCTION		
Crane: LIFTMOORE 206REL VH ATB 6,500 Ft. - Lbs. Moment Rating Maximum Capacity 2,000 Lbs. at 3 Ft. Load radius Weight = 412 lbs. Planetary Gear Winch with Permanent Magnet Motor On / Off 12 Volt electric control system Remote Pendant Control 18 Ft. (removable) Galvanized Aircraft Cable 3/16" x 35 Ft. w swivel hook (4,200 Lbs. Breaking Strength) Travel Block w/ swivel hook, for easy two part line hook up Power Rotation - Unlimited on a ball bearing slewing ring Boom Elevation - Full power (0 deg. to 75 deg.) Boom Extension - Manual from 5.5 Ft. to 9 Ft. Overload Protection System Optional Anti-Two Block System, needed when used in construction as per OSHA 1926.1441(d)(2) & 1926.1416(d)(3) Mounting plate is 12" square with a 9.5" square bolt pattern REQUIRED Consistent 12 Volt DC power source with sufficient amperage while crane is running under load. Installer must assure the vehicle can maintain an appropriately level condition when the crane is in use under load Boom Rest (P.N. 27860 for service body or P.N. 22158 for flat bed) RECOMMENDED	1	

QUOTE VALID FOR 30 DAYS	**Subtotal**
Order accepted by: _____ Date_____	**Tax (10.0%)**
Print Name _____ PO # _____	**Total**

ANY AND ALL WARRANTY WORK WILL BE DONE BY CTEC AT 12351 BELLFLOWER BLVD DOWNEY , CA - CTEC IS NOT RESPONSABEE FOR ANY WORK DONE BY 3RD PARTIES

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QUOTE

Quote Date	Quote #
1/16/2025	15291

Sold To:	End User
San Gabriel vallley Mincipal Water Dist 1402 N. Vosburg Drive Azusa, Ca 91702 Attn: Kevin Wise kwise@sgvmwd.com	Same

Terms	Net 30
FOB	CTEC
Rep	JG

Model Cab	Fuel	Truck Available	Rear wheel	Bed width Compartment depth	CA
F350	Gas		SRW	49x15	60"

PROUDLY PRODUCED - 100% - IN CALIFORNIA - USA

Description	Qty	Total
A dedicated battery, Group 31, deep cycle, near the crane is advised. Jackstand to prevent unrestricted twisting of chassis while lifting load. Minimum 9,000 LB GVWR Vehicle		
Manual crank down, Jackleg 8,000 lbs. Cap. Includes weld-on socket (CS)	1	
Electric Crane install package For crane capacity of between 2,000-6,000 pounds Includes - Group 31 battery - battery box - separator circuit	1	

QUOTE VALID FOR 30 DAYS

Subtotal	$67,578.00
Tax (10.0%)	$6,757.80
Total	$74,335.80

Order accepted by: _____ Date_____

Print Name _____ PO # _____

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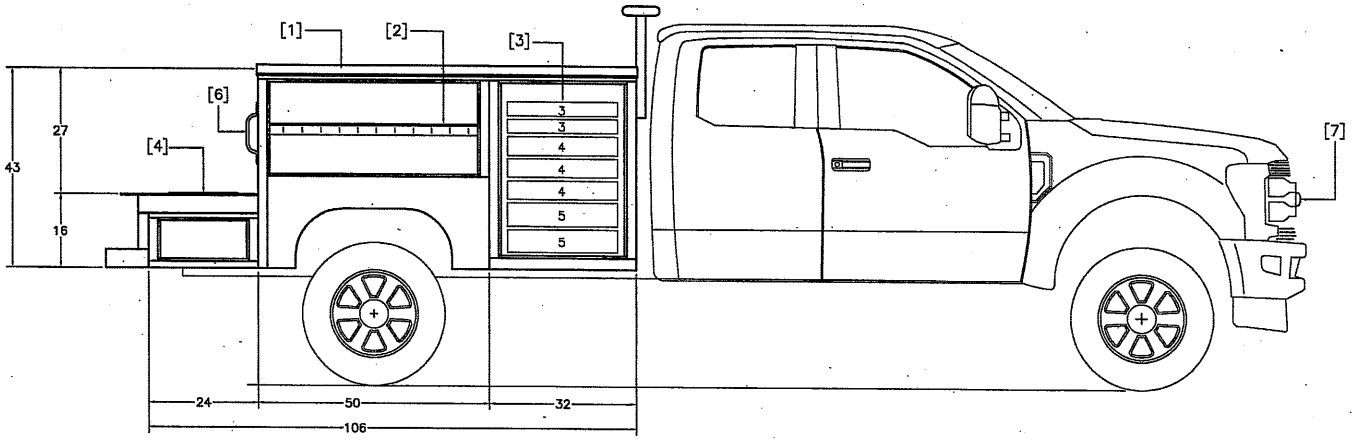
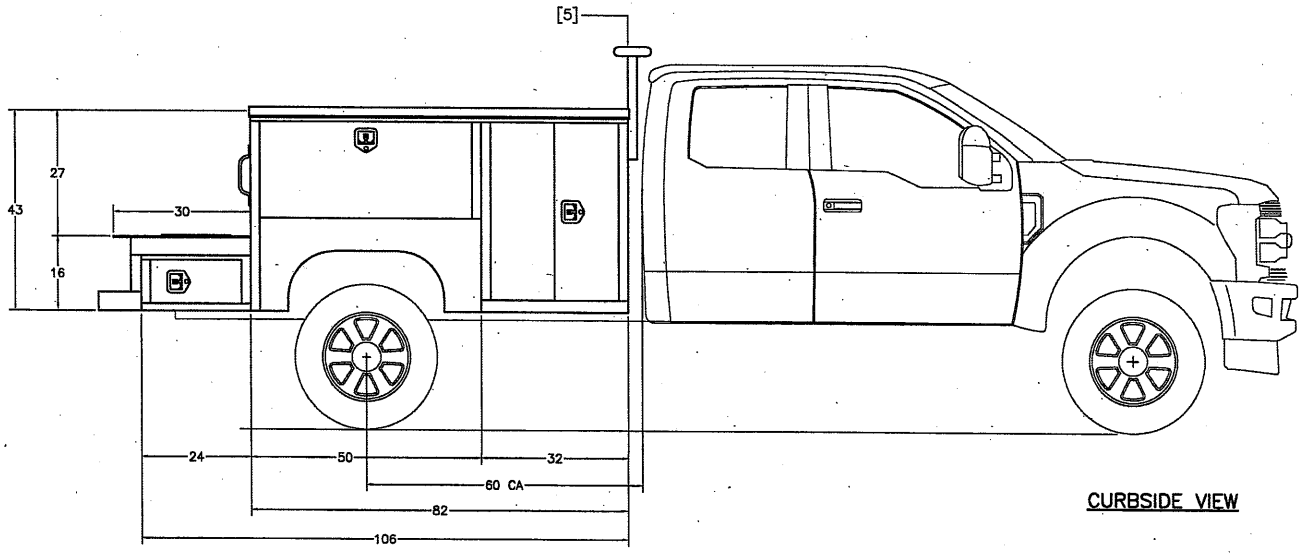




CURBSIDE VIEW

BILL OF MATERIALS

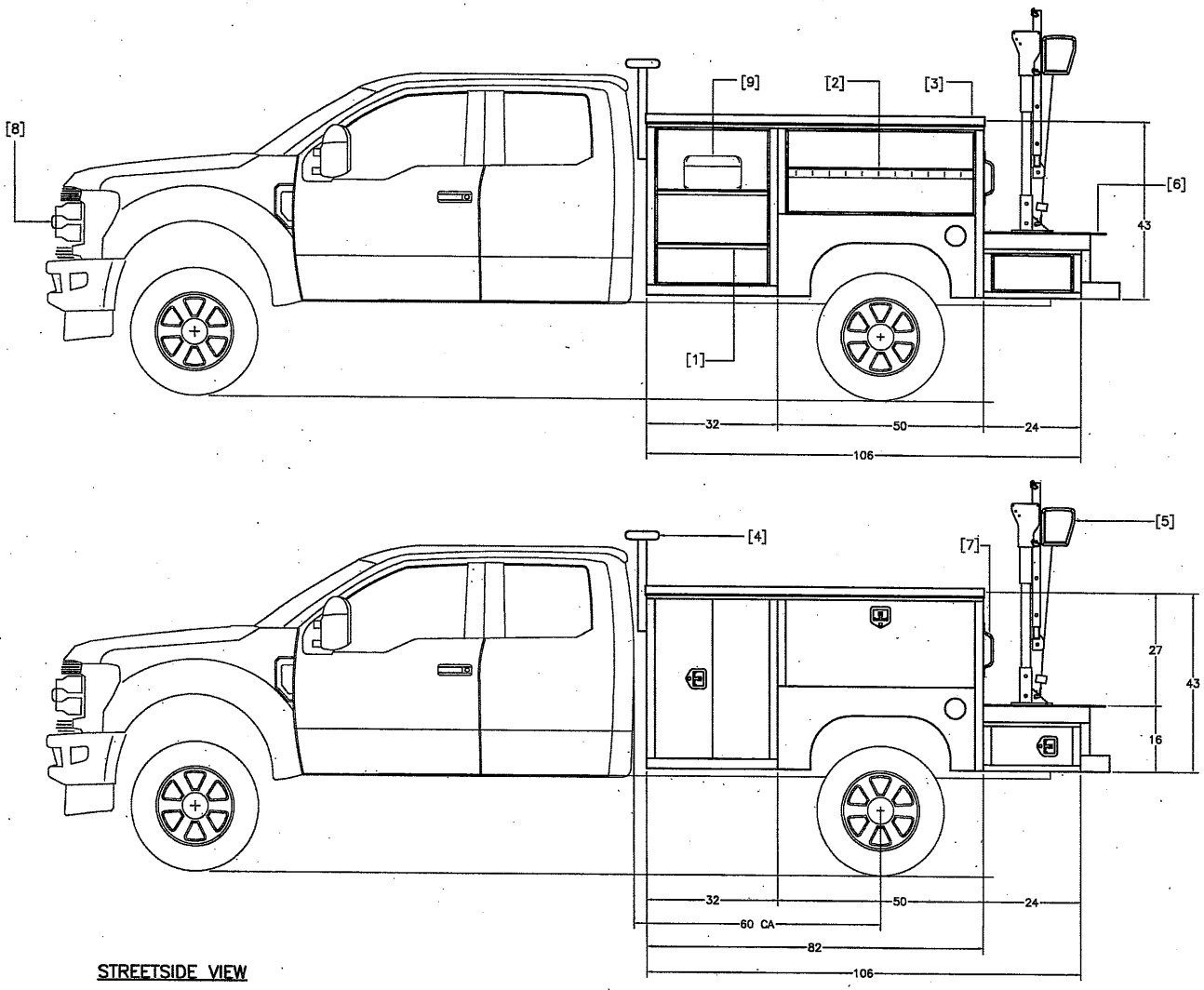
NO.	QTY.	DESCRIPTION
1.	1	REVERSE OPEN TOP LID
2.	1	ADJ. DIVIDER TREY
3.	7	ROLL-OUT DRAWERS W/DIVIDERS
4.	1	1/4" THK. VISE BRACKET MOUNTING PLATE
5.	1	WHELEN JUSTICE SERIES LIGHT BAR
		50" WIDE W/ REAR TRAFFIC ADVISER
6.	1	13" CHROME GRAB HANDLE
7.	1	FRONT GRILL STROBE LIGHT
		NOTES:
1.	2	INSTALL E-TRACKS ON EACH SIDE WALL
2.	4	INSTALL RECESSED CARGO RINGS ON BED
		OPTIONS NOT SHOWN
3.		SPRAY-ON PROTECTIVE COATING BLACK
		106 SERIES- COMPLETE CARGO AREA
		AND REAR WORK DECK

FINAL REVISION 8/06/2021 - `E'

WORK ORDER NO : 6038	QUOTE NO : 12092
CUSTOMER : SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT	
BODY TYPE : 10643-VFT-87	
CHASSIS INFO : FORD F-350 , 60 CA, SUPER CAB	
ENGINEER : K.D.	CHECKED BY :
DATE : 08/06/2021	SHEET NO : 1 OF 3
CUSTOMER APPROVAL : DATE : SIGN :	REVISION NO: E

CALIFORNIA TRUCK EQUIPMENT CO.

12351 Bellflower Blvd.
Downey, CA. 90242
(800) 567-2832
(562) 803-4466
FAX (562) 803-8795
www.ctec-truckbody.com



STREETSIDE VIEW

BILL OF MATERIALS		
NO.	QTY.	DESCRIPTION
1.	2	ADJ. SHELVES
2.	1	ADJ. DIVIDER TREY
3.	1	REVERSE OPEN TOP LID
4.	1	WHELEN JUSTICE SERIES LIGHT BAR
		50" WIDE W/ REAR TRAFFIC ADVISER
5.	1	LIFTMOORE CRANE MODEL L-21
6.	1	¼" THK. STEEL TOP WORK PLATE (30"X79")
7.	1	13" CHROME GRAB HANDLE
8.	1	FRONT GRILL STROBE LIGHT
9.	1	3000 WATT INVERTOR
		NOTES:
1.	2	INSTALL E-TRACKS ON EACH SIDE WALL
2.	4	INSTALL RECESSED CARGO RINGS ON BED
		OPTIONS NOT SHOWN
3.		SPRAY-ON PROTECTIVE COATING BLACK
		106 SERIES- COMPLETE CARGO AREA
		AND REAR WORK DECK

FINAL REVISION 8/06/2021 - `E'

WORK ORDER NO :6038	QUOTE NO : 12092
CUSTOMER : SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT	
BODY TYPE : 10643-VFT-79	
CHASSIS INFO : FORD F-350 , 60 CA, SUPER CAB	
ENGINEER : K.D.	CHECKED BY :
DATE : 08/06/2021	SHEET NO : 2 OF 3
CUSTOMER APPROVAL : DATE : SIGN :	REVISION NO: E

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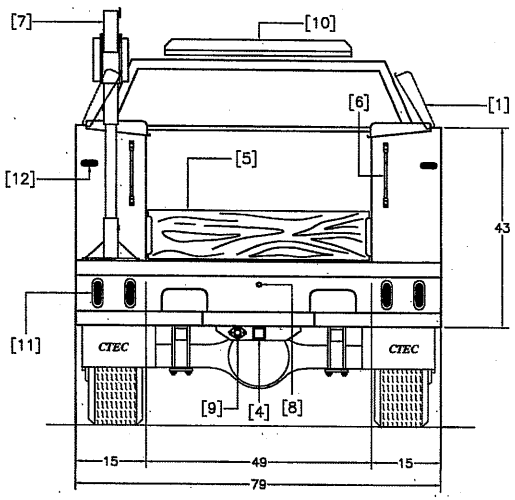
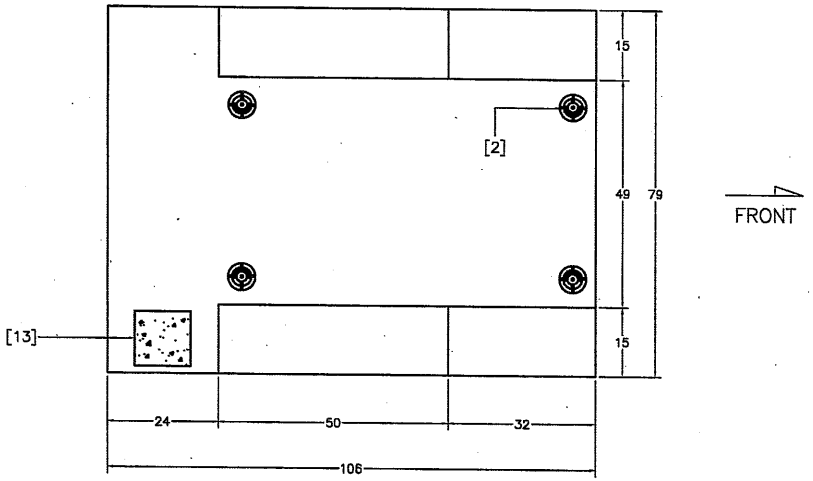
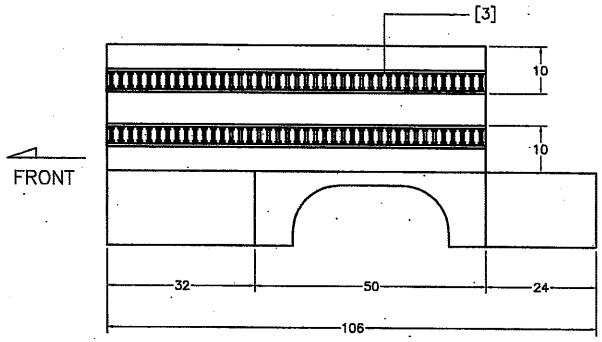


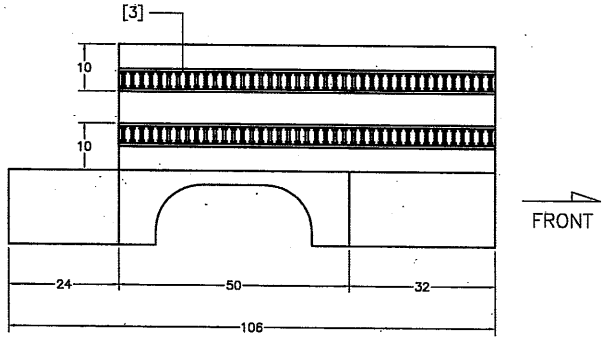
REAR VIEW



TOP VIEW



STREETSIDE
CROSS SECTION VIEW



CURBSIDE
CROSS SECTION VIEW

BILL OF MATERIALS

NO.	QTY.	DESCRIPTION
1.	2	REVERSE OPEN TOP LID,OPEN FROM INSIDE
2.	4	B901 RECESSED CARGO RINGS/360 SWIVEL
3.	4	E-TRACKS ON EACH BED SIDE WALL
4.	1	CLASS IV RECEIVER TUBE HITCH
5.	1	DROP IN WOOD GATE
6.	2	13" CHROME GRAB HANDLES
7.	1	LIFT-MOORE L-21 ELECTRIC CRANE
8.	1	FORD OEM BACK UP CAMERA
9.	1	POLLACK 4/6 PIN TRAILER CONNECTOR
10.	1	WHELEN JUSTICE SERIES LIGHT BAR
		50" WIDE W/ REAR TRAFFIC ADVISER
11.	4	60 SERIES OVAL REAR LIGHTS
12.	2	REAR STROBE LIGHTS
13.	1	WELD ON VICE PLATE
		NOTES:
	1.	SPRAY-ON PROTECTIVE COATING BLACK
		106 SERIES- COMPLETE CARGO AREA
		AND REAR WORK DECK

FINAL REVISION 8/06/2021 - 'E'

WORK ORDER NO : 6038	QUOTE NO : 12092
CUSTOMER : SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT	
BODY TYPE : 10643-VFT-79	
CHASSIS INFO : FORD F-350 , 60 CA, SUPER CAB	
ENGINEER : K.D.	CHECKED BY :
DATE : 08/06/2021	SHEET NO : 3 OF 3
CUSTOMER APPROVAL : DATE : SIGN :	REVISION NO: E

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AGENDA ACTION ITEM NO. 5

CONSIDERED CONTINUED MEMBERSHIP IN SGVCOG AS AN AFFILIATE MEMBER

RECOMMENDED ACTION: None.

BACKGROUND: The District has been participating as a SGVCOG member through a partnership with USGVMWD and Three Valleys MWD. Due to some legal concerns SGVCOG is proposing doing away with this joint membership and having individual water districts become Affiliate Members. Cost would be $5000 per year.

BUDGET IMPACT: N/A

PRIOR BOARD ACTION: N/A

SGVCOG
San Gabriel Valley Council of Governments

AFFILIATE PARTNERSHIPS

FOR PUBLIC AGENCIES

SGVCOG is seeking to open Affiliate Partnership positions for eligible SGV agencies that will contribute to our organization's expertise, be a sounding board for current and future initiatives, and make our regional voice louder. New affiliates to be added by Spring 2025.

AFFILIATE BENEFITS

COMMITTEES & WORKING GROUPS

Become a voting member of SGVCOG's Policy Committees and Working Groups, helping recommend projects, programs, and advocacy positions to the Governing Board.

SGVCOG STAFF LIAISON

Request SGVCOG staff liaison to attend your Governing Body's meetings to provide updates when needed.

AMPLIFY YOUR VOICE & MESSAGING

Join the SGVCOG community, participate in grand openings, groundbreakings, and recognition ceremonies. Build productive relationships with other agency leaders and elected officials.

JOIN REGIONAL ADVOCACY EFFORTS

SGVCOG is eager to work with regional agencies on issues of shared importance, including key legislation, state and federal project funding matters, and laws related to good governance.

ONE VALLEY.
ONE VOICE.

Eligible public agencies include JPAs that address issues relevant to SGVCOG programs and projects, including transportation, infrastructure, water, waste management, sustainability, housing, homelessness, and mental health services.

swong@sgvcog.org

REPORT

DATE: January 16, 2025

TO: Governing Board

FROM: Marisa Creter, Executive Director

RE: SGVCOG AFFILIATE PARTNERSHIP PROGRAM & JOINT POWERS AUTHORITY (JPA) UPDATE

RECOMMENDED ACTION

Authorize the Executive Director to take the following actions to establish a new Affiliate Partnership Program:

1) Finalize a list of eligible agencies who wish to become affiliates to SGVCOG and seek letters of commitment from those agencies;
2) Prepare an amendment to the SGVCOG Bylaws that establishes the privileges, limitations, and dues structure set for affiliates;
3) Prepare an amendment to the SGVCOG JPA to remove the San Gabriel Valley Water Districts Joint Powers Authority as a Member; and
4) Take any additional actions deemed necessary by SGVCOG General Counsel to enact the Affiliate Partnership Program.

BACKGROUND

On September 19, 2024, the SGVCOG Governing Board directed staff to survey the San Gabriel Valley's unrepresented water agencies and special district public agencies to gauge their interest in becoming members of SGVCOG. The Board also directed staff to report back to the Executive Committee with potential options for expanded SGVCOG membership including differentiated membership levels, proposed dues, and next steps, including changes that would be required to the Joint Powers Authority (JPA) to enact any options.

After meeting with additional water agencies, special districts, other public agencies, and counsel, staff have determined that an Affiliate Partnership Program would be more appropriate than adding new full members to the JPA. A summary of the feedback provided by public agencies from the meetings is below.

- Several agencies expressed interest in participating in SGVCOG committees and working groups;
- When asked about membership dues, several agencies expressed that dues in the $5,000-$15,000 range were generally considered reasonable or slightly on the high end of the spectrum;
- Several agency staff explained that they would need SGVCOG staff support to demonstrate to their board members the value and benefits of becoming an affiliate partner to SGVCOG;
- Some agencies raised questions about potential conflicts of interest if their agency's board members overlap with other SGVCOG agency representatives (ie. if an existing city

member also became an affiliate representative on a committee – would that person have two separate votes to represent their city and their affiliate agency?); and
- Several agencies expressed interest in co-advocacy campaigns for bills and policies of shared interest.

AFFILIATE PARTNERSHIP PROGRAM

Staff are proposing the following goals and set of benefits associated with the Affiliate Partnership Program.

Overarching Goal: SGVCOG believes that the San Gabriel Valley is stronger when our regional agencies work together to collaborate on shared issues and speak with one voice. The Affiliate Partnership Program is an opportunity to create formal linkages between SGVCOG and other public agencies and enhance that strength.

Benefits:
- **Join Committees & Working Groups.** Affiliates may become a voting member of SGVCOG's Policy Committees and Working Groups, helping recommend projects, programs, and advocacy positions to the Governing Board. Their expertise will enrich Committee and Working Group discussions and ensure that different points of view are considered as SGVCOG seeks to improve the quality of life in the San Gabriel Valley.
- **SGVCOG Staff Liaison.** Affiliates may request an SGVCOG staff liaison to attend its Governing Body's meetings to provide updates when needed. Liaisons will help ensure that SGVCOG's projects and programs have the maximum buy-in and input from regional stakeholders and experts, improving overall project success and impact.
- **Amplified Voice & Messaging.** Affiliates will become part of the SGVCOG community, participating in grand openings, groundbreakings, and recognition ceremonies. They will have the opportunity to build productive relationships with other agency leaders and elected officials. In turn, the SGVCOG community will be enriched by additional connections and a more robust network within the San Gabriel Valley and beyond.
- **Regional Advocacy Efforts.** SGVCOG will collaborate with its affiliates on issues of shared importance, including key legislation, state and federal project funding, and laws related to good governance. By broadening our advocacy coalitions on key policy issues, we will speak leverage more power with elected leaders on a local, state, and federal level.

Other Considerations:
- Staff are recommending that affiliates be permitted to select a Committee or Working Group representative either from their agency's board or staff. This is consistent with the current practice of allowing cities or the County to be represented either by an elected councilmember or supervisor, or staff.
- Eligible public agencies for the Affiliate Partnership Program include JPAs that address issues relevant to SGVCOG programs and projects, including transportation, infrastructure, water, waste management, sustainability, housing, homelessness, and mental health services.
- Staff are recommending that the Governing Board directly appoint affiliates and that affiliates remain in their position without a set term limit for as long as they pay annual dues.

Based on research on other similar councils of governments and public agency associations, staff are proposing a tiered dues structure for affiliates. The dues structure will be based on an agency's annual operating budget as opposed to population, which is how city membership dues are currently assessed. Using an agency's operating budget resolves challenges related to new public agency affiliates whose populations may exceed the bounds of the San Gabriel Valley or who may represent a large population but have a limited scope of powers, and therefore available budget. Operating budgets are relatively stable over time and the ranges below are meant to allow agencies to stay within the same tier from year to year.

Annual Budget (Operating Expenses)	**Proposed Annual Dues**
Tier 1: $0 - $25 million	$5,000
Tier 2: $25 million - $100 million	$7,500
Tier 3: $100 million +	$15,000

The dues structure takes into account the limited advantages of the affiliate program – most importantly that the affiliates will not be permitted to be voting members of the Governing Board and that they will not be the primary beneficiaries of SGVCOG expenditures. Therefore, affiliate public agencies of similar size to full member cities will be asked to contribute less in annual dues than their full member counterparts. In addition, by basing the structure on an agency's operating budget, the intention is that requested dues will better match an agency's real ability to pay.

In order to help facilitate this process, staff have prepared a one-pager (Attachment A) to distribute to interested public agencies, to assist with seeking buy-in from their governing bodies.

EXISTING WATER AGENCY MEMBERS

SGVCOG general counsel reviewed the current JPA and Bylaws, in addition to relevant public laws, in concurrence with this outreach and research effort. Ultimately, counsel determined that it would be in SGVCOG's best interest to remove the San Gabriel Valley Water Districts Joint Powers Authority (representing the San Gabriel Valley, Three Valleys, and Upper San Gabriel Valley Municipal Water Districts) as a full Member. Counsel has discussed this change with each of the three municipal water districts and they will all have the opportunity to join the Affiliate Partnership Program.

A memo from SGVCOG general counsel describing this topic in greater detail has been distributed to members separately.

NEXT STEPS

Staff will conduct a final round of outreach to interested agencies and request that their staff seek the necessary authorization to proceed with becoming SGVCOG Affiliates. Staff will seek formal letters of commitment to affirm each agency's intention.

REPORT

Following that outreach and authorization phase, staff anticipate the need to amend the SGVCOG Bylaws in order to establish the Affiliate Partnership Program, including the process for adding affiliates, limitations and privileges set for affiliates, and other considerations that should be memorialized.

Removing the San Gabriel Valley Water Districts Joint Powers Authority will require a formal amendment to the SGVCOG Joint Powers Authority (JPA), which entails approval by fifty percent (50%) plus one (1) of the total voting membership of the Governing Board. In other words, 51% of existing SGVCOG member agencies must adopt the amended JPA by a majority vote of their legislative bodies.

Staff will seek to complete these steps in time for the new fiscal year, allowing new affiliate members to appropriately budget their anticipated dues and officially launch the program in July 2025.

RECOMMENDATION

The Executive Committee reviewed the proposed Affiliate Partnership Program and subsequently approved the recommendation to the Governing Board authorizing actions to implement it. If approved, the Governing Board would authorize the Executive Director to take three specific actions to create the new affiliate positions. The first would be to finalize a list of eligible agencies who wish to become affiliates to SGVCOG and seek letters of commitment from those agencies. This process is anticipated to take a few months. The second would be to prepare an amendment to the SGVCOG Bylaws that establishes the privileges, limitations, and structure set for the Affiliate Partnership Program, in addition to any complementary provisions. This will establish the Board's intentions behind the program and provide staff direction on how to administer the program moving forward. Third, the Board will authorize the Executive Director to prepare an amendment to the SGVCOG JPA to remove the San Gabriel Valley Water Districts Joint Powers Authority as a Member, for reasons discussed above. Finally, the Board will authorize the Executive Director to take other actions that may be deemed necessary by Counsel to enact this Program and update the SGVCOG Bylaws and JPA accordingly.

Prepared by: Stephani Wong
Steph Wong
Principal Management Analyst

Approved by: Marisa Creter
Marisa Creter
Executive Director

ATTACHMENT

Attachment A – Affiliate Partnership One-Pager

Memorandum

To: San Gabriel Valley Municipal Water District Board of Directors

Cc: Darin Kasamoto, General Manager

From: Evelyn Reyes, External Affairs Manager

Date: February 5, 2025

Subject: External Affairs Report

Rebates:

	Rain Barrel	Washing Machines	High-Efficiency Toilets	Waterless Urinals	Smart Controllers	Sprinkler Nozzles	Soil Sensor	Flow Meter Monitor
	$35	$85	$40	$150	Up to $80	$2 – Min. 30	Up to $80	Up to $100
Monthly Total	0	3	0	0	0	0	0	0
FY 24/25 Total	55	18	6	0	3	0	0	4

Legislative: The California Legislature's last day to submit bills is February 21, 2025. We are monitoring legislation that is important to the District and the State Water Contractors. Next month I will provide a bill analysis.

Grants: We have approved a grant of $4,650 to the City of Monterey Park for the installation of two water bottle refill stations in the library. Additionally, a grant of $5,000 has been awarded to the City of Alhambra to support the installation of high-efficiency faucets and toilets in city facilities.

Lario Park - EPA Staging Area for Eaton Fire Recovery: The EPA has designated Lario Park in Azusa as the processing site for debris from the Eaton Fire. We participated in a town hall organized by Senator Susan Rubio and attended a briefing hosted by the San Gabriel Basin Watermaster. The primary concern for the Watermaster and the Water Quality Authority is the site's close proximity to the San Gabriel River, as well as the potential for contaminants to percolate into the groundwater. During the briefing, the EPA provided an overview of its recovery efforts and waste disposal process.

Meetings/events attended:

- PWAG CET Administrative Meeting and Member Agency Meeting
- Alhambra Chamber Leadership Luncheon
- City of Monterey Park Memorial Vigil
- Project Wet Webinar
- SGVWA Legislative Committee Meeting
- CSDA SGV Chapter Meeting
- Alhambra Chamber of Commerce Legislative Committee Meeting

- PWAG Board Meeting
- Lario Park Processing Site Townhall
- ACWA Region 8 Legislative Meeting

Upcoming Events:
City of Alhambra Lunar New Year Event: The District will have a booth at the annual Lunar New Year Festival in Alhambra on Saturday, February 8 from 9:00 am to 6:00 pm on Main Street. The District is the Sustainability Sponsor for the event.

Monterey Park Community Cleanup: Saturday, March 1, 2025 from 10:00 am to 12:00 pm at 171 E. Garvey Ave, Monterey Park. The District has sponsored the event.

MainSanGabrielBasin
WATERMASTER

A REGULAR MEETING OF
THE MAIN SAN GABRIEL BASIN WATERMASTER
729 NORTH AZUSA AVENUE, AZUSA, CALIFORNIA
FEBRUARY 5, 2025 AT 2:30 O'CLOCK P.M.

Agenda

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL OF WATERMASTER MEMBERS
4. ADOPTION OF AGENDA [1]
5. TIME RESERVED FOR PUBLIC COMMENT
6. ITEMS REMOVED FROM CONSENT CALENDAR [1]
7. CONSENT CALENDAR [1]
   All items on Consent Calendar may be approved with single action.
   a) Minutes of a Public Hearing and Regular Meeting of Watermaster held January 8, 2025
   b) Lists of Demands
   c) Financial Statements, January 2025
   d) Stipulation Re Intervention After Judgment of:
      i) Covina Valley Water Company
   e) Authorization to attend Association of California Water Agencies Spring Conference, May 13-15, 2025
8. AUTHORIZATION TO EXECUTE EXTENSION AGREEMENT FOR VULCAN MATERIALS COMPANY PRODUCER CYCLIC STORAGE ACCOUNT [1]
9. REPORT FROM ADMINISTRATIVE COMMITTEE [1]
   a) Recommendation of 2025 Watermaster Committee Assignments and Representatives to Outside Organizations
10. REPORT FROM BASIN WATER MANAGEMENT COMMITTEE [2]
11. ATTORNEY'S REPORT [2]
12. ENGINEER'S REPORT [2]
13. EXECUTIVE OFFICER'S REPORT [2]

14. REPORT FROM RESPONSIBLE AGENCIES [2]

15. REPORT FROM LOS ANGELES COUNTY [2]

16. OUTSIDE COMMITTEE LIAISONS [2]

17. INFORMATION ITEMS [2]

    a) Temporary assignment or lease of 100% of Prescriptive Pumping Right from Co-Tenancy of Laurence R. Pellissier Irrevocable QTIP Trust, et al to California Domestic Water Company for Fiscal Year 2024-25

    b) San Gabriel Valley Municipal Water District transmittal of monthly report for December 2024

18. COMMENTS FROM WATERMASTER MEMBERS [2]

19. FUTURE AGENDA ITEMS [1]

    a) Consideration of Extension Agreement for Sterling Mutual Water Company for Producer Cyclic Storage

20. CLOSED SESSION [1]
    A closed session may be called to discuss pending or potential litigation.

21. ADJOURNMENT

LEGEND	[1]	INDICATES ACTION ANTICIPATED BY WATERMASTER ON THIS ITEM
	[2]	INDICATES INFORMATION ITEM - NO WATERMASTER ACTION ANTICIPATED

Chair Lynda Noriega Presiding

SAN GABRIEL BASIN
WATER QUALITY AUTHORITY

REGULAR BOARD MEETING
at
1720 W. CAMERON AVENUE, SUITE 100
WEST COVINA, CALIFORNIA

WEDNESDAY, JANUARY 22, 2025 AT 12:00 P.M.

Zoom Link:
https://us06web.zoom.us/meeting/register/_4olDNd0RPikvezq4Ux1sA

AGENDA

I. CALL TO ORDER — **PAULSON**

II. PLEDGE OF ALLEGIANCE

III. REMOTE PARTICIPATION DECLARATION - AB 2449 — **MORENO**
[Government Code Section 54953(f)]

(a) Notification of Just Cause Remote Participation

(b) Notification and Vote to Approve Emergency Circumstance Request For Remote Participation

IV. ROLL CALL OF BOARD MEMBERS — **MORENO**

Mark Paulson, Chairman	_____	_____(alt)
Lynda Noriega, Vice-Chairwoman	_____	_____(alt)
Valerie Munoz, Secretary	_____	_____(alt)
Robert Gonzales, Treasurer	_____	_____(alt)
Bob Kuhn	_____	_____(alt)
Ed Chavez	_____	_____(alt)
Robert DiPrimio	_____	_____(alt)

V. PUBLIC COMMENTS (Agendized Matters Only): — **PAULSON**

As provided under Government Code Section 54954.3, this time has been set aside for persons in the audience to provide comment or make inquiries on matters appearing on this Special Meeting agenda only. Please complete the appropriate request card and submit it to the Secretary, prior to the item being heard. A five-minute time limit on remarks is requested.

VI. ITEMS TOO LATE TO BE AGENDIZED - Recommended Action: PAULSON

Approve motion determining need to take action on item(s) which arose subsequent to posting of the Agenda (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board or, if less than two-thirds of Board members are present, a unanimous vote)

VII. ELECTION OF OFFICERS PAULSON

(a) Chairman
(b) Vice-Chairman
(c) Treasurer
(d) Secretary

VIII. APPOINTMENT OF COMMITTEE MEMBERS CHAIRPERSON

(a) Administrative/Finance Committee
(b) Legislative/Public Information Committee

IX. CONSENT CALENDAR CHAIRPERSON

(Consent items may all be approved by single motion) [enc]

(a) Minutes for 12/18/24 Regular Board Meeting
(b) Minutes for 1/14/25 Legislative/Public Information Committee Meeting
(c) Minutes for 1/14/25 Administrative/Finance Committee Meeting
(d) Demands on Administrative Fund
(e) Demands on Project Fund

X. COMMITTEE REPORTS

(These items may require action)

(a) Legislative/Public Information Committee Report

(b) Administrative/Finance Committee Report

1. Adopt Resolution 25-001, Authorizing the Extension of the Contract with BMO Bank and Authorizing Board Officers to Contract for Service and Establish Accounts with BMO Bank [enc]

2. Report on Cash and Investments – 4th Quarter 2024 [enc]

XI. OTHER ACTION/INFORMATION ITEMS — CHAIRPERSON

(These items may require action)

(a) Draft San Gabriel Basin Groundwater Quality Management and Remediation Plan "§406 Plan" for 2025 [available prior to meeting]

1. Open of 30-day Public Comment Period

(b) Discussion/Action Regarding Federal Funding Program Administration (FFPA) Round XI Extension [enc]

XII. PROJECT REPORTS — COLBY

(a) Treatment Plants:

		Status
1.	Baldwin Park Operable Unit	
	• Arrow/Lante Well (Subarea 1)	Operational
	• Monrovia Wells	Operational
	• SGVWC B6 Plant	Operational
	• SGVWC B5 Plant	Operational
	• CDWC Well No. 14	Operational
	• La Puente Valley County Water District	Operational
	• VCWD Nixon	Operational
	• VCWD Maine	Operational
2.	El Monte Operable Unit	
	• Eastern Shallow Zone	Operational
	• Eastern Deep Zone	Operational
	• GSWC Encinita Plant	Operational
	• Western Shallow Zone	Operational
3.	South El Monte Operable Unit	
	• Whitmore Street. Ground Water Remediation Treatment Facility	Operational
	• City of M.P. Well No. 5 VOC Treatment Facility	Operational
	• City of M.P. Well No. 12 VOC Treatment Facility	Operational
	• City of M.P. Well No. 15	Operational
	• City of M.P. Well Nos. 1, 3, 10 VOC Treatment Facility	Operational
	• GSWC Wells SG-1 & SG-2	Operational
	• GSWC Garvey	Operational
	• SGVWC Plant No. 8	Operational
	• SGVWC Plant G4	Operational

4. Puente Valley Operable Unit
   - Intermediate Zone — Construction
   - SGVWC Plant B11 — Operational
5. Area 3 Operable Unit
   - City of Alhambra Phase 1 — Operational
   - City of Alhambra Phase 2 — Operational
   - City of South Pasadena Wilson — Operational
6. Non-Operable Unit
   - City of Arcadia Longden — Operational
   - City of Arcadia Live Oak — Operational
   - City of Monrovia Tower 1&2 — Operational
   - City of Monrovia Tower 3&4 — Operational
   - SGVWC Plant 11 — Operational

XIII. ATTORNEY'S REPORT **PADILLA**

XIV. LEGISLATIVE REPORT **MONARES**

XV. EXECUTIVE DIRECTOR'S REPORT **SCHOELLERMAN**

XVI. FUTURE AGENDA ITEMS **CHAIRPERSON**

XVII. INFORMATION ITEMS [enc] **CHAIRPERSON**

(a) San Gabriel Basin Water Calendar

XVIII. FUTURE BOARD/COMMITTEE MEETINGS **CHAIRPERSON**

(a) The next for Legislative/Public Information Committee meeting was scheduled Tuesday, February 11, 2025 at 9:00 a.m.

(b) The next Administrative/Finance Committee Meeting was scheduled for Tuesday, February 11, 2025 at 10:00 a.m.

(c) The next WQA Board meeting was scheduled for Wednesday, February 19, 2025 at 12:00 p.m.

XIX. CLOSED SESSION **CHAIRPERSON**

(a) Closed Session Pursuant to 54956.9(d)(4) – Conference with Legal Counsel re: Initiation of Litigation (Settlement Opportunities with potential defendants) – Two (2) Matters

XX. RECONVENE OPEN SESSION **CHAIRPERSON**

XXI. BOARD MEMBERS' COMMENTS/REPORTS **CHAIRPERSON**

XXII. ADJOURNMENT **CHAIRPERSON**

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection in the lobby of the Authority's business office located at 1720 W. Cameron Ave., Suite 100, West Covina, CA 91790, during regular business hours. When practical, these public records will also be made available on the Authority's internet web site, accessible at www.wqa.com .

Memorandum

To: San Gabriel Valley Municipal Water District Board of Directors

From: Darin Kasamoto General Manager

Date Feb. 5, 2025
Subject: General Manager's Report

1. SWP UPDATE

The Delta Conveyance Project (DCP) Public Draft EIR Comment period has ended. The EIR was certified by DWR on December 18, 2023. There are now ten law suits that have been filed.

DWR will be looking for funding commitments from contractors to keep the DCP planning process going beyond 2025. The District approved funding commitment along with 8 other contractors as of Nov. 30, 2024. MWD approved their share of funding in December, and Santa Clara Valley approved on January 15, 2025. Five Contractors are still waiting to take action.

The State Water Project allocation for 2025 increased to 20% from 15% on January 28, 2025. High rainfall amounts have been occurring in the Northern Sierras in early February after an extremely dry January.

2. MAIN SAN GABRIEL BASIN UPDATE

As of Jan. 31, 2025, the Key Well is at 246.6.0 feet down 1.4 feet from Jan. 3, 2025 due to termination of USGVMWD deliveries on Dec. 31, 2024. The historic low is 169.4 feet.

3. GRANT PROGRAM UPDATES

The District, through Steve Bucknam and Hazen and Sawyer is continuously monitoring grant programs which could help fund District and city projects.

The USBR has approved the Districts feasibility study for Monterey Park/Central Basin recycled water connection. This makes the project eligible for potential USBR grant funding, we are currently on hold with this project due to management issues at Central Basin.

4. MANAGEMENT ISSUES

The Letter of Intent for the Regional Recycled Water Project has been approved by all parties. I have had a follow-up with MWD on next steps, and they want to look into use of SGVMWD existing infrastructure to add flexibility to the project. We have sent all of information requested by MWD for them to begin this analysis. The preliminary analysis performed by MWD indicates that it is physically possible to use our pipeline to get water to the treatment plant in La Verne. Stetson Engineers has prepared a white paper on pros and cons of allowing use of district facilities. MWD provided an update on the project at the August Board Meeting and indicates they will not be ready to discuss use of District pipeline and potential District capital funding until late 2025.

Staff has approved a proposal from Corpro Corrosion Engineering so they have begun putting together their recommendations on prioritizing areas of concern along the pipeline.

The District has provided a non-binding letter of interest in the proposed Willow Springs Water Banking Project. This could potentially be used to bank SWP allocation which can not be delivered due to aqueduct restrictions. More information will be presented once it becomes available.

Staff is reviewing a draft term sheet for the potential purchase of MWD 2025 SWP Table A allocation.

The 2023-2024 Audit and Travel Expenses Report has been completed, it will be presented at the February 2025 Board Meeting.

Memorandum

To: San Gabriel Valley Municipal Water District Board of Directors

From: Steve Kiggins, Assistant General Manager

Cc: Darin Kasamoto, General Manager

Date: February 5, 2025

Subject: Assistant General Manager's Report

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1. January 2025 deliveries: 1,312 AF to SGVMWD cyclic storage at the Canyon Spreading Grounds and 558 AF to Covina Irrigating Company on behalf of Three Valleys Municipal Water District. Table A Allocation CY 2025: 20% / 5,760 AF. As of February 1, 2025, the Table A carryover balance was 283 AF.

2. Total deliveries to cyclic storage CY 2024: 24,322 AF. Cyclic storage balance as of December 31, 2024: 5,913.26 AF. CIC Exchange balance (Water owed to SGVMWD by TVMWD) as of December 31, 2024: 0 AF (2,783 AF was transferred from TVMWD's cyclic storage to SGVMWD's cyclic storage in December.) The amount of water banked on behalf of Dudley Ridge Water District is 14,209 AF.

3. Water delivery forecast: The balance of 2024's carryover water will be delivered by and cyclic deliveries will end on February 10, 2025. Deliveries to CIC will continue until further notice.

5. Assistant General Manager meetings and activities:

    A. Attended Basin Water Management Committee meeting and Raymond Basin Board meeting

    B. Attended Groundwater Replenishment Coordinating Group meeting (Teams)

    C. Attended CDFW 2025 Invasive Mussel Water Agency Summit (Zoom)

    D. Attended Public Water Agencies Group quarterly meeting

    E. Attended Sen. Rubio and Watermaster Lario Park Processing Site meetings

    F. Met with Civiltec regarding standby generator quotes, electrical panel upgrades, and Station Refurbishment Project kickoff meeting and site surveys

    G. Attended 2025 California AGWT-AGWA Groundwater Conference (Zoom)

    H. Attended The Main San Gabriel Basin Watermaster meeting

    I. Weekly DWR / SWC Operations Update meetings (Teams)