

# COACHELLA VALLEY WATER DISTRICT

FISCAL YEAR

# 2020-21

OPERATING & CAPITAL IMPROVEMENT BUDGET





# COACHELLA VALLEY WATER DISTRICT OPERATING & CAPITAL IMPROVEMENT BUDGET FISCAL YEAR 2020 – 21



## BOARD OF DIRECTORS

### *Standing from left:*

Peter Nelson | Division Four

John Powell Jr. | Division Three  
**Board President**

G. Patrick O'Dowd | Division One

### *Seated from left:*

Anthony Bianco | Division Two

Cástulo R. Estrada | Division Five  
**Board Vice President**

## SENIOR ADMINISTRATION

Jim Barrett  
**General Manager**

Robert Cheng  
**Assistant General Manager**

Dan Charlton  
**Assistant General Manager**

## CVWD MISSION STATEMENT

*To meet the water-related  
needs of the people through  
dedicated employees,  
providing high-quality water  
at a reasonable cost.*

P.O. BOX 1058  
Coachella, CA 92236

(760) 398-2651  
[www.cvwd.org](http://www.cvwd.org)



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Coachella Valley Water District  
California**

For the Fiscal Year Beginning

**July 1, 2019**

*Christopher P. Morrill*

Executive Director



## CONTACT INFORMATION

This document is produced annually by the Finance and Communications & Conservation departments. Anyone needing additional information may contact CVWD at:

### **COACHELLA VALLEY WATER DISTRICT**

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Coachella, CA 92236  
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### **COACHELLA VALLEY WATER DISTRICT STEVE ROBBINS ADMINISTRATION BUILDING**

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Palm Desert, CA 92260  
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**Laura Kleeman** | Financial Analyst II  
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**Andrea De Francisco Shek** | Layout & Design

*The Fiscal Year 2021 Budget is available on our website:  
[www.cvwd.org/budget](http://www.cvwd.org/budget)*

## DISTRICT DEPARTMENT HEADS

Clerk of the Board.....	Sylvia Bermudez
Communications & Conservation .....	Katie Evans
Engineering.....	Carrie Oliphant
Environmental Services.....	Steve Bigley
Finance .....	Geoffrey Kiehl
Human Resources.....	Scott Hunter
Information Systems.....	Luis Maciel
Service .....	Scott Burritt

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# BUDGET MESSAGE





# COACHELLA VALLEY WATER DISTRICT

GENERAL MANAGER | JIM BARRETT  
ASSISTANT GENERAL MANAGERS | ROBERT CHENG & DAN CHARLTON

**JULY 1, 2020**

## *To the Board of Directors:*

For over a century, the Coachella Valley Water District (CVWD) has provided residents and businesses across the Coachella Valley with a safe and reliable water supply. The District’s mission is to meet the water-related needs of the people through dedicated employees, providing high quality water at a reasonable cost. In short: “Your Water is Our Promise.”

With this commitment, management presents the Fiscal Year 2021 Operating and Capital Improvement Budget to provide customers, potential investors and other interested parties with reliable financial information about CVWD. The budget faces unprecedented challenges. In consideration of the economic stresses created by the COVID-19 crisis, CVWD will not raise water rates, even though we have a pent-up demand for facilities repairs and upgrades. Thanks to the stable and secure financial structure of our agency, we cut operating expenses and tapped into our emergency reserves to help balance our annual budget that shows a \$40 million overall reduction versus Fiscal Year 2020.

CVWD will remain mindful of these moves that will put pressure on future budgets and water rates as the District assesses its plans and goals.

The adoption of this budget focuses on identifying and estimating financial resources spending. It also serves as a policy document that drives management decisions for fiscal 2021 and plays a critical role influencing the future of CVWD.

(000s)	BUDGET FY 2020	PROJECTION FY 2020	BUDGET FY 2021	BUDGET CHANGE	% CHANGE
Operating Budget	\$289,775	\$271,018	\$278,642	(\$11,133)	(3.8%)
Capital Improvement Projects	126,745	115,194	97,333	(29,412)	(23.2%)
<b>Total Budget</b>	<b>\$416,520</b>	<b>\$386,212</b>	<b>\$375,975</b>	<b>(\$40,545)</b>	<b>(9.7%)</b>

## *Budget Summary*

The fiscal 2021 operating and debt service budget amounts to \$278.6 million and is supplemented with \$97.3 million in capital improvements to provide a total financial program of \$376.0 million.

The operating budget decreased by \$11.1 million. Increases in salaries & benefits were offset by decreases in supplies & services, water purchases, Quantification Settlement Agreement payments, and capital outlay. Interfund debt service increased by \$6 million. The loan payment between the East Whitewater Replenishment Fund and the Domestic Water Fund has been re-amortized to help maintain the East Replenishment Fund’s reserves.

Capital improvement projects decreased \$29.4 million as compared with the fiscal 2020 budget. More information can be found in the Capital Improvement chapter.

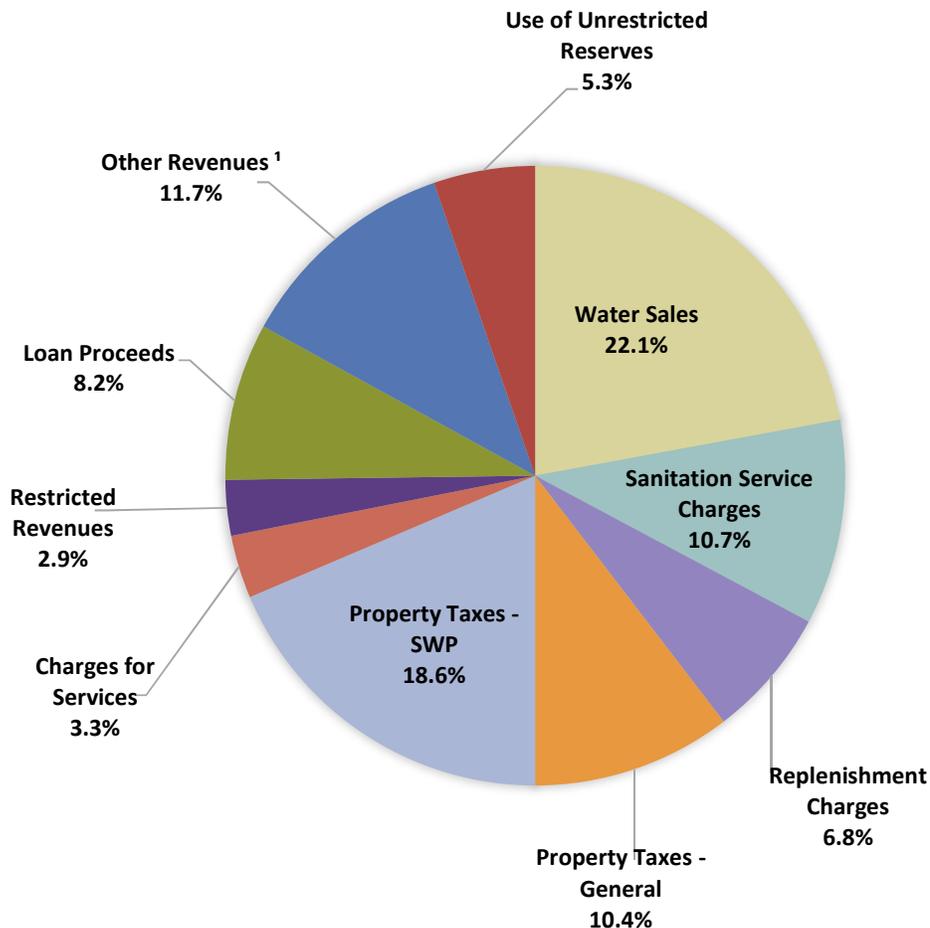
## Revenues and Other Sources: \$375,975,000

The District receives funding from a variety of sources: domestic water sales, sanitation service charges, groundwater replenishment charges, ad valorem property taxes, State Water Project property taxes, monthly domestic water service charges, sales of irrigation water, grants, investment income, assessments that support future development, charges for miscellaneous services and loan proceeds.

Water sales, including sales from domestic water, recycled or nonpotable water, and canal irrigation water are 22.1% of total revenues in fiscal 2021. In addition, proceeds from State Water Project taxes are 18.6%, with ad valorem property taxes at 10.4% of total revenues. Proceeds from debt issuance total \$31 million and are included in the fiscal 2021 revenue budget. Proceeds includes \$18.6 million in CWSRF loans and a planned draw of \$12.4 million on the Bank of the West Line of Credit.

A Water Infrastructure Finance and Innovation Act (WIFIA) loan was awarded to the District in fiscal 2020. This loan will fund approximately 49% or \$59.1 million, of two projects in the Stormwater Fund. The WIFIA loan has a rate of 1.96% for 35 years and the first draw on this loan is expected in fiscal 2022.

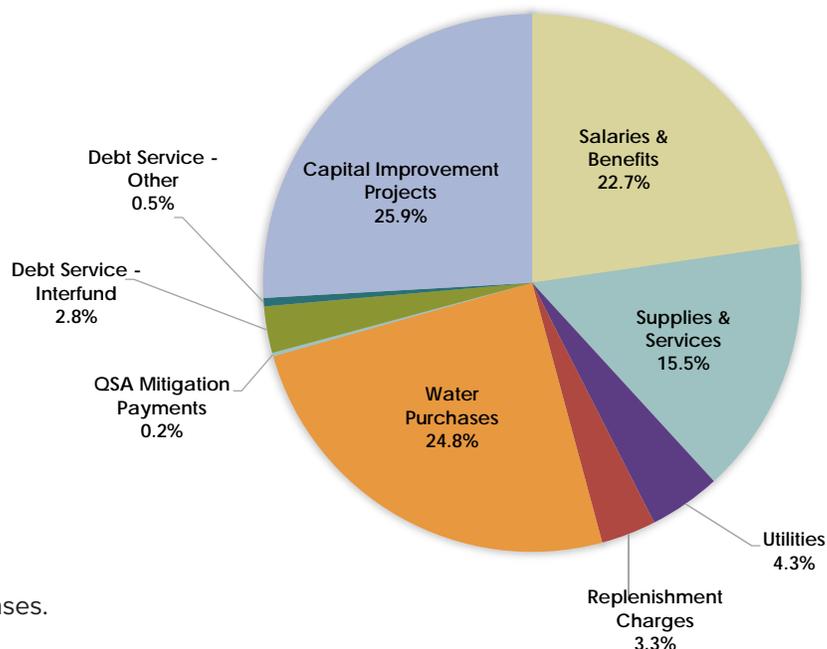
For fiscal 2021, a significant source of funding is the use of reserves for capital. This is a planned use as those funds were set aside to start or finish capital projects previously identified as necessary and budgeted in an earlier fiscal year but not fully expended.



<sup>1</sup>Availability Charges, Quagga, Intergovernmental Revenue, Investment Income, Debt Proceeds, Interfund Revenues, Grants, Capital Improvement Reimbursements, Other Revenues

## Expenses and Other Uses: \$375,975,000

Although the Coachella Valley relies on a vast aquifer, the region depends on imported water to protect and replenish groundwater supplies. Through the foresight of CVWD's predecessors, the District is only one of two California water agencies that hold rights to both Colorado River water and State Water Project water. The recent droughts within California and on the Colorado River basin are a stark reminder of how vulnerable imported water supplies are to the forces of nature, and that these supplies need to be protected and optimally used. The District's largest operating expense is for the purchase of imported water. In fiscal 2021, approximately \$90 million/24.8% is budgeted for water purchases.



Salaries & benefits are 22.7% of the budget. Supplies & services are 15.5% of the budget which include expenses for asset management, capital master planning, repair of facilities, chemicals for treatment, insurance, and professional development.

The largest nonoperating expense category is for capital improvement projects budgeted at \$97.3 million/25.9% which includes funding for projects across all of the District's services as well as vehicle and equipment replacements.

## Short- and Long-Term Issues Impacting the Budget

### INVESTMENT IN INFRASTRUCTURE AND ASSET MANAGEMENT

Aging infrastructure continues to be the biggest issue facing the District, in both the short- and long-term. Four years ago, the District began a comprehensive Asset Management Master Plan to address the state of the infrastructure. General District, Domestic Water, Canal, Sanitation, Stormwater, Replenishment and Fleet assets are all in various phases of implementation by the Asset Management Team. Over 295,000 physical assets have been located, photographed, condition scored, and valued. These asset records are being uploaded into the Computerized Maintenance Management System (CMMS). For fiscal 2021, one of the project's main focuses is on integrating with Central Square (NaviLine), and development of the Training Program. When the plan is completely implemented, it will provide the District with a comprehensive view of the state of the assets and a timeline for replacement based on likelihood and consequence of failure. The District currently has the reserves to help address the immediate replacement and improvement projects, but is taking a proactive look at alternative funding sources, in addition to revenue bond funding.

### DELTA CONVEYANCE

One of California's largest supplies of clean water is dependent on an aging system that has insufficient storage and is unable to provide full deliveries during certain times when water is available.

The proposed solution, the Delta Conveyance Project, will provide an alternate delivery pathway through the Delta, thereby reducing risk from earthquakes, climate change impacts (including sea level rise), and provide reliable water while protecting the environment.

The cost to fix California's primary water delivery system will be paid for by State Water Project contractors and other public water agencies that rely on the supply. The California Department of Water Resources is pursuing a new environmental review and planning process for a single tunnel solution to modernize Delta conveyance. Cost estimates and other impacts are being revised at this time.

## **AGUA CALIENTE LAWSUIT**

The Agua Caliente Band of Cahuilla Indians filed a lawsuit on May 14, 2013 against CVWD and Desert Water Agency (DWA) claiming senior water rights above all users in the Coachella Valley. The suit was broken into three phases. In March 2017, the Ninth Circuit Court granted federal groundwater rights to the Agua Caliente (Phase 1). In July 2017, the District and DWA filed petitions with the U.S. Supreme Court asking the Court to review the ruling. The Supreme Court declined to hear the case at that time.

On April 19, 2019, the Federal Court ruled that the Agua Caliente Tribe was not harmed because it has always had access to as much high-quality water as it needs. The judge ruled that the Tribe does not have standing, the right to pursue a lawsuit against the local public water agencies seeking a quantification of claimed water rights or on water quality issues, leaving the “narrow issue” of whether the Tribe has an ownership interest in storage space for groundwater under its reservation as the remaining claim in the Tribe’s lawsuit to be decided in Phase 3.

On January 24, 2020, the Agua Caliente Tribe filed a second lawsuit against CVWD and DWA, alleging the groundwater replenishment assessment charges levied by CVWD and DWA on non-Indian lessees of reservation lands who pump well water are barred by federal law. CVWD and DWA have denied the allegations in answers filed March 13, 2020. The case is set for trial on June 8, 2021. The court has directed the parties to use private mediation to explore whether the case can be settled.

On July 8, 2020, the Court allowed the Tribe to file a First Amended and Supplemental Complaint which seeks to revive the quantification and water quality claims, but reserved ruling on whether the amendments sufficiently pleaded standing to support those claims. CVWD filed its responsive pleading on July 31, 2020.

## **CONTAINING CALPERS COSTS**

The District provides retirement benefits to District employees through the California Public Employees Retirement System (CalPERS). Although the District pays what is billed annually, over the years the District has incurred a significant unfunded liability. The primary causes for the unfunded liability have been periodic shortfalls of CalPERS’ return on investments versus projections, and the cost of retirement obligations exceeding actuarial projections. Since September of 2018, Finance staff have been working with the District’s assigned CalPERS senior actuary to revise the actuarial valuation assumptions and utilize more current data in order for the normal cost, unfunded liability, and recommended District annual contributions be more accurate and reflective of what needs to be contributed to CalPERS to significantly reduce the unfunded liability over time. This is helping staff guard against actuarial surprises which have the potential of causing rate spikes. Ultimately, this approach also leads to greater financial stability and credit worthiness.

## **FINANCIAL STABILITY**

While the District has strong reserves in fiscal 2021, there is increasing pressure on reserves in the short-term. With the emphasis on improving the execution rate of the Capital Improvement Program, more of the unobligated cash has been used. In addition, the preceding issues (above) all put pressure on reserves and rates. While the fiscal 2021 budget was adopted with no rate increases for all funds, future budgets will require significant rate increases in the following funds: Canal Water, Domestic Water, Sanitation, West Replenishment, and East Replenishment to ensure that we maintain positive net operating revenue, and to ensure reserve targets are met.

The District has engaged Carollo Engineers to prepare a Cost of Service Study for the following funds: Domestic Water, Canal Water, West Replenishment, Mission Creek Replenishment, and East Replenishment. The study, which is expected to be completed in the spring of 2021, reviews existing rate structures, allocates revenue requirements to the various customer classes, evaluates adequacy of projected revenues under existing rates, makes recommendations for potential revenue adjustments, and develops a sound financial plan for a ten-year period. In addition, a Cost of Service Study is planned for fiscal 2022 for the Sanitation Fund.

**CONCLUSION**

The CVWD staff upholds their commitment to being dedicated stewards of the resources entrusted to us, as we go about the District’s mission of meeting the water-related needs of the people at a reasonable cost. Regarding how we go about completing this mission, we also are committed to maintaining a high degree of transparency and responsiveness to our customers, stakeholders, and employees.

I have confidence that this budget document accurately reflects the policies, priorities and direction of the Board of Directors, and provides a sound financial plan for Fiscal Year 2021.

I would like to express my appreciation to the staff who developed a budget that reflects the needs of the District. A special note of thanks should go to the Finance Department for their diligence in gathering, analyzing, and presenting information clearly and accurately.

Respectfully submitted,



**JIM BARRETT**  
General Manager



*Steve Robbins Administration Building in Palm Desert*



# OVERVIEW



## ABOUT THE COMMUNITY

The Coachella Valley (Valley) has nine diverse cities: Palm Springs, Cathedral City, Palm Desert, Rancho Mirage, Indian Wells, La Quinta, Desert Hot Springs, Indio, and Coachella, as well as, portions of unincorporated Riverside County that have their own unique histories and personalities. The Valley is an alluring destination for both residents and tourists alike with year round sunshine, low cost of living, and a variety of cultural activities. Lush golf courses, sensory spa treatments, excellent dining options, natural beauty, and an exciting nightlife combine to make the ultimate resort experience. The Valley is more than a destination, it has its own distinct vibe and lifestyle.

The Valley is a desert in Southern California which extends approximately 45 miles in Riverside County, southeast from the San Bernardino Mountains to the northern shore of the Salton Sea. It is approximately 15 miles wide along most of its length and is surrounded by scenic, rugged mountains. To the north is Mount San Gorgonio; on the north and the east, the Little San Bernardino Mountains; to the west, the San Jacinto Mountains; to the south, the Santa Rosa Mountains; and to the east in the distance, the Chocolate Mountains. The elevations on the Valley floor range from 1,600 feet at the north end of the Valley, to 250 feet below sea level at the south end of the Valley. The southern segment of the San Andreas Fault crosses the Valley beginning near Bombay Beach, near the Salton Sea, and runs along the southern base of the San Bernardino Mountains. The fault is easily visible on the northern side of the Valley, as a strip of greenery against an otherwise bare mountain. Because of this fault, the Valley has many hot springs. Fault lines cause hot water springs or geysers to rise from the ground. These natural water sources made habitation and development possible in the otherwise inhospitable desert of the Coachella Valley.



*Aerial View of a Portion of the Coachella Valley*

## COACHELLA VALLEY DISTRICT BOUNDARY MAP



## ATTRACTIONS

With more than 350 days of sunshine per year and the warmest winters in the western US, the Valley is recognized as the golf, tennis, and polo capital of the West. Recreational hiking and horseback riding are popular in the many accessible canyon and mountain areas. The Valley draws a significant numbers of leisure travelers with its variety of attractions and special events:

**Palm Springs International Film Festival**

**Palm Springs ShortFest**

**BNP Paribas Open Tennis Tournament**

**Coachella Music Festival**

**Stagecoach Music Festival**

**PGA: Desert Classic Golf Tournament**

**LPGA: ANA Inspiration Golf Tournament**

**Riverside County Fair and National Date Festival**

**The Desert Circuit Horse Show**

**Coachella Valley Wildflower Festival**

**Fashion Week El Paseo**

**Modernism Week**

**Southwest Arts Festival**

**International Tamale Festival**

**McCallum Theatre**

**Palm Springs Air Museum**

**Palm Springs Aerial Tramway**

**Palm Springs Art Museum**

**Palm Springs Desert Resorts Restaurant Week**

**Living Desert Zoo and Botanical Garden**

**Tour de Palm Springs**

**Rancho Mirage Observatory**

**Villagefest**

**Joshua Tree National Park**

**Palm Desert Golf Cart Parade**

**Santa Rosa and San Jacinto Mountains National Monument**

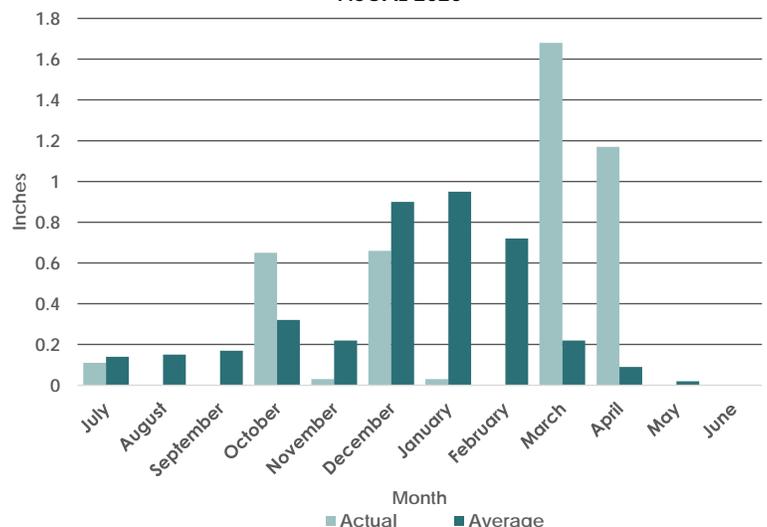
**College of the Desert Street Fair**

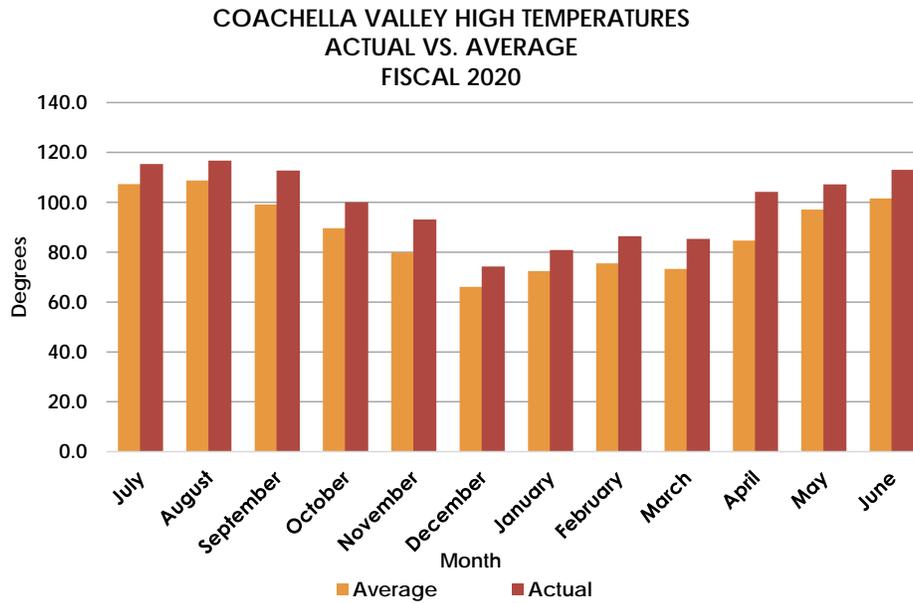
**American Documentary Film Festival**

## WEATHER

The mountains surrounding the Valley not only add to the desert’s beauty, but also create a “rain shadow,” which blocks weather systems that move through Southern California. It can be raining 20 miles to the west, while the sun is shining over the Coachella Valley. Rainfall this year exceeded the average 3.8 inches with a total of 4.33 inches. The actual high temperature average of 99.1 degrees exceeded the average high temperature of 88 degrees that was expected.

COACHELLA VALLEY PRECIPITATION  
ACTUAL vs. AVERAGE  
FISCAL 2020





## ECONOMIC INDICATORS

Coachella Valley is a very seasonal economy. Most festivals, tournaments, and events happen in our most prosperous months from January through April. Cancellation of these major activities due to the Coronavirus pandemic (COVID-19) has been devastating to the Valley’s economy. It remains unclear when returning back to “normal” will take place and the financial fallout can be measured.

**TOURISM:** Tourism is the Valley’s major industry, the largest employer, and the number one contributor to the local economy. In normal times, it generates over 51,000 jobs and infuses more than \$7 billion into the local economy, according to a Tourism Economics study commissioned by the Greater Palm Springs Convention and Visitors Bureau (CVB). Approximately 22% of total employment, 1 in every 4 jobs, is sustained by the tourism industry.

The hospitality scene has over 200 resorts and hotels throughout the Valley with plans to bring another 2,200 rooms over the next five years. Where those plans stand now is unknown. Since 2012, room demand has outpaced availability, price growth has accounted for 70% of total revenue growth.

**RETAIL:** Taxable retail sales per capita is a great metric to measure the Valley’s wealth. This measure represents a large portion of tax revenue the government can spend on its residents. Retail sales contribute to the Valley’s economic base in that a significant source of the spending is from money brought to the area by winter residents, tourists, and convention goers. The effect of shuttering retailers has left business owners and Valley revenues with significant losses and uncertainty.

**GOLF:** Golf facilities contribute to the economic strength of the Coachella Valley. Tourism Economics was hired by the Hi-Lo Desert Golf Course Superintendents Association in 2015 to estimate the benefits of the golf industry to the Coachella Valley. It was determined that the region’s 122 golf courses, which represents roughly 13.9% of California’s golf industry, generate an estimated \$745 million in golf-related spending and directly employs over 8,000 workers. An additional \$7.2 million is generated by golf tournament organizational and media expenditures.

The Coachella Valley has less than one percent of Southern California’s population, yet it has approximately 28 percent of its golf courses. The courses work with the District on ways to conserve water. The golf industry is being proactive with reducing their water consumption. Turf rebates have spurred courses to convert parts of the irrigated rough to native plantings.



Coachella Valley Agriculture

**CROP PRODUCTION:**

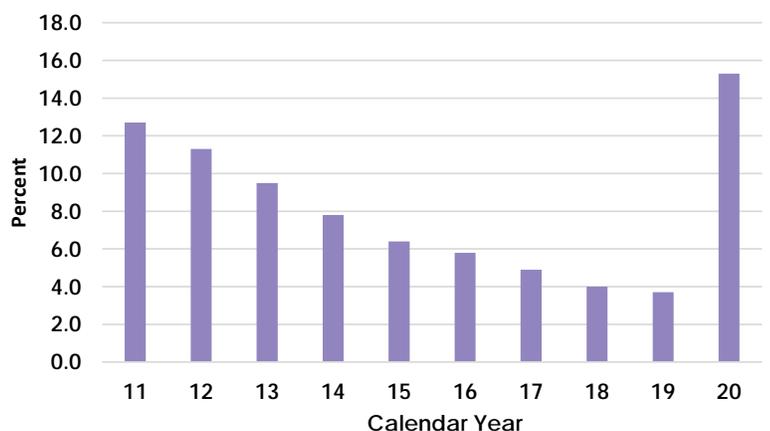
Irrigation of over 77,000 acres of the Valley using Colorado River water, delivered via the Coachella Canal, has allowed widespread agriculture to flourish. Current crop production for calendar year 2019, listed in CVWD’s annual crop report, is valued at close to \$590 million with an average gross value per acre of over \$9,000. The most lucrative crops are table grapes, dates, bell peppers, and carrots. California is the leading date growing state, producing 90% of the nation’s total. Most of that production takes place in the Valley.

**CANNABIS CULTIVATION:** California voters approved Proposition 64 in November 2016, allowing the retail sale of marijuana to adults for recreational purposes from January 1, 2018. Since then, several cities in the Coachella Valley have moved to embrace industrial-scale marijuana growing. Cathedral City, Coachella, and Desert Hot Springs have adopted ordinances to regulate cannabis cultivation, manufacturing, and testing in an effort to bring tax revenue and economic stability to their cities. Because it is still a federally controlled substance, care must be taken to ensure growers do not use the Colorado River water, a federal water, as their source of irrigation. Growers are using well water to irrigate their crop. All commercial cannabis activities/businesses must be entitled by the County and licensed by the State to operate within the unincorporated areas of the County of Riverside. California’s shelter in place order allows cannabis retailers to stay open as an essential service. The fiscal and social impacts of cannabis commerce in the Valley continues to evolve.

**EMPLOYMENT:** Unemployment in Riverside County has escalated due to the COVID-19 pandemic from 4.6% at the end of March 2019 to a staggering 15.3% at the end of March 2020. The graph shows a ten-year unemployment history in Riverside County. Locally in the Coachella Valley, approximately 53,795 are expected to have lost their jobs from December to May bringing the local unemployment rate to nearly 32%.

**HOUSING PRICES:** Per Market Watch, it is difficult to reflect the full effects of the COVID-19 pandemic on the market. The Coachella Valley detached home median price is \$440,000, which is a 3.9% increase over the past year. Pricing has stayed consistent while listing and days on market have fluctuated with the California state-wide stay at home order. Inventory continues to be low (hovering around 3,000 units). If inventory were to follow the normal seasonal pattern, it should decline over the next few months. However, it is not clear what effect the pandemic will have on this pattern.

**RIVERSIDE COUNTY UNEMPLOYMENT RATE TEN-YEAR HISTORY**



## COACHELLA VALLEY CITY PROFILES

The Coachella Valley is comprised of the cities of Cathedral City, Coachella, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, Rancho Mirage, and several unincorporated areas, which include Mecca, Oasis, Salton City, Thermal, Sky Valley, Indio Hills, and Thousand Palms. The table below shows population, housing, and income data for the Valley’s cities and unincorporated areas. Please note: data is not available for Salton City, Thermal, Sky Valley, or Indio Hills.

Coachella Valley’s cities have seasonal population, which increases during the fall, winter, and spring months, and is not included in the below data table. The seasonal population is due to the large number of second or vacation homes, and it is estimated to increase the Valley’s population by approximately 20%.

**POPULATION:** The Coachella Valley has some of the highest growth rates in Riverside County and California. Indio and Coachella are leading cities in population growth. Indio saw a 15.3% increase in population from 2010 to 2018, which is the latest verifiable data available. Close behind is the City of Coachella, seeing 12.6% growth.

CATEGORY	CATHEDRAL CITY	COACHELLA	DESERT HOT SPRINGS	INDIAN WELLS	INDIO	LA QUINTA	PALM DESERT	PALM SPRINGS
<b>Population</b>								
Population	54,902	45,839	28,885	5,440	91,240	41,535	53,185	48,375
Population Growth since 2010	7.1%	12.6%	6.8%	9.7%	15.3%	10.8%	9.8%	8.6%
<b>Housing</b>								
Number of housing units	22,679	15,405	12,110	5,694	37,734	25,143	39,800	37,434
Owner-occupied housing units	13,880	7,389	5,256	4,857	26,225	18,053	24,477	22,685
Owner-occupied housing unit rate	61.2%	68.7%	43.4%	85.3%	69.5%	71.8%	61.5%	60.6%
Median value owner-occupied	\$342,700	\$207,300	\$174,900	\$706,800	\$267,900	\$386,200	\$335,400	\$367,900
<b>Gender</b>								
Female	49.0%	51.8%	50.5%	51.7%	51.3%	50.8%	51.8%	41.9%
Male	51.0%	48.2%	49.5%	48.3%	48.7%	49.2%	48.2%	58.1%
<b>Age</b>								
Under 18 years	24.2%	26.1%	29.4%	4.4%	23.6%	20.8%	14.8%	12.4%
65 years and over	16.1%	7.3%	11.6%	58.9%	18.3%	24.6%	33.7%	31.1%
<b>Education</b>								
High school graduate or higher	77.3%	57.5%	72.6%	97.3%	75.8%	90.8%	91.9%	89.6%
Bachelor’s degree or higher	19.8%	3.2%	13.3%	57.0%	16.6%	35.8%	35.3%	37.3%
<b>Income (\$)</b>								
Median household income	\$46,370	\$33,870	\$34,814	\$104,522	\$50,824	\$79,889	\$57,578	\$50,361

CATEGORY	RANCHO MIRAGE	THOUSAND PALMS	MECCA	OASIS	INDIO HILLS	SKY VALLEY	THERMAL	SALTON CITY
<b>Population</b>								
Population	18,336	7,715	8,577	6,890	708	2,430	1,359	5,611
Population Growth since 2010	7.0%	1.3%	-16.4%	-56.2%	-27.2%	1%	52.6%	49.1%
<b>Housing</b>								
Number of housing units	15,555	3,813	2,191	1,340	331	1,901	693	2,833
Owner-occupied housing units	12,553	2,623	1,150	1,040	288	1,502	409	2,011
Owner-occupied housing unit rate	80.7%	68.8%	52.5%	77.6%	87%	79%	59%	71.0%
Median value owner-occupied	\$499,900	\$165,400	\$155,000	\$15,400	\$188,900	\$144,800	\$119,300	\$125,300
<b>Gender</b>								
Female	49.5%	49.0%	45.9%	50.6%	50%	47%	47%	48%
Male	50.5%	51.0%	54.1%	49.4%	50%	53%	53%	52%
<b>Age</b>								
Under 18 years	6.8%	22.1%	33.0%	34.9%	27%	18.5%	30.2%	28.4%
65 years and over	52.8%	23.2%	5.2%	7.9%	12%	22.6%	11.9%	21.9%
<b>Education</b>								
High school graduate or higher	95.3%	80.0%	26.1%	25.6%	51%	88.0%	40%	63%
Bachelor’s degree or higher	44.1%	14.2%	1.2%	3.0%	3%	18.0%	0%	9%
<b>Income (\$)</b>								
Median household income	\$71,227	\$45,238	\$23,895	\$21,917	\$37,353	\$37,773	\$27,130	\$31,846

Source: Towncharts.com

## ABOUT THE COACHELLA VALLEY WATER DISTRICT



*Silt Removal at the Whitewater River Groundwater Replenishment Facility*

### District Governance

Coachella Valley Water District (CVWD, District) is a special district established by the state legislature and governed by a five-member Board of Directors (Board) elected to four-year terms by District voters. Terms of office are staggered and elections are held every two years, for two or three of the five Board members.

Each director represents a division of the District. They are elected by the voters within their division. In order to run, candidates for the Board must reside within the boundaries of the division they wish to represent.

BOARD OF DIRECTORS	DIVISION REPRESENTED	TERM EXPIRATION
John Powell, Jr., President	Division 3	December 2022
Cástulo Estrada, Vice President	Division 5	December 2022
G. Patrick O'Dowd	Division 1	December 2022
Anthony Bianco	Division 2	December 2020
Peter Nelson	Division 4	December 2020

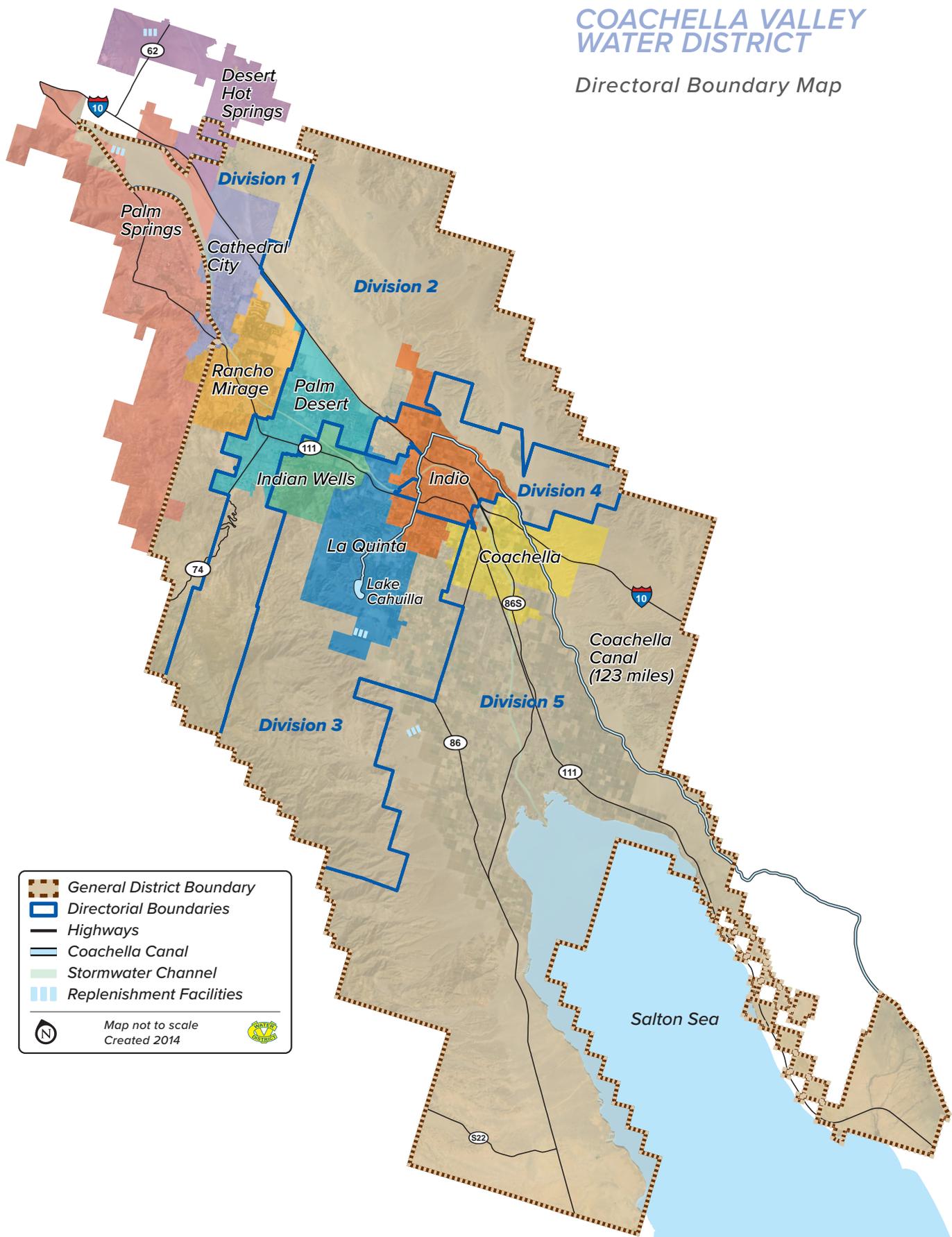
Division boundaries are overall equal in population, and take into consideration geography, cohesiveness, and communities of interest, among other criteria. A directional boundary map showing the boundaries is on the following page.

The Board is the policy-making body of the District and each member represents the interests of the division which they represent. By a majority vote, the Board may enact and enforce ordinances, and pass resolutions necessary for the operation of the District's business. The District plays a vital role in water resource management in Southern California and in the Lower Colorado River Basin.

The District must work collectively and effectively with state and federal agencies, numerous local jurisdictions, and other water purveyors to fulfill this role. Board members actively serve in leadership positions for several intergovernmental agencies and associations that further the interests of the District. Numerous policies are regulated by several state and federal agencies, including the State Water Resources Control Board (SWRCB) and the California Environmental Protection Agency (EPA). The Public Utilities Commission (PUC) does not regulate the District, since the District is a government agency and not a private company.

# COACHELLA VALLEY WATER DISTRICT

## Directorial Boundary Map



## COACHELLA VALLEY WATER DISTRICT IS A MULTIFACETED AGENCY

*The Coachella Valley Water District provides a variety of water-related utility services to a majority of the people in the Valley.*

**DOMESTIC WATER:** The District provides drinking water to about 300,000 people in the Valley. All domestic water is supplied from one of the District’s 97 active wells. To ensure water supplies remain available, the District implemented various initiatives, including, securing additional water resources, banking unused resources, water conservation programs, tiered rates, water-use restrictions, and recycling water. In fiscal 2020, CVWD invested over \$3 million in rebate and incentive programs that permanently reduce water use.

**SANITATION:** CVWD treats 6.3 billion gallons of wastewater each year and recycles more than 4.3 billion gallons of wastewater each year, subjecting it to an advanced multi-step process that filters out solids, organic materials, chemicals, and germs. The District currently owns and operates 1,160 miles of wastewater collection system piping. At two of the District’s five wastewater reclamation plants (WRPs), the treated reclaimed or nonpotable water is then delivered to customers that use it to irrigate grass, landscapes, and fill lakes. Increasing the supply and use of recycled water is a key component of CVWD’s long-range water management plans.

**NONPOTABLE WATER:** The Valley is home to more than 120 golf courses. Unfortunately, the amount of wastewater that is recycled cannot meet the year-round irrigation needs of the courses. To increase the available nonpotable water supply for golf courses and reduce their demand on the aquifer, in 2009, CVWD completed the Mid-Valley Pipeline project to bring Colorado River water to the District’s largest WRP in Palm Desert.

Currently, within CVWD boundaries there are 36 golf courses using all Colorado River water and 17.5 golf courses using a blend of recycled and Colorado River water for irrigation. The District is working with additional golf courses to switch from groundwater to nonpotable supplies in the future.

Nonpotable water services are provided by two different funds. Golf courses receiving strictly Colorado River water from the Mid-Valley pipeline and those

receiving a blend of Colorado River water and recycled water are customers of the West Whitewater Replenishment Fund. Golf courses receiving Colorado River water strictly off of the Coachella Canal are customers of the Canal Fund.

**CANAL WATER:** The District provides water to 76,364 irrigable acres of farmland in the Valley. The 123-mile Coachella Canal provides Colorado River water to local farmers, which has helped transform the Coachella Valley into California’s third largest agricultural region. Although geographically the Valley is in the northwestern portion of the Sonoran Desert, irrigation allows widespread agriculture. Crop values exceeded \$590 million in 2019.

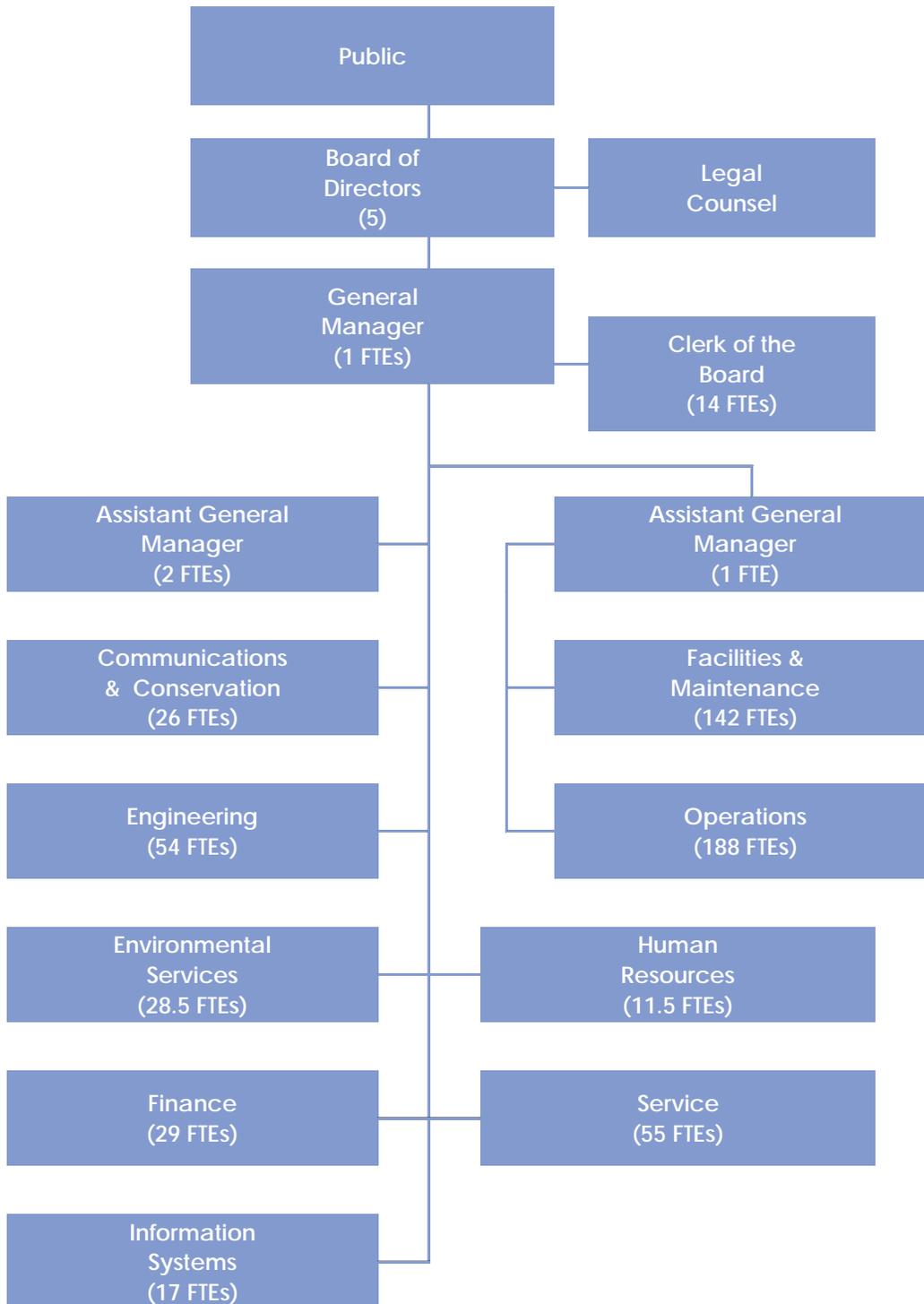
Canal water is also used to irrigate golf courses and to replenish the aquifer in the East Valley.

**STORMWATER:** The Coachella Valley averages less than four inches of rain per year. However, the surrounding mountains are subject to much higher rainfall rates which can produce unpredictable, damaging, and even deadly flash flooding events throughout the Valley. CVWD is responsible for much of the region’s stormwater protection, helping to prevent loss of life and extensive property damage. The District protects nearly 600 square miles from flooding. Within CVWD’s boundaries, there are 16 stormwater protection channels. The entire system includes approximately 183 miles of channels built along the natural alignment of dry creeks that flow from the surrounding mountains into the Whitewater River.

**GROUNDWATER REPLENISHMENT:** The District is committed to the long-term health of the aquifer which goes back to CVWD’s formation in 1918 when one of its first priorities was to design facilities at Whitewater to capture the natural runoff from the mountains. All of the drinking water supplied by CVWD comes from the groundwater basin or aquifer. To alleviate groundwater overdraft, CVWD, along with Desert Water Agency (DWA), oversee four active groundwater replenishment facilities and percolate imported water back into the aquifer.

## DISTRICT MANAGEMENT

The General Manager and legal counsel are appointed by and report to the Board of Directors. The General Manager’s administration consists two Assistant General Managers, a Clerk of the Board, and nine departments: Communications & Conservation, Engineering, Environmental Services, Facilities & Maintenance, Finance, Human Resources, Information Systems, Operations, and Service. The organization chart below depicts the District’s management along with the number of full-time employees (FTEs) in each department.





*Emergency Leak Repair*

## ACCOUNTING AND BUDGETING STRUCTURE

### *Proprietary Fund Accounting*

The District's financial reporting structure is fund-based. A fund is defined as a separate, self-balancing set of accounts, used to account for resources that are segregated for specific purposes in accordance with special regulations, restrictions, or limitations. All District funds are categorized as proprietary funds, which are used to account for a government's business-type activity. There are two types of proprietary funds – enterprise funds and internal service funds. Both fund types use the same Generally Accepted Accounting Principles (GAAP), similar to businesses in the private sector.

GAAP requires full accrual accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the accounting period incurred. Both enterprise and internal service funds recover the full cost of providing services (including capital costs) through fees and other revenues, and charges on those who use their services.

CVWD reports Domestic Water, Canal Water, Sanitation, Stormwater, and Replenishment activities in enterprise funds. Enterprise funds are intended to be entirely or predominantly supported from user charges or rates. Operations are accounted for in a manner to show a profit or loss, on a basis comparable with industries in the private sector. Occasionally, rate adjustments are needed to ensure that the funds maintain adequate cash balances to cover operating costs, debt service, and capital repairs and replacements.

The District reports Motorpool, Dental Self-Insurance, and Workers' Compensation as internal service funds. These funds are used to account for the financing of goods and services by one department to other departments or funds of the District. Internal service fund costs are allocated to the benefiting funds, in the form of fees or charges.

## HOW DOES THE BUDGET COMPARE TO THE ANNUAL FINANCIAL REPORT?

The budgetary management of District funds is based on the “bottom line” and whether the expenses, including capital replacements, are supported by revenue. CVWD uses its reserve balances or “ending reserves,” to evaluate its funds. This method works similarly to working capital and is the result of all transactions that affect assets and liabilities.

Some of the common differences between GAAP and the District’s budgetary basis of accounting are as follows:

Under the District’s budgetary basis, the receipt of debt proceeds, capital outlays (including the capital improvement program) and debt service principal payments are reported as nonoperating revenues and expenses. Depreciation expense is not reported.

The opposite is true under the GAAP basis of accounting: capital outlays are reflected as additions to assets on the balance sheet and depreciated over their useful lives. Debt proceeds are shown as a liability and principal expenses on debt service are reflected as a reduction of a liability.

Investment earnings and property taxes are considered operating revenue under the budgetary basis and are nonoperating revenue under GAAP.

Contributed assets and development fees are shown on the Statement of Revenues, Expenses, and Changes in Fund Net Position under GAAP. Under the budgetary basis, contributed assets are not recognized and only the use of restricted funds is shown as nonoperating revenue.

Under the GAAP basis of accounting, changes in the fair value of investments are treated as adjustments to revenue. This is not the case under the budgetary basis of accounting.

Reserves are generally defined as the difference between current assets and current liabilities under the budgetary basis. The net position in GAAP includes the difference between all assets and liabilities.

The timing of revenue and expenses are the same under both GAAP and the budgetary basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.



*Booster Pump Station*

## WHAT IS A BUDGET?

The fiscal 2021 budget is presented as a policy document, an operational tool, a financial planning tool, and a link to the Strategic Plan. In addition, it is also considered a link to the community. This document will be submitted to the Government Finance Officers Association (GFOA) for review and consideration for the Distinguished Budget Award, which the District has received annually since fiscal 2013. The budget includes the financial planning and legal authority to obligate District funds. Additionally, the budget provides significant policy direction from the Board to District staff.

*The budget provides five functions:*

### **1. A POLICY DOCUMENT**

Decisions made within the budget reflect the general principles or plan that guide the actions taken for the future. As a policy document, the budget links desired goals and policy direction to the actual day-to-day activities of the District. The budget process affords an interesting and challenging opportunity to reassess plans, goals, and the means for accomplishing them.

### **2. AN OPERATIONAL TOOL**

The budget directs the operation of the District. Activities of each function or department have been formalized and described in the chapter Budget by Department. This process helps maintain an understanding of the various enterprises of the District, how they relate to each other and to the goals and policies of the District and the Board. In this effort, the budget addresses areas that may not be traditional budget document topics. These include policy issues, staffing levels, long-range planning, capital spending plans, and rate setting.

### **3. A FINANCIAL PLANNING TOOL**

Traditionally, the budget is a financial planning tool, but it is also a requirement. A balanced budget must be adopted and in place, prior to the expense of District funds on July 1. The budget provides the authority to spend District funds. The District's budget is adopted at the fund level so expenses may not exceed appropriations at that level. Revenues are estimated, along with available cash reserves to indicate funds available for spending. The departmental requests for appropriations comprise the disbursement side of the budget.

### **4. A LINK TO THE STRATEGIC PLAN**

The budget is the District's blueprint and the Strategic Plan is an integral part of that blueprint. The Strategic Plan lays out the direction the District is going and the budget is a link to getting there. The goals and initiatives that were developed as a part of the Strategic Plan, are linked to specific departments and are incorporated and reflected in their goals and budgets.

### **5. A LINK WITH THE COMMUNITY**

The budget provides a unique opportunity to allow and encourage public review of District operations. The document describes the activities of the District, the reason or cause for those activities, future implications, and the direct relationship to constituents.

## BUDGET PLANNING AND PREPARATION

Budget preparation usually starts in January. At that time, the groundwork for the upcoming year is laid out. Each department starts determining what their requirements are for the following fiscal year. Based upon those requirements, budget requests are submitted and reviewed for approval. One of the key foundations to an enterprise fund budget is a solid projection of reserves, revenues, and expenses. Below is the budget calendar for fiscal 2021.

DATE	BUDGET CALENDAR AGENDA FISCAL 2021
November 13, 2019	CIP Budget Kickoff
January 17, 2020	Equipment verification list sent to departments for review
January 22, 2020	Initial Draft 5-year CIP due to Director of Engineering
January 29, 2020	Equipment verification lists with any changes due to Fleet Manager
February 7, 2020	Fleet operation and maintenance charges for 2021 due to Budget Liaisons
February 12, 2020	Budget Guide, Budget Forms, Payroll, and Expense Allocation Reports are available
February 12-13, 2020	Budget kick-off meeting with departments
February 13, 2020	Payroll allocations, overtime, and standby requests due to Finance
February 24, 2020	Board Study Session on Replenishment Assessment Charges (RAC)
March 2, 2020	Project Information due to Director of Engineering
March 4, 2020	Draft CIP presentation due to Director of Engineering and Director of Finance
March 5, 2020	Expense allocation entries due to Budget Liaisons
March 5, 2020	Operating Budget Worksheets and budget forms due to Finance
March 9, 2020	Domestic Water and General District prioritization meeting
March 10, 2020	Sanitation and Nonpotable Water prioritization meeting
March 11, 2020	Canal Water and Stormwater prioritization meeting
March 16-19, 2020	Budget meeting with Director of Finance and all Department Directors
March 18, 2020	Final CIP presentation to Director of Engineering and Director of Finance
March 26 & 31, 2020	Budget Meeting with General Manager and Department Directors
April 7, 2020	Board Study Session to review proposed fiscal 2021 Capital Improvement Plan and Motorpool
May 11, 2020	Board Study Session to review proposed Fiscal 2021 Operating and Capital Improvement Budgets
June 9, 2020	Board Meeting to present Fiscal 2021 Operating Budget and Capital Improvement Budget for approval
June 30, 2020	SunGard budget entry to be completed by Finance
July 1, 2020	Fiscal 2021 Budget takes effect

## PROPOSITION 218

The need for a rate increase can dictate the timing of the budget process. Proposition 218, officially titled the “Right to Vote on Taxes Act,” was approved by California voters in 1996. It amended the State Constitution, and established additional procedural requirements, and limitations on new and increased taxes, assessments, and property-related fees and charges.

For special districts such as CVWD, any fees or charges imposed on persons as an incident of property ownership (water commodity charges, service charges, canal irrigation water charges, sanitation fees, etc.) must comply with the requirements of this law. Specifically, the District must notify all affected property owners 45 days prior to a public hearing on any proposed rate increase. During that 45-day period, the property owner may choose to protest the increase by submitting a written form to that effect. The proposed fee or increase is prohibited, if written protests constitute a simple majority.

Substantive requirements of Proposition 218 include restrictions on expenses that may be included in the fee or rate. For example, revenues cannot exceed the costs required to provide the property-related service and revenues from the fee cannot be used for any purpose other than that for which it was imposed. These requirements suggest that an agency develop cost of service studies that document the costs for which their fees and rates are imposed, utilizing appropriate industry principles and guidelines.

## COMPONENTS OF THE BUDGET

*There are three components of the budget:*

### 1. BASE BUDGET

The base budget consists of budget proposals sufficient to maintain the operation of programs authorized in earlier years. Fiscal 2021 budget targets were established at fiscal 2020 base levels for all spending.

### 2. SUPPLEMENTAL REQUESTS

Departments may request funding above the base budget amount in order to maintain current levels of service, to provide for the expansion of existing programs, or to enable the implementation of new services or programs. These are considered to be supplemental requests. All supplemental funding requests must be thoroughly described and include a concise justification that reflects consideration of reasonable alternatives, particularly if the request involves addition of full-time personnel.

### 3. CAPITAL IMPROVEMENTS

The budget includes authorized capital projects scheduled for design and/or construction, during fiscal 2021. The Board approves specific projects up to the funding approved in the budget. Budget amendments are considered if the total cost of the project is expected to exceed the original budget. The District's fiscal 2021 Capital Improvement Budget is being funded primarily through rates, reserves, grants, reimbursements, line of credit, and a State of California Drinking Water State Revolving Fund loan.

### *Proposed and Adopted Budget*

A proposed budget is ready for the General Manager's review by May. The five-year forecast and projected reserves by fund are updated based on revenue projections and departmental budget requests. The tentative budget is prepared and available for study sessions with the Board. Public Board study sessions are held during May, which focus on the details of individual funds. Public hearings for proposed rate increases, if any, normally occur in June.

The final budget is presented at a June Board meeting and normally adopted by July 1. The final budget is issued as a formal published document, as modified by the Board.

Staff will begin preparation of the fiscal 2022 Operating and Capital Improvement Budgets in January 2021. The budget calendar, board meeting dates, and agendas will be available for review online at [www.cvwd.org](http://www.cvwd.org).

### AMENDING THE BUDGET

Department directors are responsible for keeping expenses within budget allocations. Directors may exercise discretion in the administration of the budget to respond to changes in circumstances, by requesting budget amendments between line items within their department in the same fund.

Budget transfers between departments within the same fund, must be approved by both department directors. Any revisions that alter the total of a fund must be approved by the General Manager and the Board. All Capital Improvement budget amendments must be approved by the General Manager.

### BUDGET REPORTING AND MONITORING

The Finance Department and the individual departments monitor the budget, using various reports and accounting controls.

Department directors are provided monthly financial reports to monitor and analyze their expenses in relation to their budget. In addition, consumptive revenue reports for the Domestic Water and Canal Water Funds are prepared and analyzed monthly. Formal financial reports and analysis comparing actual expenses and revenues against the budget, are generated by the Finance Department and presented to the Board on a quarterly basis.

## FINANCIAL POLICIES AND GUIDELINES

Financial policies and guidelines are used to establish similar goals and targets for the District's financial operation, allowing the Board and District officials to monitor how well the District is performing. Formal policies provide for a consistent approach to fiscal strategies, and set forth guidelines to measure financial performance and future budgetary programs.



CVWD Inspector Bradley Poe

### General Financial Goals

- Ensure delivery of an adequate level of water-related services, by assuring reliance on ongoing resources and maintaining an adequate financial base.
- Ensure the District is in a position to respond to changes in the economy or new service requirements, without an undue amount of financial stress.
- Assure ratepayers and taxpayers that the District is well-managed financially.
- Adhere to the highest accounting and management policies as set by Government Finance Officers Association, Governmental Accounting Standards Board (GASB), and other professional standards for financial reporting and budgeting.

### Cash and Investments Goals

- Maintain cash and investment programs in accordance with the Investment Policy, ensuring proper controls and safeguards are maintained.
- Manage District funds in a prudent and diligent manner, with an emphasis on safety of principal, liquidity, and financial return on principal, in that order.

## ***Revenue Guidelines***

- Revenues will not be dedicated for specific purposes, unless required by Board action, law, or GAAP.
- Unrestricted revenue will be deposited in the appropriate fund and appropriated by the budget process.
- Current revenues will fund current expenses.
- One-time revenues may be dedicated to one-time expenses or one-time use of funds.
- One-time revenues may be dedicated to funding reserve shortfalls.
- Enterprise user fees and charges will be examined on a cyclical basis, ensuring that they recover all direct and indirect costs of service, and must be approved by the Board.
- Programs financed with grant monies will be budgeted as separate projects within the appropriate enterprise fund.

## ***Operating Management and Budget Guidelines***

- Revenue and expense forecasts will be prepared to evaluate the District's ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast will be updated annually and focus on a five-year outlook.
- Alternative means of service delivery will be evaluated, ensuring that quality services are provided to our ratepayers at the most competitive and economical cost.
- The budget process is intended to weigh all requests for resources, within expected fiscal constraints. Requests made outside the budget process are discouraged. Appropriations requested after adoption of the original budget will be approved only after considering the elasticity of revenues. All additional appropriations require Board approval.
- Budget development will use strategic multi-year fiscal planning, conservative revenue forecasts, and modified zero-based expense analysis.
- Based on the District's definition of a balanced budget, current operating expenses will be paid from current revenues and reserves carried forward from the prior year. The District will avoid budgetary and accounting practices that balance the current budget at the expense of future budgets.
- Additional personnel will only be requested to meet program initiatives and policy directives after service needs have been thoroughly examined, and it has been determined that additional staffing will result in increased revenue, enhanced operating efficiencies, or service levels. Personnel cost reductions will be achieved through attrition, to the extent feasible.

## ***Capital Management and Replacement Guidelines***

- A multi-year replacement schedule of rolling stock and other equipment has been developed. To date, over 295,000 physical assets have been identified, photographed, and evaluated. The collection of physical asset data will continue until all enterprise fund assets have been identified. All of the information gathered is uploaded to a maintenance and management software that will be used to streamline operations, optimize maintenance and replacement practices, and help plan CIP projects. Replacement funds for rolling stock and other equipment are accumulated in the unrestricted reserves of each enterprise fund.
- A five-year Capital Improvement Plan (CIP) has been developed and will be updated annually, including anticipated funding sources. The CIP should include adequate funding to support repair and replacement of deteriorating infrastructure, and avoidance of a significant unfunded liability.
- Future operating, maintenance, and replacement costs associated with new capital improvements, will be forecasted and included in the operating budget.
- Capital project requests will include a fiscal impact statement, disclosing the expected operating impact of the project.

## Reserve Policy

### GOAL

The goal of maintaining adequate reserves is to ensure that there are appropriate levels of working capital in the District's enterprise funds to mitigate current and future risks (revenue shortfalls and unanticipated expenses), to ensure stable services and fees, and to obtain and maintain a credit rating of AA or better.

Properly designed policies send a positive signal to the community of ratepayers, bondholders, rating agencies, and regulatory agencies that the Board is committed to the District's long-term financial health and viability. Prudent financial management and best practices dictate that the District maintain appropriate reserves for emergency use, capital projects, obligations accruing on a current basis that will be paid in the future, and those required as a result of legal or external requirements.

### OBJECTIVES

- To establish prudent fiscal reserve policies to ensure strong fiscal management to guide future District decisions.
- To build and maintain reserves that lead to an AA rating or better. This action will provide the District with resources to help stabilize the District's finances, and position it to absorb economic downturns or large-scale emergencies.
- To help smooth rates from year-to-year, and to promote equity over the years to ratepayers.
- To provide funding for current and future replacement of existing assets as they reach the end of their useful lives.
- To assist the District in meeting its short-term and long-term obligations and to ensure that the District maintains a credit rating of AA or better.

### DEFINITIONS

Reserves are defined as the amount of cash and investments in that fund, plus the accounts receivable, less the accounts payable and less amounts due to others in the fund. This methodology indicates the relatively liquid portion of total enterprise fund capital, which constitutes a margin or buffer for meeting obligations.

- 1. DESIGNATED RESERVES:** Designated reserves are reserves that are established and set aside to be used only for a specific, designated purpose (classified as unrestricted on the audited financial statements).
- 2. RESTRICTED RESERVES:** Restricted reserves are reserves that are restricted by an outside source, such as by statute, court, or contract (classified as restricted on the audited financial statements).
- 3. UNDESIGNATED RESERVES:** It is assumed that all reserves will be Designated or Restricted, and therefore, there will be no undesignated reserves per policy. (These are classified as unrestricted on the audited financial statements).

**NOTE:** *The District's audited financial statements segregate Net Position, which includes the effects of all assets and liabilities, some of which are nonspendable, not liquid, or have not been included in the current year budget. Therefore, the definition of Reserves is different than the Net Position, and the two terms should not be used synonymously.*

## Designated Reserves

Maintaining adequate reserves is important for providing reliable service to customers, financing long-term capital projects, and the funding of emergencies, should they arise. In this context, the following designated reserve categories represent the minimum reserve targets for each fund. However, the District's goal is to have 365 days of cash on hand Districtwide to ensure sufficient funding available to meet its operating, capital, and debt service obligations. Days of cash on hand is determined by the amount of unrestricted reserves on hand divided by one day's worth of operating and maintenance expenses (excluding depreciation).

1. **OPERATING RESERVES:** Operating reserves cover operating costs for an established period of time. This reserve will ensure continuity of service regardless of cash flow, and is considered working capital to be used to fund current expenses as needed. Operating reserves shall be maintained at 90 days, or 25% of current year budgeted operating expenses (less depreciation and capital outlay). This balance will fluctuate from month to month. However, the year-end objective is to achieve this ending balance.
2. **RATE STABILIZATION:** This reserve covers the smoothing of rates in the event of short to mid-term rate revenue loss, and/or higher than anticipated operating expenses that cannot be supported by normal revenues. Rate Stabilization reserves can be used to balance the budget if revenues are projected to be 10% less than prior year actual rate revenues, or if operating expenses are projected to be 10% more than prior year actual expenses. The reserve shall be established at the higher of 10% of current year budgeted rate revenues or 10% of total budgeted operating expenses less depreciation, capital outlay, and State Water Project expense. For Sanitation, the reserve is equal to 10% of their nonresidential rate revenues.
3. **CAPITAL IMPROVEMENT PROGRAM (CIP):** Ongoing replacement of capital facilities and additional investment in capital is essential to maintain the desired level of service for District customers and to meet increased demand upon services. This reserve is designated for funding the capital improvement program and unforeseen capital projects. It is designed to stabilize funding for capital by accumulated "pay-as-you-go" reserves. This reserve can also be used in concurrence with outside funding sources.

Reserves shall be set at one year of depreciation for all funds except Stormwater and Canal. Canal will be established at 2% of gross capital asset value and Stormwater will be established at 70% of the average five-year CIP.

4. **EMERGENCY RESERVE:** These reserves help to ensure continued service to the District's customers and service areas for events which are impossible to anticipate or budget. The ability of the District to quickly restore facilities and services is critical to the public health and safety of our residents. This fund will assist in covering emergency cash needs for any reason. Domestic, Sanitation, West Replenishment, and East Replenishment reserves are set at one 1% of the net capital assets. Reserves for the Canal Water Fund are set at 1% of the replacement cost of fixed assets. Stormwater Fund reserves are set at \$17.6 million, per previous Board policy.
5. **VEHICLE REPLACEMENT RESERVE:** The Vehicle Replacement reserve provides capital replacement funding as the District's rolling stock is depreciated over its useful life. The target amount should be set at the average of the five-year CIP for replacement vehicles for that fund.
6. **OTHER SPECIAL PURPOSE RESERVES:** The Board may, at its discretion, set aside reserves for a special project or purchase.

## *Restricted Reserves*

1. **RESERVES FOR FUTURE CAPITAL COMMITMENTS:** These reserves are established by Board Ordinances to ensure that specific fees are set aside to provide for future purchases of imported water and expansion of the domestic water and sanitation systems. The following fees are in place at this time:
  - a. Water System Backup Facilities Charge (WSBFC)
  - b. Sanitation Capacity Charge (SCC)
  - c. Supplemental Water Supply Charge (SWSC)

Interest earned in this reserve shall be credited to this reserve. There should be a positive balance in each of these funds at all times, unless there is a specific repayment plan identified.

2. **RESERVE FOR DEBT SERVICE:** Most debt issuances require the creation of a separately held reserve equal to one year of debt service, to be held by the trustee (if required), and used in the last year of the debt repayment. Debt service reserves will be established for each fund as it issues debt, in accordance with the issuer's requirements. The Domestic Water Fund has a debt service reserve in accordance with the Drinking Water State Revolving Fund loan. Debt service reserves are presently established for Assessment Districts and Community Facility Districts, which are not liabilities of the District.
3. **STATE WATER PROJECT:** The District collects funds through the property tax rolls to make payments to the State Water Project. These payments will vary depending upon the availability and supply provided to the District in each year, however, the revenues collected remain fairly steady. District engineers have done a thorough analysis on past hydrology patterns, and based on the expenses for the wettest five-year period (2002-2007), they have determined that the reserve should be \$26.4 million.

## *Reserve Procedures*

- The Finance Department will perform a biennial reserve review to be submitted to the General Manager and Board of Directors.
- In addition, a reserve review will be required when a major change in conditions threatens the reserve levels established by this policy.
- The biennial review determines if the funding levels are still appropriate and aligned with Board goals and objectives.
- During the annual budget process, staff will recommend approval of the one-year capital improvement budget. If adequate funding is not available, the CIP reserve funds will be used.
- If the balance in any reserve category falls below the minimum targeted reserve level for two consecutive years, the Board of Directors should adopt a budget that includes a plan to build the reserves back to the minimum targeted level over the following two years.

## STRATEGIC PLAN

A Strategic Plan is a tool, which defines what is critical to the District's success and the initiatives necessary to guide the District toward achievement of its goals. In 2013, the District established a Strategic Plan to concentrate its efforts and energy toward the same objectives. A team was established to help achieve those goals. Each year the District reviews its accomplishments and evaluates their ongoing efforts.

For fiscal 2020, the team reviewed the list of initiatives and project plans that carried over from prior years and chose to finish those robust projects and modify those items that weighted themselves differently since other milestones had been achieved.

### *Goals*

The strategic goals were developed within the framework of Effective Utility Management (EUM). EUM established by the major water and waste water organizations in the United States, cover a range of desired utility outcomes in the areas of operations, infrastructure, customer satisfaction, community welfare, natural resource stewardship, and financial performance.

The strategic goals the District has selected to focus on cover six thematic areas:

- Exceptional Customer Service and Stakeholder Engagement
- Water Quality and Environmental Leadership
- Water Supply Optimization
- Infrastructure Investment and Management
- Operational Optimization
- Financial Viability

### *Initiatives*

In May 2020, the Board of Directors adopted the District's sixth Strategic Plan. There are nineteen initiatives, or project plans that will be the focus for fiscal 2021.

The District's commitment to the plan ensures the same focus, effort, and energy towards their objective:

***YOUR WATER IS OUR PROMISE***

The following table provides a list of the Districts strategic goals and initiatives being implemented in fiscal 2021, including the department(s) responsible for them.

STRATEGIC GOAL	SPONSOR		INITIATIVE	BENEFIT
1. Exceptional Customer Service and Stakeholder Engagement	Outreach and Education	1	Disadvantaged Communities-focused outreach	Educate stakeholders, opinion leaders, media, and policy makers, in the value of water, water services, economic and environmental health of our DAC communities.
2. Water Quality & Environmental Leadership	Engineering/ Environmental Services/ Operations	2	Develop Climate Action Plan	Identify cost-effective, emission reduction steps to reduce our contribution to climate change. The plan will increase the Districts scoring for grant and loan applications
		3	Develop cooperatively funded research to evaluate PFAS attenuation through Recycled Water Irrigation	Project will provide better understanding for management strategies associated with PFAS controls and legislation
		4	Initiate energy optimization programs at Water Reclamation Plants	Develop energy optimization equipment & processes for reduction of energy use and cost savings
3. Water Supply Optimization	Engineering/ Environmental Services/ Operations	5	Improve agricultural open drain monitoring network infrastructure	Improve flow measurements to aid as modeling inputs
		6	Evaluate & design mid-canal storage	Construct 4.9 mile reservoir to store 500 af to provide for greater operational flexibility
		7	Long-term feasibility study for Whitewater Groundwater Replenishment Master Plan	Start consultant feasibility study to examine long-term conveyance improvements from Colorado River Aqueduct to White Water facility, which includes buried pipelines, and improvements to hydroelectric generation facility
		8	Oasis Phase II in-lieu recharge	Advance Oasis project in order to better use Colorado River Water (up to 32 taf), which will improve groundwater levels
		9	Nonpotable water (NPW) Program Expansion	Design facilities at WRP7, including 2nd storage and pump capacity. Will make better use of Nonpotable water
4. Infrastructure Investment & Management	Engineering/ Facilities and Maintenance	10	Potable telemetry study upgrade	Improve reliability for telecommunications
		11	Install emergency generators at well sites	Improve operational reliability for domestic water
		12	Implement Phase I of surge tank protection & eliminate program at domestic water booster station sites	Improve operational reliability of well sites
		13	Implement Risk & Resilience Assessment Recommendations, Phase 1	Update the emergency response plan, focus on domestic facilities. Start design to address critical risks identified in Risk & Resiliency Plan.
5. Operational Optimization	Facilities and Maintenance / Service/ Operations/ Human Resources	14	Optimize Staff Productivity	Ensure benchmark data is available to gauge whether CVWD is competitive
		15	Implement Computerized Maintenance Management System	Conclude the asset collection and full-scale training program, with final testing and integration plan.
		16	Participate in Partnership for Safe Water Distribution System	Optimize distribution system operations, pressure management, chlorine residual, main breaks for better operational controls.
		17	Establish Human Resources Development Program (HRDP)	Consolidate essential HR policies/procedures, provides for data sharing, creates basis for consistent training program
		18	Administer Comprehensive Class & Compensation Study	Simplify job classifications, revise job descriptions, ensure wage scales are current with industry standards
6. Financial Viability	Finance	19	Develop RFP for Enterprise Resource Planning (ERP) & Utility Billing (UB)	Prepare work/needs assessment for potential replacement of ERP

## DEBT MANAGEMENT

California Government Code provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective fiscal 1982, each parcel was assessed at 100% of market value, as of the most recent change in ownership for that parcel.

The calculated legal debt limit is \$2,388,764,000 as of June 30, 2019, and the District currently has no outstanding bonds chargeable to the limit. No revenue bond issuances are budgeted for fiscal 2021.

Prior to fiscal 2018, CVWD funded all of its capital projects on a pay-as-you-go basis, choosing to use cash instead of borrowing due to sufficient revenues and reserves. The District's goal when issuing debt is to respond to the infrastructure and capital project needs of its customers, while ensuring that debt is issued and managed prudently, in order to maintain a sound fiscal position.

In fiscal 2018, CVWD executed a \$26.7 million Drinking Water State Revolving Fund (SRF) loan with the State Water Resources Control Board to fund the construction of the Transmission Main, Phase 2 - Highway 86 project. The loan carries a 1.8% fixed interest rate for a term of 30 years. Interest will be paid semi-annually until one year after completion of construction. Post construction completion, payment for both principal and interest will be due semi-annually. Contingent upon the District's performance under this agreement, the State Water Board agrees to forgive up to \$5 million of the principal amount. Completion of construction is anticipated to be by December 20, 2020. In fiscal 2020, CVWD began drawing on the SRF loan for a total amount of \$16,825,751. An additional \$2,889,038 has been submitted for reimbursement. The total requested draw for this loan is \$19,714,789.

In fiscal 2019, the Board executed an agreement with the Bank of the West for a revolving line of credit in the not to exceed amount of \$75 million. The revolving line of credit provides a flexible, low-cost method of financing for capital projects and other permitted purposes reducing the need to use District reserves. This line of credit can be borrowed and repaid as needed across all District funds with low upfront and ongoing administrative costs as compared to other forms of borrowing. In fiscal 2020, the District availed of the revolving line of credit by borrowing \$2,744,000 to be used as interim financing for the Coachella Valley Stormwater Channel Improvement Project and North Indio Flood Control projects prior to drawing on the Water Infrastructure Finance and Innovation Act (WIFIA) loan.

In fiscal 2020, CVWD executed a \$59.1 million WIFIA loan agreement with the US Environmental Protection Agency to finance the Coachella Valley Stormwater Channel Improvement Project and North Indio Flood Control Projects. The first project involves improvements to reduce flood risk to the surrounding areas and bring the channel up to Federal Emergency Management Agency and CVWD design standards. The project will provide protection to life and property during 100-year flood events and ensure the reliability of Coachella Valley's stormwater protection system. The North Indio Flood Control project will design and construct a regional flood conveyance channel to convey stormwater flows from the Thousand Palms Watershed to the Coachella Valley Stormwater Channel. This project will reduce flood risk to nearby communities and remove flood insurance requirements for residents in the area. Total cost of both projects is estimated at \$120.7 million with 49% funded through the WIFIA program.

The funding plan is to use an ultra-low cost Line of Credit for the construction phase of the Projects. Then in fiscal 2024, a draw on the WIFIA loan will be used to pay off the line of credit draws in the Stormwater Fund.

In addition, the District maintains two interfund loans with interest based on the District's average monthly return on investment plus a 10% premium on the calculated interest rate. The first interfund loan is a loan from the Domestic Water Fund to the East Whitewater Replenishment Fund which began in June 2013 in the amount of \$60,285,179 for the purpose of constructing the Thomas E. Levy Replenishment Facility. The original term of the loan was 15 years and the District opted to re-amortize the loan at the end of fiscal 2020 into 36 payments. As of fiscal 2020, the remaining balance on this loan is \$13,141,103 which is expected to be paid in full at the end of fiscal 2023.

The second interfund loan is a loan from the Domestic Water Fund to the West Whitewater Replenishment Fund in the amount of \$52,340,180 for the purpose of constructing the Mid-Valley Pipeline. Terms of the loan is interest only. Principal repayment of the loan is subject to excess reserves available in the West Whitewater Replenishment Fund. As of fiscal 2020, the balance is at \$51,708,843.

The following page shows a table of the loan balances at the end of fiscal 2020:

AGENCY	DESCRIPTION	FUND	PRINCIPAL BALANCE
State Water Resource Control Board	Highway 86 Transmission Main, Phase 3	Domestic	\$16,825,751
Bank of the West	Interim Financing for Coachella Valley Stormwater Channel and North Indio Flood Control Projects	Stormwater	\$2,744,000
Internal: Domestic Fund	Thomas E. Levy Replenishment Facility	East RAC	\$13,141,103
Internal: Domestic Fund	Mid-Valley Pipeline	West RAC	\$51,708,843



Inside View of CVWD Water Tank



*Cathedral City Well Site*



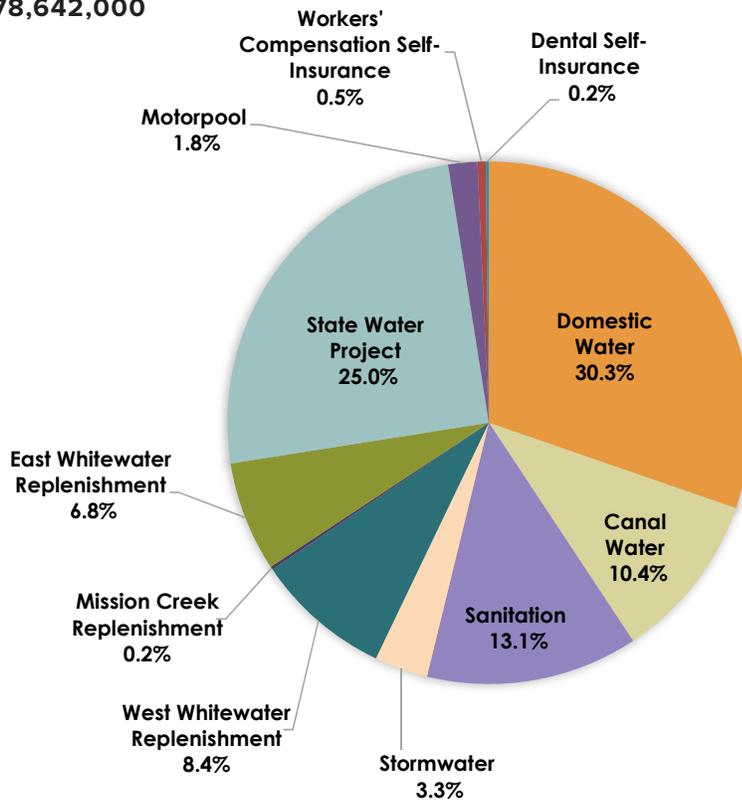
# ALL FUNDS SUMMARY



## Operating and Debt Service

### Budget by Fund

\$278,642,000



The District reports its activities as proprietary funds. Proprietary funds are used to account for a government's business-type activities, which recognize revenues and expenses on the accrual basis in accordance with Generally Accepted Accounting Principles (GAAP), similar to businesses in the private sector.

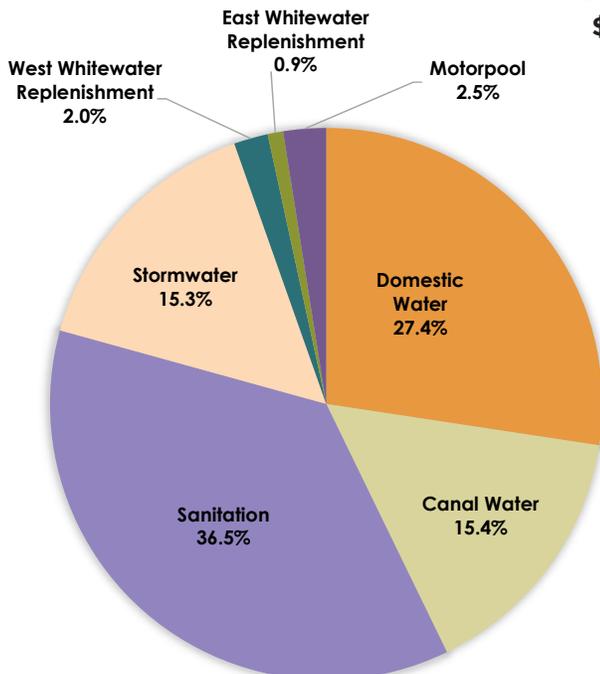
The adopted budget for each proprietary fund does not include depreciation, but includes capital acquisitions and debt service payments, which impact cash flows.

CVWD uses two types of proprietary funds to account for its activities, each of which is considered a separate accounting entity with a separate set of self-balancing accounts. All funds are accounted for as enterprise funds with the exception of Motorpool, Workers' Compensation Self-Insurance, and Dental Self-Insurance, which are accounted for as internal service funds.

## Capital Improvement

### Budget by Fund

\$97,333,000



Changes that occur in the operating budget from year to year are generally incremental. Therefore, District officials can draw on recent budget experiences when reviewing the following year's budget requests.

Capital projects or acquisitions requested in one year often differ from year to year. This is because many capital assets have long useful lives and do not need to be replaced frequently. To compensate for this variable, the operating and capital improvement budgets are presented separately.

The pie charts on the left depict the fiscal 2021 operating and debt service budget by fund, and the capital improvement budget by fund.

The Total Expenses by Fund summary below illustrates the total operating, debt service, and capital improvement budgets by fund for fiscal 2020 and 2021, actual expenses by fund for fiscal 2019, projected expenses by fund for fiscal 2020, and the change in budget from fiscal 2020 to fiscal 2021. Total expenses decreased by \$40.5 million, or 9.7% from the fiscal 2020 budget.

TOTAL EXPENSES BY FUND (000s)	ACTUAL FY 2019	BUDGET FY 2020	PROJECTED FY 2020	BUDGET FY 2021	BUDGET CHANGE	% CHANGE
<b>Operating and Debt Service</b>						
Domestic Water	\$86,182	\$85,973	\$81,862	\$84,327	(\$1,646)	(1.9)
Canal Water	27,476	28,247	26,624	29,109	862	3.1
Sanitation	40,345	35,885	34,901	36,555	670	1.9
Stormwater	11,390	9,072	8,173	9,132	60	0.7
West Whitewater Replenishment	68,668	29,619	27,078	23,275	(6,344)	(21.4)
Mission Creek Replenishment	5,536	545	620	633	88	16.1
East Whitewater Replenishment	23,668	22,943	22,603	18,822	(4,121)	(18.0)
State Water Project	-	70,593	62,758	69,696	(897)	(1.3)
Motorpool	4,922	5,220	4,795	5,087	(133)	(2.5)
Workers' Compensation Self-Insurance	653	1,157	1,107	1,482	325	28.1
Dental Self-Insurance	440	521	497	524	3	0.6
<b>Total Operating and Debt Service</b>	<b>\$269,280</b>	<b>\$289,775</b>	<b>\$271,018</b>	<b>\$278,642</b>	<b>(\$11,133)</b>	<b>(3.8%)</b>
<b>Capital Improvement Projects</b>						
Domestic Water	\$40,958	\$38,965	\$35,016	\$26,639	(\$12,326)	(31.6)
Canal Water	15,350	22,318	22,547	15,005	(7,313)	(32.8)
Sanitation	23,174	47,708	41,466	35,502	(12,206)	(25.6)
Stormwater	18,828	12,505	11,292	14,934	2,429	19.4
West Whitewater Replenishment	8,491	675	375	1,992	1,317	195.1
East Whitewater Replenishment	6,905	704	649	835	131	18.6
Motorpool	4,067	3,870	3,849	2,426	(1,444)	(37.3)
<b>Total Capital Improvement</b>	<b>\$117,773</b>	<b>\$126,745</b>	<b>\$115,194</b>	<b>\$97,333</b>	<b>(\$29,412)</b>	<b>(23.2%)</b>
<b>Total Budget</b>	<b>\$387,053</b>	<b>\$416,520</b>	<b>\$386,212</b>	<b>\$375,975</b>	<b>(\$40,545)</b>	<b>(9.7%)</b>

# ALL FUNDS SUMMARY — FISCAL 2020 – 21 BUDGET

The following tables show Districtwide revenues by source and expenses by object.

TOTAL REVENUES BY SOURCE (000s)	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2019	FY 2020	FY 2020	FY 2021	CHANGE	CHANGE
Water Sales	\$76,686	\$83,219	\$82,095	\$83,043	(\$176)	(0.2)
Availability Charges	3,284	2,424	2,324	2,425	1	0.0
Sanitation Service Charges	39,870	39,849	38,645	40,347	498	1.2
Service Charges	14,195	16,508	16,613	16,514	6	0.0
Surcharges (Quagga)	1,006	1,082	1,082	1,035	(47)	(4.3)
Replenishment Charges	24,536	26,449	26,449	25,478	(971)	(3.7)
Property Taxes - General	39,144	38,027	38,647	38,983	956	2.5
Property Taxes - SWP	65,820	67,968	66,165	69,850	1,882	2.8
Charges for Services	11,995	11,723	13,123	12,563	840	7.2
Investment Income	7,664	7,783	8,461	7,704	(79)	(1.0)
Grants and Reimbursements	4,278	4,397	1,619	4,904	507	11.5
Restricted Revenues	6,310	9,069	1,948	10,934	1,865	20.6
Interfund Revenues	9,238	15,167	14,672	10,478	(4,689)	(30.9)
Loan Proceeds	0	10,000	21,844	31,003	21,003	210.0
Other Revenues <sup>1</sup>	12,034	1,161	2,546	625	(536)	(46.2)
Use of Unrestricted Reserves	70,993	81,694	49,979	20,089	(61,605)	(75.4)
<b>Total Revenues by Source</b>	<b>\$387,053</b>	<b>\$416,520</b>	<b>\$386,212</b>	<b>\$375,975</b>	<b>(\$40,545)</b>	<b>(9.7%)</b>

<sup>1</sup> Intergovernmental Revenue, Effluent Disposal Revenue, Insurance/Settlement Proceeds, and Other Revenues

TOTAL EXPENSES BY OBJECT (000s)	ACTUAL	BUDGET	PROJECTED	BUDGET	BUDGET	%
	FY 2019	FY 2020	FY 2020	FY 2021	CHANGE	CHANGE
Salaries & Benefits <sup>1</sup>	\$72,807	\$80,064	\$78,261	\$85,269	\$5,205	6.5
Supplies & Services	58,012	60,932	54,577	57,518	(3,414)	(5.6)
Utilities	15,562	16,242	16,008	16,125	(117)	(0.7)
Replenishment Charges	11,836	12,520	11,636	12,520	-	-
Water Purchases	71,006	98,896	90,032	93,422	(5,474)	(5.5)
QSA Mitigation Payments	9,232	1,745	1,745	739	(1,006)	(57.7)
Effluent Disposal Fee	657	-	-	-	-	-
Capital Outlay	930	3,936	3,813	671	(3,265)	(83.0)
Debt Service - Interfund	9,238	15,167	14,673	10,478	(4,689)	(30.9)
Debt Service - Other	-	273	273	1,900	1,627	596.0
CalPERS Liability Buy-down	20,000	-	-	-	-	-
Capital Improvement Projects	117,773	126,745	115,194	97,333	(29,412)	(23.2)
<b>Total Expenses by Object</b>	<b>\$387,053</b>	<b>\$416,520</b>	<b>\$386,212</b>	<b>\$375,975</b>	<b>(\$40,545)</b>	<b>(9.7%)</b>

<sup>1</sup> Net of capitalized labor

## Consolidated Statement of Revenues, Expenses and Changes in Reserves

The All Funds Summary of Revenues, Expenses, and Changes in Reserve illustrates the change in the District's total financial condition between fiscal 2019, budgeted and projected fiscal 2020, and the adopted fiscal 2021 budget. Overall, budgeted revenues are increasing 1%, mostly as a result of increases in property taxes, due to increases in assessed valuations, and service charges. Districtwide budgeted expenses are decreasing \$8.1 million, or 2.9%. Increases in salaries & benefits are offset by decreases in supplies & services, water purchases, QSA Mitigation costs, and capital outlay. More details on specific increases are discussed in the following sections of this chapter.

<b>ALL FUND SUMMARY</b>						
<b>STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RESERVE (000s)</b>						
	Actual FY 2019	Budget FY 2020	Projected FY 2020	Budget FY 2021	Budget Change	% Change
<b>Revenues</b>						
Water Sales	\$76,686	\$83,219	\$82,095	\$83,043	(\$176)	(0.2)
Sanitation Services Charges	39,870	39,849	38,645	40,347	498	1.2
Service Charges	14,195	16,508	16,613	16,514	6	-
Availability Charges	3,284	2,424	2,324	2,425	1	-
Replenishment Charges	24,536	26,449	26,449	25,478	(971)	(3.7)
Surcharges	1,006	1,082	1,082	1,035	(47)	(4.3)
Property Taxes - General	39,144	38,027	38,647	38,983	956	2.5
Property Taxes - SWP	65,820	67,968	66,165	69,850	1,882	2.8
Charges for Services	11,995	11,723	13,123	12,563	840	7.2
Intergovernmental Revenue	3,332	625	625	625	-	-
Investment Income	7,664	7,783	8,461	7,704	(79)	(1.0)
Other Revenue	705	-	31	-	-	-
<b>Total Revenues</b>	<b>\$288,237</b>	<b>\$295,657</b>	<b>\$294,260</b>	<b>\$298,567</b>	<b>\$2,910</b>	<b>1.0%</b>
<b>Expenses</b>						
Salaries & Benefits (net of capitalized labor)	\$72,807	\$80,064	\$78,261	\$85,269	\$5,205	6.5
Supplies & Services	58,012	60,932	54,577	57,518	(3,414)	(5.6)
Utilities	15,562	16,242	16,008	16,125	(117)	(0.7)
Replenishment Charges	11,836	12,520	11,636	12,520	-	-
Water Purchases	71,006	98,896	90,032	93,422	(5,474)	(5.5)
QSA Mitigation Payments	9,232	1,745	1,745	739	(1,006)	(57.7)
Effluent Disposal Fee	657	-	-	-	-	-
Capital Outlay	930	3,936	3,813	671	(3,265)	(83.0)
<b>Total Expenses</b>	<b>\$240,042</b>	<b>\$274,335</b>	<b>\$256,072</b>	<b>\$266,264</b>	<b>(\$8,071)</b>	<b>(2.9%)</b>
<b>Operating Income (Loss)</b>	<b>\$48,195</b>	<b>\$21,322</b>	<b>\$38,188</b>	<b>\$32,303</b>	<b>\$10,981</b>	<b>51.5%</b>
<b>Nonoperating Revenues (Expenses)</b>						
Debt Service - Interfund	(\$9,238)	(\$15,167)	(\$14,673)	(\$10,478)	\$4,689	30.9
Interfund Revenues	9,238	15,167	14,673	10,478	(4,689)	(30.9)
Debt Service - External	-	(273)	(273)	(1,900)	(1,627)	(596.0)
Loan Proceeds	-	10,000	19,100	18,603	8,603	86.0
Bank of the West Draws	-	-	2,744	12,400	12,400	-
Capital Improvement Budget	(117,773)	(126,745)	(115,194)	(97,333)	29,412	23.2
Capital Improvement Reimbursements	351	275	16	-	(275)	(100.0)
Use of Restricted Funds	6,310	9,069	1,947	10,934	1,865	20.6
Grant Revenue	688	200	1,047	590	390	195.0
Capital Grant Revenue	3,590	4,197	572	4,314	117	2.8
CalPERS Liability Buy-down	(20,000)	-	-	-	-	-
Other Revenue (Expenses)	7,646	261	1,874	-	(261)	(100.0)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$119,188)</b>	<b>(\$103,016)</b>	<b>(\$88,167)</b>	<b>(\$52,392)</b>	<b>\$50,624</b>	<b>49.1%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>(\$70,993)</b>	<b>(\$81,694)</b>	<b>(\$49,979)</b>	<b>(\$20,089)</b>	<b>\$61,605</b>	<b>75.4</b>
<b>Beginning Reserve</b>	<b>\$456,125</b>	<b>\$385,132</b>	<b>\$385,132</b>	<b>\$335,153</b>	<b>(\$49,979)</b>	<b>(13.0)</b>
<b>Districtwide Days' Cash on Hand</b>	<b>586</b>	<b>404</b>	<b>478</b>	<b>432</b>	<b>28</b>	<b>6.9</b>
<b>Ending Reserve</b>	<b>\$385,132</b>	<b>\$303,438</b>	<b>\$335,153</b>	<b>\$315,064</b>	<b>\$11,626</b>	<b>3.8%</b>
<b>Target Reserve</b>	<b>\$188,053</b>	<b>\$193,960</b>	<b>\$193,826</b>	<b>\$197,491</b>	<b>\$3,531</b>	<b>1.8%</b>

## Property Taxes

Property taxes are an ad valorem (value-based) tax imposed on real property and tangible personal property. Proposition 13, passed in 1978, limits property tax to a maximum 1% of assessed value, not including voter-approved rates for bond issues and other special purposes. The assessed value of property is capped at the 1975-76 base year, plus a maximum of 2% increase per year. Property that declines in value may be reassessed at the lower market value. Upon change of ownership, properties are reassessed to current full value. Property tax revenue is collected by the county and allocated according to state law among cities, counties, school districts, and special districts.

In fiscal 2021, the District will receive approximately \$39 million in general property tax revenue. Some of this revenue is earmarked for tax levies that existed prior to Proposition 13. Currently, the District has two: Stormwater and Improvement District 1 (ID 1). The Stormwater tax levy dates back to the Storm Water District Act of 1909. Of the total general property taxes, \$18.2 million is earmarked for the Stormwater Fund. The Stormwater Fund is almost entirely funded by property taxes.

ID 1 was formed to fund contract repayment obligations for the construction of the Coachella Canal, and

operation and maintenance costs of the irrigation and drainage system. The Canal is owned by the United States Bureau of Reclamation (USBR, Bureau), but is maintained and operated by the District. After the debt to the Bureau was paid, the District continued to levy the ID 1 tax for purposes of maintaining the Canal.

In addition to the Stormwater and ID 1 tax, there are other Improvement District property taxes resulting from older bond issues which benefitted the Domestic Water and Sanitation Funds.

After the earmarked property taxes are distributed to the appropriate funds, the balance, or discretionary tax, is allocated to the enterprise funds as determined by the Board of Directors (Board), and adopted during the annual budget process.

The following table depicts by fund, a history of the allocation of discretionary property tax revenue. The change in the allocation percentage from fiscal 2020 to fiscal 2021 is due to the allocation of redevelopment revenues. Redevelopment revenues represent pass-through agreements with former Redevelopment Agencies (RDAs) and are budgeted at prior year levels. Funds with more redevelopment revenues will have an overall lower property tax allocation percentage.

### ALLOCATION OF DISCRETIONARY PROPERTY TAXES

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Domestic Water	50%	-	-	10.9%	11.4%
Canal Water	50%	50%	50%	50.0%	51.0%
Sanitation	-	-	-	-	-
Stormwater	-	-	-	-	-
Nonpotable Water	-	-	-	-	-
West Replenishment	-	50%	50%	11.5%	11.2%
East Replenishment	-	-	-	27.6%	26.4%

**Benefits**

The District participates in the California Public Employees’ Retirement System (CalPERS). CalPERS offers a defined benefit plan where retirement benefits are based on a formula, rather than contributions and earnings to a savings plan. The District’s formula is 2.5% at 55, which means that, upon retirement at age 55, an employee with at least five years of service would receive 2.5% of their salary multiplied by the number of years of service. The District must contribute an actuarially calculated amount each year, usually comprised of two components: the normal cost and the unfunded accrued liability (UAL). For fiscal 2021 the District’s normal cost is 9.770% of payroll. In addition, the District has chosen to prepay the full fiscal 2021 UAL in advance. The District opted to go with the prepayment option of \$12.7 million, saving \$437,000, offset by \$140,000 in anticipated loss of interest income, for an estimated savings of \$297,000.

**Water Purchases**

The District imports water from four sources: the Colorado River, the Metropolitan Water District of Southern California (MWD), Rosedale-Rio Bravo, and the State Water Project (SWP).

**Colorado River Water**

The District imports approximately 300,000 acre-feet (af) of water annually at no cost. Additional water is received by the District as part of the 2003

Quantification Settlement Agreement (QSA). The cost of the additional QSA water is based on the terms of the QSA agreement. See the Canal Water Fund for additional information. The cost of the water purchased from the QSA agreement is \$90 per acre-foot in fiscal 2021.

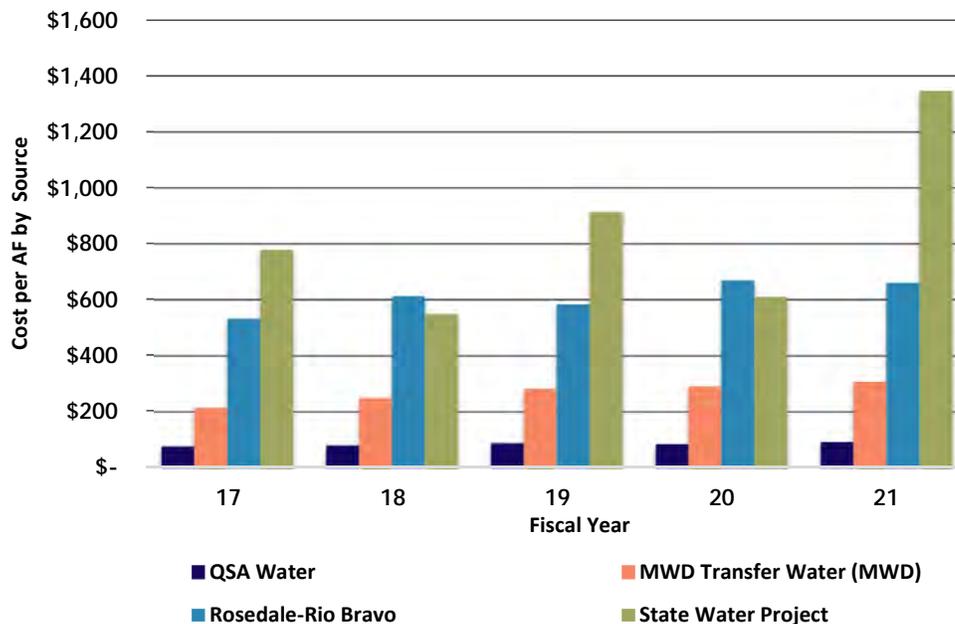
**Metropolitan Water District**

In addition to the QSA water that is Colorado River water, the District receives water from the State Water Project as part of the QSA. This water is identified as Metropolitan Water District QSA Transfer water and is currently being delivered to the West Whitewater Replenishment Facility. The District, through its agreement with MWD, is entitled to receive 35,000 af of water. The cost of the water is dependent on the QSA water cost and the cost of conveyance that is charged to the District by MWD to deliver the water to the replenishment facility. The cost of the water for fiscal 2021 is estimated at \$307 per acre-foot. See the West Whitewater Replenishment Fund for more information.

**Rosedale-Rio Bravo**

The District entered into a Water Supply Agreement in 2012 with Rosedale-Rio Bravo to purchase up to 16,500 af of water per year, if available. The cost of the water is adjusted annually based on a base rate plus a Consumer Price Index inflator. The cost of the water increased from \$645 per acre-foot in 2020 to \$660 per acre-foot in 2021 due to higher transportation costs and inflation.

**CVWD SOURCES AND COST PER AF OF WATER**



## State Water Project

The SWP is the nation's largest state-built water and power development conveyance system. The primary purpose of the SWP is to provide a water supply and delivery system to distribute water to areas of need in California. In 1963, the District entered into a water supply agreement with the State of California Department of Water Resources (DWR), becoming one of the original State Water Contractors. Each SWP contractor pays in proportion to their water supply allocations to cover the cost of constructing and operating facilities which store and transport the SWP water supply. Full payments are made each year for fixed SWP costs. Contractors also pay costs that vary depending on the amount of water delivered during the year. Availability of the water supply is highly variable based on the snowpack in the Sierras. As such, the cost per acre-foot is extremely variable. As shown in the graph on the previous page, the cost of SWP water has fluctuated between \$552 per acre-foot in 2018 to \$915 per acre-foot in 2019. The cost of SWP is budgeted at \$1,346 per acre-foot in fiscal 2021, due to the projected decrease in water that will be available. More information on the SWP can be found in the State Water Fund section.

## Reserves

One measure of the District's financial strength is the level of reserves or the accumulated revenues in excess of expenses. Although there is no set rule or formula for setting reserve levels, the need is determined primarily by the amount and degree of risk associated with revenues, pay-as-you-go vs. capital financing, and the requirements to fund emergencies or contingencies. In addition, the Government Finance Officers Association (GFOA) offers best practices for setting reserve levels, which the District has followed. As described in the Overview chapter, the District has adopted a reserve policy in order to send a signal to ratepayers, rating agencies, and regulatory agencies that the Board is committed to the District's long-term financial health and vitality.

Maintaining healthy operating reserves is paramount to ensuring the District's stable financial position for future borrowings. It is anticipated that some capital improvements will be financed with debt or other loan instruments. Projected total reserves for fiscal 2021 are \$11.6 million more than fiscal 2020 budget. The increase in reserves are due to increases in operating income of \$11 million, and nonoperating revenues of \$50.6 million, offset by a decrease in projected beginning reserves of \$50 million.

Although it may appear that several funds, such as Sanitation and Stormwater have accrued excess reserves, the District historically has financed capital projects on a pay-as-you-go basis. This has allowed the District to avoid interest and other debt issuance expenses. Both the Sanitation and Stormwater Funds have numerous large capital projects in future years that will use reserves and require financing. The five-year forecast includes \$734 million in proposed capital improvement projects. The largest projects are in the Domestic, Sanitation, Stormwater, and East Whitewater Replenishment Funds which creates a significant impact on their budget and on reserves. Numerous alternative funding mechanisms are being explored to fund these critical projects, including Water Infrastructure Funding Investment Act loans, State Revolving Fund loans, Federal Emergency Management Agency grants, and other grant funding.

CHANGES IN RESERVES BY FUND (000s)	ACTUAL FY 2019	BUDGET FY 2020	PROJECTED FY 2020	BUDGET FY 2021	BUDGET CHANGE	% CHANGE	TARGET FY 2021
Domestic Water	\$45,661	\$37,440	\$50,923	\$52,566	\$15,126	40.4%	\$49,932
Canal Water	59,214	41,489	43,642	31,417	(10,072)	(24.3%)	31,018
Sanitation	105,015	71,423	70,700	59,613	(11,810)	(16.5%)	32,067
Stormwater	115,362	114,193	120,818	130,952	16,759	14.7%	44,582
West Whitewater Replenishment	35,756	29,223	32,064	30,282	1,059	3.6%	9,366
Mission Creek Replenishment	3,722	3,822	3,747	3,889	67	1.8%	220
East Whitewater Replenishment	18,052	7,356	7,490	261	(7,095)	(96.5%)	3,867
State Water Project	-	(2,625)	3,407	3,639	6,264	(238.6%)	26,400
Motorpool	1,772	659	1,645	1,638	979	148.6%	39
Workers' Compensation Self-Insurance	545	457	612	638	181	39.6%	-
Dental Self-Insurance	33	1	105	169	168	16800.0%	-
<b>Total Reserves</b>	<b>\$385,132</b>	<b>\$303,438</b>	<b>\$335,153</b>	<b>\$315,064</b>	<b>\$11,626</b>	<b>(3.8%)</b>	<b>\$197,491</b>
<b>Districtwide Days' Cash on Hand</b>	<b>586</b>	<b>404</b>	<b>478</b>	<b>432</b>	<b>28</b>	<b>6.9%</b>	

The table on the previous page illustrates the projected ending operating reserves, as compared with targets established by the Reserve Policy, which was updated in December 2019. It also shows the total District unrestricted reserves, as well as the total days of cash on hand. The Reserve Policy has two benchmarks, (1) minimum reserve targets for each type of reserve, and (2) a Districtwide target of 365 days of cash on hand.

The table below shows the designated and restricted categories of reserves as defined by the District's Reserve Policy. The amounts are calculated based on the Reserve Policy definitions.

RESERVE TYPE (000s)	DOMESTIC	CANAL	SANITATION	STORMWATER	OTHER	TOTAL
<b>Designated</b>						
Operating	\$20,870	\$7,256	\$8,852	\$2,192	\$7,894	\$47,064
Rate Stabilization	8,348	2,911	4,035	-	\$3,158	18,452
Capital Improvement	13,454	2,096	13,614	23,989	\$1,742	54,895
Emergency	5,544	18,560	4,122	17,600	\$506	46,332
Vehicle Replacement	1,084	195	518	459	\$192	2,448
<b>Total Designated Reserves</b>	<b>\$49,300</b>	<b>\$31,018</b>	<b>\$31,141</b>	<b>\$44,240</b>	<b>\$13,492</b>	<b>\$169,191</b>
<b>Restricted</b>						
Debt Service Coverage	\$632	\$ -	\$926	\$342	\$ -	\$1,900
State Water Project	-	-	-	-	26,400	26,400
<b>Total Restricted Reserves</b>	<b>\$632</b>	<b>\$ -</b>	<b>\$926</b>	<b>\$342</b>	<b>\$26,400</b>	<b>\$28,300</b>
<b>Total Reserve Target</b>	<b>\$49,932</b>	<b>\$31,018</b>	<b>\$32,067</b>	<b>\$44,582</b>	<b>\$39,892</b>	<b>\$197,491</b>

### Cost of Service Studies

The District has engaged Carollo Engineers (Carollo) to prepare a Cost of Service Study (COSS) for the following funds: Domestic Water, Canal Water, West Replenishment, Mission Creek Replenishment, and East Replenishment. The study, which is expected to be completed in the spring of 2021, reviews existing rate structures, allocates revenue requirements to the various customer classes, evaluates adequacy of projected revenues under existing rates, makes recommendations for potential revenue adjustments, and develops a sound financial plan for a ten-year period. Rate setting procedures in California require that agencies responsible for imposing property related charges demonstrate a nexus between the cost of providing the service and the services or benefits received. Carollo will use standard water utility ratemaking practices to calculate the proposed rates, as promulgated by the American Water Works Association (AWWA). The COSS will make recommendations on potential rate increases. The rate recommendations are designed to fund each utility's long-term costs of providing service while proportionally allocating costs among customers, providing a reasonable and prudent balance of revenue stability, and complying with the substantive requirements of California Constitution Article XIII D, section 6, commonly known as Proposition 218.

### The Five-Year Forecast

The forecast on the following page is a model that takes a forward look at the District's revenues and expenses with the purpose of identifying financial trends, shortfalls, and issues, so the Board of Directors and management can make proactive decisions. The financial forecast is not intended as a budget or as a proposed financial plan. The intent is to forecast each fund's financial position under certain assumptions. The forecast sets the stage for the upcoming budget process, aiding the General Manager and Board in establishing priorities and allocating resources appropriately.

The forecast is based on cash flow and differs from the District's audited financial statements. Financial statements exclude capital outlay and principal on debt in accordance with GAAP, since these are reflected as additions to assets and reductions to liabilities on the balance sheet.

By including all cash-based transactions in the forecast, the District can determine whether revenues are adequate to cover all expenses and future capital needs. Forecasting is one of the most powerful tools the District has available to help make informed financial decisions that will ensure the District's future vitality and economic stability.

<b>ALL FUND SUMMARY</b>					
<b>FIVE-YEAR FORECAST (000s)</b>					
	Budget		Projected		
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>Revenues</b>					
Water Sales	\$83,043	\$121,121	\$133,841	\$137,962	\$141,916
Sanitation Services Charges	40,347	40,952	54,057	71,355	85,626
Service Charges	16,514	21,323	22,917	23,543	24,185
Availability Charges	2,425	2,425	2,425	2,425	2,425
Replenishment Charges	25,478	35,198	41,391	46,406	48,788
Surcharges	1,035	1,055	1,110	1,123	1,135
Property Taxes - General	38,983	39,549	40,117	40,769	41,519
Property Taxes - SWP	69,850	78,863	80,819	83,066	85,658
Charges for Services	12,563	12,900	13,252	13,558	13,961
Intergovernmental Revenue	625	625	625	625	625
Investment Income	7,704	7,247	6,554	6,311	5,912
<b>Total Revenues</b>	<b>\$298,567</b>	<b>\$361,258</b>	<b>\$397,108</b>	<b>\$427,143</b>	<b>\$451,750</b>
<b>% Change From Prior Year</b>	<b>1.0%</b>	<b>21.0%</b>	<b>9.9%</b>	<b>7.6%</b>	<b>5.8%</b>
<b>Expenses</b>					
Salaries & Benefits (net of capitalized labor)	\$85,269	\$89,115	\$94,963	\$101,285	\$108,498
Supplies & Services	57,518	58,668	60,903	62,778	64,696
Utilities	16,125	16,634	17,157	17,701	18,262
Replenishment Charges	12,520	17,254	19,986	22,010	23,445
Water Purchases	93,422	113,536	116,783	116,676	120,234
QSA Mitigation Payments	739	2,698	2,707	2,733	152
Capital Outlay	671	671	671	671	671
<b>Total Expenses</b>	<b>\$266,264</b>	<b>\$298,576</b>	<b>\$313,170</b>	<b>\$323,854</b>	<b>\$335,958</b>
<b>% Change From Prior Year</b>	<b>(2.9%)</b>	<b>12.1%</b>	<b>4.9%</b>	<b>3.4%</b>	<b>3.7%</b>
<b>Operating Income (Loss)</b>	<b>\$32,303</b>	<b>\$62,682</b>	<b>\$83,938</b>	<b>\$103,289</b>	<b>\$115,792</b>
<b>% Change From Prior Year</b>	<b>51.5%</b>	<b>94.0%</b>	<b>33.9%</b>	<b>23.1%</b>	<b>12.1%</b>
<b>Nonoperating Revenues (Expenses)</b>					
Debt Service - Interfund	(\$10,478)	(\$3,304)	(\$3,384)	(\$1,302)	(\$1,200)
Interfund Revenues	10,478	3,304	3,304	1,200	1,200
Debt Service	(1,900)	(3,168)	(4,713)	(9,109)	(10,436)
Loan Proceeds	18,603	15,000	66,544	71,747	25,999
Bank of the West Draws	12,400	30,680	(15,824)	(30,000)	-
Capital Improvement Budget	(97,333)	(165,978)	(165,119)	(164,607)	(140,616)
Use of Restricted Funds	10,934	22,177	12,458	9,211	3,200
Grant Revenue	590	450	-	-	-
Capital Grant Revenue	4,314	4,587	11,275	6,633	11,150
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$52,392)</b>	<b>(\$96,252)</b>	<b>(\$95,459)</b>	<b>(\$116,227)</b>	<b>(\$110,703)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>(\$20,089)</b>	<b>(\$33,570)</b>	<b>(\$11,521)</b>	<b>(\$12,938)</b>	<b>\$5,089</b>
<b>Beginning Reserve</b>	<b>\$335,153</b>	<b>\$315,064</b>	<b>\$281,494</b>	<b>\$269,973</b>	<b>\$257,035</b>
<b>Ending Reserve</b>	<b>\$315,064</b>	<b>\$281,494</b>	<b>\$269,973</b>	<b>\$257,035</b>	<b>\$262,124</b>
<b>% Change From Prior Year</b>	<b>3.8%</b>	<b>(10.7%)</b>	<b>(4.1%)</b>	<b>(4.8%)</b>	<b>2.0%</b>
<b>Districtwide Days' Cash on Hand</b>	<b>432</b>	<b>344</b>	<b>315</b>	<b>290</b>	<b>285</b>
<b>Target Reserve</b>	<b>\$197,491</b>	<b>\$207,463</b>	<b>\$213,804</b>	<b>\$223,602</b>	<b>\$228,647</b>

### ***Forecast Methodology***

Economic forecasting is not an exact science. Forecasted amounts are estimates based on historical data, current year budgeted costs, and professional judgment. Reality will be different. The forecast serves as a general guideline and requires regular adjustment, as actual results may vary from the forecast.

To enhance the accuracy of projections, the Finance Department identifies factors that contribute to changes in revenues and expenses such as: development, inflation, personnel costs, expected levels of service, interest rates, and known future events that impact operations or capital needs. Forecasting should neither overstate revenues nor understate expenses.

Many items are beyond the scope of the financial model and control of the Board and staff. Some events that could impact the financial future of the District are: drought, economic growth or recession, energy costs, water supply, environmental and water quality mandates, and other events such as a major earthquake. Any of these could make the assumptions and the model obsolete.

### ***Major Assumptions in the Five-Year Forecast***

The base year which drives future calculations is fiscal 2021. This model focuses on the best estimate of what will occur on the expense side, as well as a conservative approach on revenues. Since economic growth in the Valley is slow, revenue projections reflect nominal growth.

Major assumptions impacting all funds are on the pages that follow. Specific assumptions impacting a fund can be located in the individual budget by fund.

### ***Major Revenues***

Due to the COVID-19 pandemic, the District's Board of Directors determined that it would be in the best interest of its customers keep all rates at fiscal 2020 levels. To accomplish this, the District mandated that all discretionary spending be reduced as part of the District's fiscal 2021 budget objectives. As a result, the operating budget was reduced by 3.8% and the capital improvement budget was reduced by 23.2% as compared to fiscal 2020.

Water sales revenues are forecast to decrease in the Canal Water Fund due to the delay in the completion of Phase 2 of the Palm Desert Replenishment Facility. The

Canal Water Fund did not include any rate increases for fiscal 2021. Domestic water sales revenues are forecast to increase based on small increases in consumption and a nominal account growth of one-half of one percent per year.

Replenishment revenues are forecast with no rate increases and decreasing production as producers move from groundwater pumping to nonpotable water.

Property tax revenues are forecast with a 2.5% to 2.8% per year growth factor in assessed valuation, with redevelopment revenues forecast flat. Median home sales prices continue to rebound in most of the communities served by the District.

Investment income is a function of the cash balance in each fund. Investment rate of return is forecasted at 2% of total reserves in each fund for fiscal 2021 and beyond.

### ***Major Expenses***

Based on latest information from the Imperial Irrigation District (IID) and Southern California Edison (SCE), electricity rates are expected to increase by 3% per year for the forecast period.

Supplies & services are estimated to decrease by 5.6% in large part due to the District's budget objective of reducing discretionary and one-time supplemental costs for fiscal 2021.

Capital outlay items vary from year to year, and are forecast to decrease by \$3.3 million in fiscal 2021 as part of the District's goal to reduce one-time supplemental expenses.

Water purchases and replenishment charges account for 39.8% of the total operating expense. Decreases in water purchases are based on projected water deliveries with existing contracts with multiple agencies. Water supply availability from the State Water Project is highly variable and based on weather conditions. The State Water Project Fund section goes into greater detail on how weather conditions determine water supply availability.

Quantification Settlement Agreement Mitigation payments follow the schedule set in the agreement, plus a prepayment recently agreed upon with the other Joint Powers Authority members.

### ***Salaries & Benefits***

Salaries & benefits comprise 23.5% of fiscal 2021 total operating and capital improvement expenses. Key

components of this category are wages, retirement, and health insurance. Budgeted staffing levels remained at 569 full time equivalents (FTEs) for fiscal 2021. Salaries & benefits for fiscal 2021 are based on current Memorandums of Understanding (MOUs). The five-year forecast includes a 4.1% per year increase for salaries and 9.7% increase per year for benefits for fiscal years 2022-2025.

The increases are primarily due to an increase in the CalPERS employer contribution rate. The rate has been rising the last several years for two primary reasons: (1) CalPERS earnings on their investments have not kept pace with their projections, and (2) concerns about the growth in unfunded liabilities has led to the need to increase funding levels to start paying down these liabilities.

## *Nonoperating Revenues and Expenses*

Interfund debt service expenses decreased because payments on the interfund loan between East Whitewater and Domestic have been re-amortized.

The forecast includes estimated proceeds from a State of California Drinking Water State Revolving Fund loan for the Domestic Water Fund for capital projects and draws on the District's line of credit with the Bank of the West.

Operations are funded first and remaining resources are allocated to fund capital improvements. The five-year Capital Improvement Plan is funded using restricted developer fees, capital improvement reserves, unrestricted reserves, reimbursements, grants, and loans.



Water Reclamation Plant 10 Tertiary Filters

# DOMESTIC WATER *FUND*



## History

Water was initially provided to Coachella Valley homes and non-agricultural businesses by small, independent water companies. But as the valley's population grew, most of these companies found that they were no longer able to keep up with the infrastructure needs of their growing communities.

In 1961, the District expanded its strategic role of safeguarding the Valley's domestic groundwater supplies by contracting with the State Department of Water Resources to import State Water Project water for groundwater replenishment purposes. The State of California had a requirement that it would only contract with a public agency for the new State Water Project. The District understood the necessity of importing water into the Valley to ensure a more consistent supply, so it made an application to receive 23,100 acre feet (af) of water.

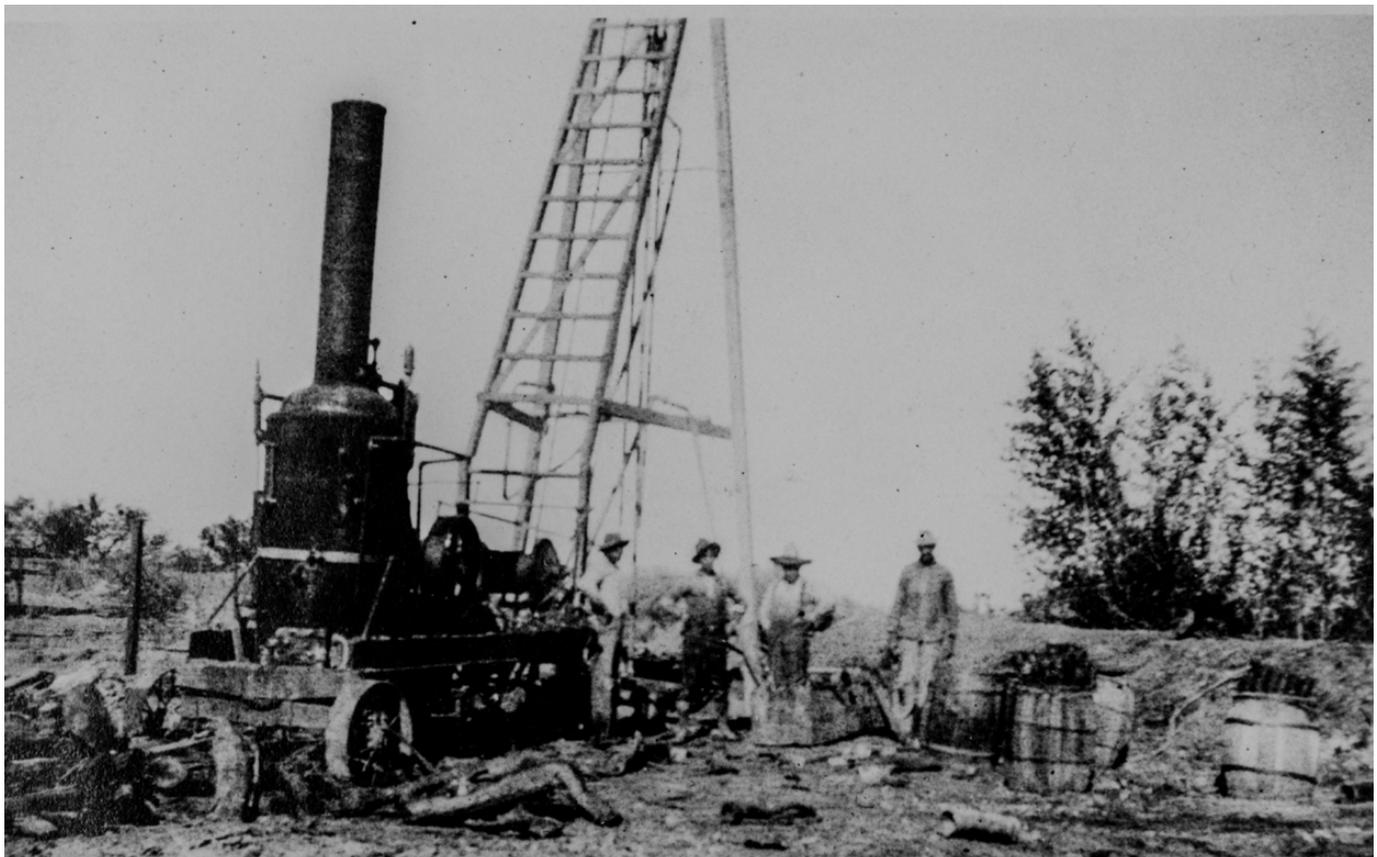
Coachella Valley County Water District (CVCWD) started providing domestic water service with the acquisition of Palm Desert Water Company in 1961. The district considered Palm Desert Water Company to be "a well-engineered system, possessing good wells and storage facilities" that served more than 700 homes and businesses, according to the district's annual report for 1962.

CVCWD also acquired two other domestic water systems serving Eldorado Country Club in Indian Wells and the Silver Spur Subdivision in Palm Desert, and a private water agency, the La Quinta Palms Subdivision Water Facilities at roughly the same time.

The district's domestic water company acquisitions grew quickly after 1961 with the valley's population growth, prompting privately held water companies to look to CVCWD for help.

By 1967, the District had purchased or absorbed the operations of over 25 small water systems. In 1961, the District served only 1,100 households and businesses, this increased tenfold by 1973 to 10,741.

Today, the District is the largest provider of drinking water in the Valley and delivers water to over 110,000 accounts, representing a population served of approximately 300,000.



*Drilling a Well in the Early 1900s.*



*CVWD Crew Installs Pipe*

## **Background**

Drinking water, also known as domestic water, comes from the Coachella Valley's vast aquifer. Groundwater, pumped from wells up to 1,200 feet deep, is stored in one of the District's 64 enclosed reservoirs for later use. While the aquifer has an estimated capacity of 39 million acre-feet (af), the Coachella Valley must manage its water supplies to avoid overdraft. The California Department of Water Resources defines overdraft as "the condition of a groundwater basin in which the amount of water withdrawn by pumping over the long term exceeds the amount of water that recharges the basin." That is, more water has been pumped from the groundwater basin than has been naturally or artificially replenished. Over the fiscal ten-year period from 2011 through 2020, the amount of groundwater in storage has increased due to artificial replenishment and other management activities. To manage groundwater overdraft, the District, in cooperation with Desert Water Agency (DWA), has four groundwater replenishment facilities. The Domestic Water Fund pays replenishment fees to the three replenishment funds based on the total af pumped from District wells within the respective subbasin area.

The water for replenishment comes from the State Water Project (SWP) and the Colorado River. Although there is not a direct connection to the SWP system, CVWD exchanges water on an acre-foot for acre-foot basis with Metropolitan Water District of Southern California (MWD) in order to obtain the District's allotment. The cost for imported SWP water for fiscal 2021 is budgeted at \$1,346 per acre-foot, based on a 32.5% allocation from the SWP.

The Colorado River base allocation of 301,000 af comes at zero cost; however, the additional water received from the Colorado River is currently priced at \$90.27 per acre-foot.

Groundwater pumped from the aquifer requires minimal treatment to meet all state and federal drinking water quality standards. Routine tests confirm groundwater produced by active CVWD wells is free of regulated bacteria. A small amount of chlorine is added to ensure drinking water served from the District's vast system of pipes complies with drinking water regulations. Arsenic that occurs naturally in portions of the Coachella Valley groundwater basin is found in a small number of wells. Treatment facilities are used to reduce arsenic levels below allowable levels.

CVWD analyzed more than 18,000 water samples last year for more than 100 regulated and unregulated substances. Many of the tests were performed at the District's state-certified water quality laboratory. Each year, results of these water quality tests are included in the annual review and made available to District customers each June.

The District operates 97 wells, with the ability to pump 244 million gallons per day (MGD). The combined reservoir storage capacity is approximately 153.2 million gallons. Reservoirs are secured sites primarily located in elevated areas, using gravity to bring water to homes and businesses. Water is delivered via a network of over 2,000 miles of distribution piping. Daily demand for drinking water in 2019 averaged 75.9 million gallons, equal to 84,974 af per year.



*Ben Laflin Sr at His Artesian Well in Thermal Circa 1915*



*CVWD Concrete Reservoir Construction*

## HOW IS WATER MEASURED?

### What is one hundred cubic feet (Ccf) of water?

This is the unit of measure used when measuring and billing water to domestic water customers. One hundred cubic feet of water, or one Ccf, is equal to 748 gallons of water. For example, a typical bath tub holds 50 gallons of water. It takes about 15 bath tubs full of water to equal one Ccf.

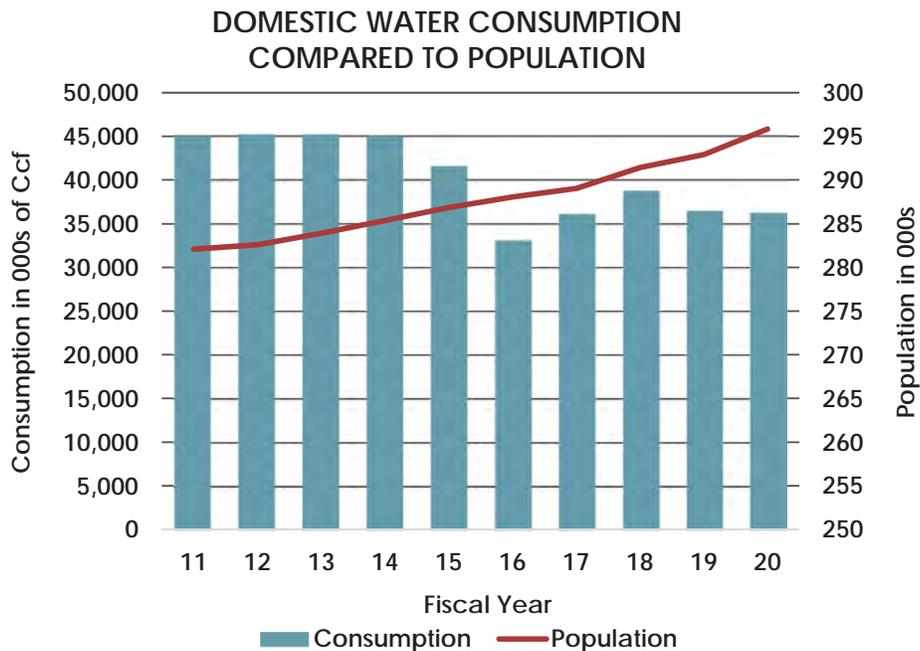
### What is an acre-foot?

Water is commonly measured by the acre-foot. The acre-foot measurement is what is used when the District sells large quantities of water to farmers, golf courses and well producers in the Coachella Valley.

One acre-foot equals 325,851 gallons. Put another way, an acre-foot of water is enough to flood a football field - which is roughly an acre in size - one foot deep.

### Water Consumption

Actual water consumption in fiscal 2020 was lower than fiscal 2019 by 1.8%, as shown in the graph below. Consumption from March through June was down 476,897 Ccf in fiscal 2020 versus the same time period in fiscal 2019. A suspected reason for the decrease in consumption is COVID-19. The pandemic caused the closure of many businesses beginning in March potentially decreasing domestic consumption.



Account growth also influences consumption. As depicted in the table below, over the past seven years the number of domestic water accounts increased by 3.6%. Although the District has experienced account growth and population growth, as evidenced by the graph on the previous page, the consumption per capita has been decreasing.

**ACTIVE ACCOUNTS**

**Conservation**

All residential customers and many large landscape customers use domestic water for their outdoor irrigation purposes. CVWD’s domestic customers on average use 70% of their consumption for outside landscaping.

One of the most common causes of water waste in the Coachella Valley is overwatering. For this reason, outdoor water conservation is the primary focus of the District’s public outreach and water conservation programs. One of the most successful programs has been the installation of smart controllers, for both residential customers as well as large landscape accounts, such as homeowner’s associations. Smart controllers automatically set the amount of water the landscape receives each day based on the weather. Their use can reduce outdoor consumption by as much as 30%.

The District offers smart controllers free of charge to all residents. As of fiscal 2020, the residential and large landscape smart controller program has saved an estimated 52.7 billion gallons of water, or over 161,730 af. One af of water is enough to fill a football stadium one foot deep with water. Over 6,600 controllers have been installed to date.

Another popular program the District has to help reduce outdoor irrigation is the desert landscape program. The District pays residential customers \$2 per square foot, up to a maximum of 10,000 square feet to replace turf with desert landscape. For commercial customers, rebates are available at \$2 per square foot, up to a maximum of 25,000 square feet. To date through CVWD’s rebate program, desert landscaping has replaced more than 18.7 million square feet of grass. This results in an estimated annual water savings of 5.6 billion gallons, or over 17,185 af.

CALENDAR YEAR	NUMBER OF ACCOUNTS	QTY. INCREASE	% INCREASE	CUMULATIVE % INCREASE
2012	104,292			
2013	104,800	508	0.5%	0.5%
2014	105,472	672	0.6%	1.1%
2015	106,055	583	0.6%	1.7%
2016	106,409	354	0.3%	2.0%
2017	106,967	558	0.5%	2.5%
2018	107,856	889	0.8%	3.3%
2019	108,582	726	0.7%	4.0%

In addition, the High-Efficiency Toilet Replacement Program has saved over 177 million gallons of water, with almost 9,400 toilets replaced. Residential customers have saved 104 million gallons, and commercial customers have saved 73 million gallons through this program.

Water Management’s budget for fiscal 2021 is \$5.8 million, with \$2.9 million budgeted for conservation programs. The amount budgeted for conservation programs is slightly less than in years past. Turf rebates and other programs have seen interest wane with the elimination of the drought declaration. In order to continue to promote conservation, the District has added a residential efficient washing machine rebate program and a residential hot water recirculating pump rebate program.

**Rate Structure**

The District uses a budget-based tiered rate structure to curb excess water use and reward water-efficient customers. Tiered rates have helped the District meet legislation enacted by the State of California to reduce per capita urban water use by 20% by the year 2020. Districtwide, domestic water consumption has dropped 31% since the implementation of budget-based rates in 2009.

The District’s budget-based tiered rate structure is designed to encourage conservation and efficient use, both inside and outside the home. Since the majority of water used by Coachella Valley residents is outdoors, the District factors in landscaping and weather conditions when calculating water budgets. For example, a water budget for a single-family home uses the following assumptions:

- Each customer is given a default indoor water use budget of 8 Ccf per month (equal to 200 gallons per day for a family of four), which is consistent with current industry standards
- Landscape area is measured
- Weather data is based on a daily five-year average

As illustrated in the table below, there are five tiers, with the first two tiers designed to meet the needs of an average single-family home of four people. All use in excess of tier 2 is considered inefficient and is charged at a higher rate to cover the incremental costs of providing water in excess of efficient use.

**TIERED RATE STRUCTURE**

TIER	RATE	SINGLE-FAMILY	MULTI-FAMILY	COMMERCIAL	LANDSCAPE IRRIGATION
Tier 1 – Excellent	\$ 0.98	Up to 8 Ccf		n/a	n/a
Tier 2 – Efficient	\$ 1.37	Up to 100% of budget		8 Ccf per EDU*	Up to 100% of budget
Tier 3 – Inefficient	\$ 2.55	100% to 175% of budget			
Tier 4 – Excessive	\$ 4.83	175% to 300% of budget			
Tier 5 – Wasteful	\$ 6.34	300% or more of budget			

\* Equivalent Dwelling Unit (EDU) is a term used to compare the flows generated from a commercial account to those generated by a single-family residential unit.

The Board of Directors voted not to increase the water rates for fiscal 2021. The existing rate is sufficient to meet the Domestic Water Fund’s needs for fiscal 2021. It is anticipated that rates will be adjusted for fiscal 2022. The District is in the process of completing a new COSS to be prepared for fiscal 2022 and the subsequent four years.

**Fixed Rates**

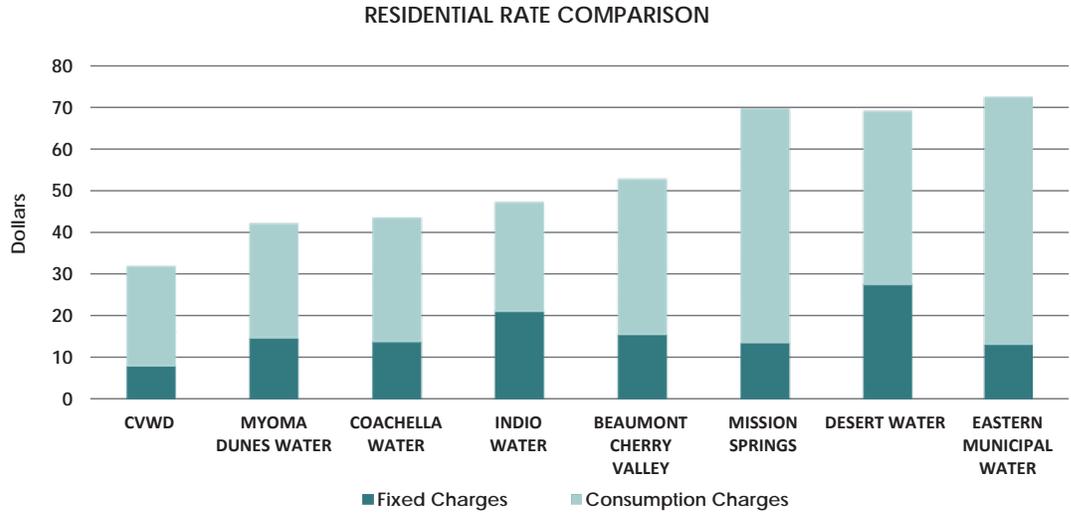
**MONTHLY SERVICE CHARGE PER MONTH**

CUSTOMER CLASS	METER SIZE			
	¾"	1"	1 ½ "	2"
Single-Family	\$ 7.92	\$ 13.18	\$ 26.36	\$ 42.19
Multi-Family	\$ 9.05	\$ 15.07	\$ 30.21	\$ 48.30
Commercial	\$ 5.68	\$ 9.46	\$ 18.93	\$ 30.27
Landscape Irrigation	\$ 19.63	\$ 32.74	\$ 65.46	\$ 104.79

Domestic water service is broken down into five customer classes: single-family residential, multi-family residential, commercial, landscape irrigation, and construction meters. Each customer class is assigned a different monthly fixed charge to reflect the difference in the cost of providing service to them. All fixed charge rates were increased in fiscal 2020. The monthly service charge for construction meters remains \$125 for a 3” or smaller meter, and \$190 for a 4” or larger meter.

**Rate Comparison**

The adjacent graph and table below illustrate rate comparisons between CVWD and other water agencies in the region based upon usage of 20 Ccf. The District's rates are the lowest in the area. The darker color portion of the bars indicate the monthly fixed charge; the lighter color indicates the consumption charge.



**RESIDENTIAL RATE COMPARISON**

	CVWD	MYOMA DUNES WATER	COACHELLA WATER	INDIO WATER	BEAUMONT CHERRY VALLEY	MISSION SPRINGS	DESERT WATER	EASTERN MUNICIPAL WATER
Fixed Charges	\$ 7.92	\$ 14.67	\$ 13.80	\$ 21.16	\$ 15.57	\$ 13.63	\$ 27.60	\$ 13.20
Consumption Charges	\$ 24.28	\$ 27.68	\$ 30.00	\$ 26.30	\$ 37.45	\$ 56.14	\$ 41.60	\$ 59.37
<b>Total per 20 Ccf Usage</b>	<b>\$ 32.20</b>	<b>\$ 42.35</b>	<b>\$ 43.80</b>	<b>\$ 47.46</b>	<b>\$ 53.02</b>	<b>\$ 69.77</b>	<b>\$ 69.20</b>	<b>\$ 72.57</b>



Tap Water In Perspective  
*Still the Best Deal Around*  
 A gallon of tap water is only

**\$0.0015**

*A Gallon of Each of These Costs*



**\$55.00**



**\$17.00**



**\$1.00**



**\$3.50**



**\$4.76**

## Strategic Initiatives

### Fiscal 2021 Domestic Water Fund Strategic Plan Initiatives

**SG4.11:** Install emergency generators at well sites. This initiative will improve operational reliability for domestic water.

**SG4.12:** Implement Phase 1 of surge tank protection program at domestic water booster station sites. This initiative will improve operational reliability for domestic water well sites.

**SG4.13:** Implement Risk & Resilience Assessment Recommendations, Phase 1. This initiative will focus on domestic facilities in regards to updating the emergency response plan and starting design to address critical risks identified in the Risk & Resiliency Plan.

**SG5.16:** Participate in Partnership for Safe Water Distribution System. Optimize distribution system operations, pressure management, chlorine residual, main breaks for better operational controls.



Micah Pricer, 4, Hikes Araby Trail in Palm Springs with CVWD Water Bottle

DOMESTIC WATER FUND						
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RESERVE (000s)						
	Actual FY 2019	Budget FY 2020	Projected FY 2020	Budget FY 2021	Budget Change	% Change
<b>Revenues</b>						
Water Sales	\$57,240	\$62,156	\$61,729	\$62,778	\$622	1.0
Service Charges	14,195	16,508	16,613	16,514	6	-
Availability Charges	633	639	639	645	6	0.9
Property Taxes - General	238	2,137	2,216	2,207	70	3.3
Charges for Services	3,515	3,300	4,057	3,300	-	-
Investment Income	1,080	1,250	1,150	1,171	(79)	(6.3)
<b>Total Revenues</b>	<b>\$76,901</b>	<b>\$85,990</b>	<b>\$86,404</b>	<b>\$86,615</b>	<b>\$625</b>	<b>0.7%</b>
<b>Expenses</b>						
Salaries & Benefits (net of capitalized labor)	\$33,335	\$37,003	\$36,281	\$38,020	\$1,017	2.7
Supplies & Services	22,207	24,826	22,404	22,888	(1,938)	(7.8)
Utilities	9,400	9,819	9,773	10,051	232	2.4
Replenishment Charges	11,836	12,520	11,636	12,520	-	-
Capital Outlay	272	1,532	1,495	216	(1,316)	(85.9)
<b>Total Expenses</b>	<b>\$77,050</b>	<b>\$85,700</b>	<b>\$81,589</b>	<b>\$83,695</b>	<b>(\$2,005)</b>	<b>(2.3%)</b>
<b>Operating Income (Loss)</b>	<b>(\$149)</b>	<b>\$290</b>	<b>\$4,815</b>	<b>\$2,920</b>	<b>\$2,630</b>	<b>906.9%</b>
<b>Nonoperating Revenues (Expenses)</b>						
Interfund Revenues	\$9,205	\$15,167	\$14,673	\$10,478	(\$4,689)	(30.9)
Debt Service - External	-	(273)	(273)	(632)	(359)	(131.5)
Loan Proceeds	-	10,000	19,100	2,603	(7,397)	(74.0)
Capital Improvement Budget	(40,958)	(38,965)	(35,016)	(26,639)	12,326	31.6
Contribution to Motorpool CIP	(602)	(1,158)	(1,158)	(1,176)	(18)	(1.6)
Capital Improvement Reimbursements	132	275	-	-	(275)	(100.0)
Use of Restricted Funds	4,158	2,843	1,947	9,810	6,967	245.1
CalPERS Liability Buy-down	(9,132)	-	-	-	-	-
Grant Revenue	636	200	1,047	365	165	82.5
Capital Grant Revenue	491	3,400	127	3,914	514	15.1
Other Revenue (Expenses)	2,452	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$33,618)</b>	<b>(\$8,511)</b>	<b>\$447</b>	<b>(\$1,277)</b>	<b>\$7,234</b>	<b>85.0%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>(\$33,767)</b>	<b>(\$8,221)</b>	<b>\$5,262</b>	<b>\$1,643</b>	<b>\$9,864</b>	<b>120.0</b>
<b>Beginning Reserve</b>	<b>\$79,428</b>	<b>\$45,661</b>	<b>\$45,661</b>	<b>\$50,923</b>	<b>\$5,262</b>	<b>11.5</b>
<b>Ending Reserve</b>	<b>\$45,661</b>	<b>\$37,440</b>	<b>\$50,923</b>	<b>\$52,566</b>	<b>\$15,126</b>	<b>40.4%</b>
<b>Target Reserve</b>	<b>\$46,459</b>	<b>\$49,114</b>	<b>\$47,779</b>	<b>\$49,932</b>	<b>\$818</b>	<b>1.7%</b>

## Budget Summary

Domestic Water revenues are budgeted 0.7% higher compared to the fiscal 2020 budget. The largest increase is revenues from water sales, which are budgeted to increase based on the consumption patterns from fiscal 2018. Fiscal 2018 consumption is used as it represents a typical year in the desert as far as temperatures and precipitation. In addition, service charges and property taxes are increasing based on historical trends. Investment income is budgeted to decrease with the use of reserves for capital projects.

Expenses are budgeted to decrease by \$2 million or 2.3% from the prior year’s budget. Nominal budgeted increases in salaries & benefits are offset by a 7.8% budgeted decrease in supplies & service and an 85.9% decrease in capital outlay.

Nonoperating revenues include interfund revenues, the use of restricted funds for capital improvements, grant revenue, and other sources. Interfund revenues are the principal and interest payments from the East Whitewater Replenishment Fund. This is the sixth year of a 15-year loan. Repayment of this loan has been accelerated and will be paid off by fiscal 2021. The District has also received an award of a State Revolving Fund (SRF) Loan, with proceeds of \$10 million budgeted for fiscal 2020. Additionally, the Domestic Water Fund will contribute \$1.2 million to the Motorpool Fund to purchase vehicles or equipment related to Domestic Water.

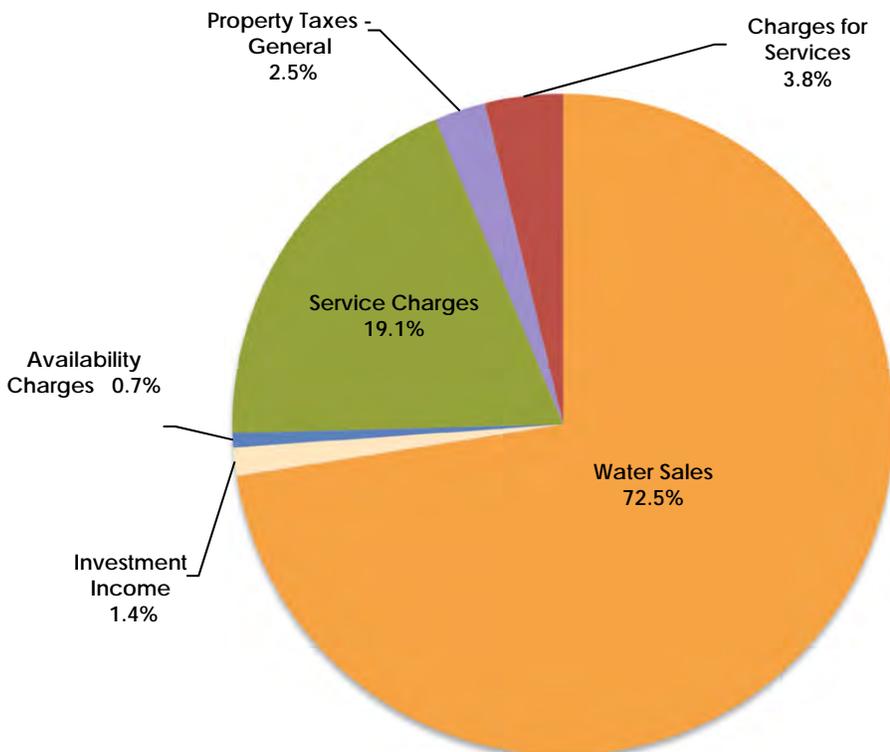
Ending reserves for fiscal 2021 are budgeted at \$52.6 million, an increase of \$15.1 million from the fiscal 2020 budget. This is largely due to the receipt of \$19.1 million in loan proceeds in fiscal 2020 versus the \$10 million that was budgeted.

Domestic Water Fund revenues amount to \$86.6 million, an increase of \$625,000 from fiscal 2020. The pie chart below shows a breakdown by element.

## Revenues

### Operating Revenues

**\$86,615,000**



**WATER SALES** represent 72.5% of the Domestic Water Fund operating revenues. Revenues from water sales are budgeted at \$62.8 million. The budget is based on the assumption that water consumption will be approximately 38.1 million Ccf, or 82,874 af, which represents an average year of consumption for the District’s customers. No rate increases are included in the fiscal 2021 budget.

Water sales revenues are commodity sales, or the sale of water based upon water consumption at the customer’s meter. Water sales are based on the rates and consumption projections in each of the customer classes. Customers pay for the amount of water used which is calculated using the budget-based tiered rate structure.

**SERVICE CHARGES** are the monthly fees each customer pays, based on the size of the meter installed and the customer class. Service charges account for 19.1% of the operating revenues of the Domestic Water Fund and are based on the rates adopted in June 2019 effective fiscal 2020.

**CHARGES FOR SERVICES** account for 3.8% of the fund’s revenues and are comprised of application fees, turn-on fees, fines, meter installation fees, inspection fees, plan check fees, leases, penalties, and utility use incentives. These are highly variable revenue sources and are estimated using historical averages.

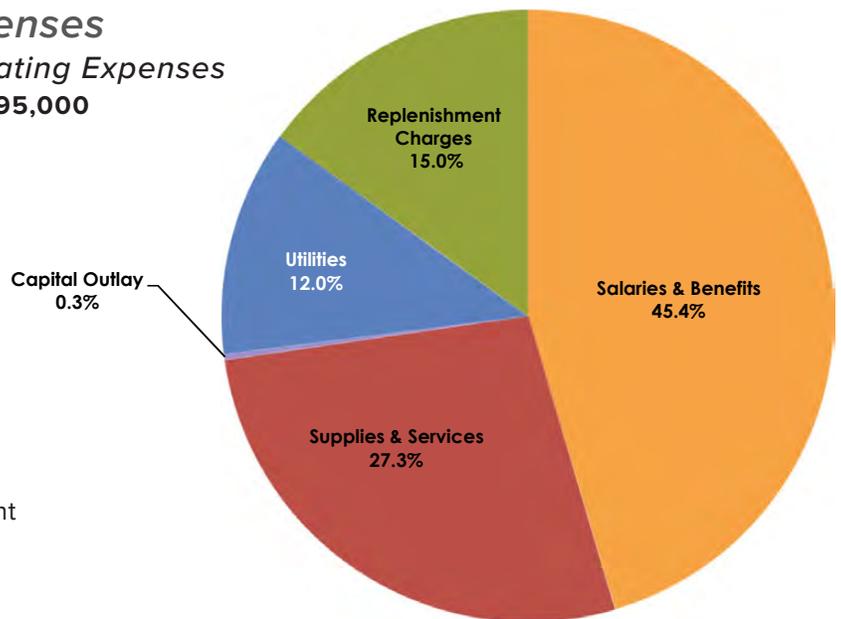
**AVAILABILITY CHARGES** are levied against all lands, whose boundaries are within 660 feet of an existing water main. Parcels of land with active domestic water service during the current fiscal year will be considered as having met the availability charge. These charges are placed on the tax rolls each year and are very stable revenue sources.

**PROPERTY TAXES-GENERAL** represent the dedicated share of the 1% Riverside and Imperial Counties’ secured property tax levy pursuant to the California Revenue and Taxation Code. Property values have been increasing and recent sales of single-family homes have shown modest price increases. Property values reset each time there is a change in ownership, with the value being established at the sales price. Allocation of general property taxes to the enterprise funds is at the discretion of the Board. For fiscal 2021, the Domestic Water Fund will receive a 10.9% allocation, which equates to \$2.2 million.

**INVESTMENT INCOME** is earned based on the cash balance in the fund. For fiscal 2021, the rate of return is budgeted at 2.3%.

**Expenses**  
**Operating Expenses**  
**\$83,695,000**

Domestic Water Fund expenses amount to \$83.7 million, a decrease of \$2 million from fiscal 2020. The pie chart above shows a breakdown by element.



**SALARIES & BENEFITS** amount to \$38 million, an increase of 2.7% compared to fiscal 2020. This increase reflects the impact of increases in employee salaries, a modest increase in the CalPERS rate, and a smaller capital improvement budget. A smaller capital improvement budget equates to less salaries & benefits being capitalized, therefore increasing the salaries & benefits in the operating budget.

**SUPPLIES & SERVICES** are budgeted at \$22.9 million, which is a decrease of \$1.9 million compared to fiscal 2020. The largest decrease was in contract services, with smaller decreases in professional development, legal, small tools & equipment, and work orders.

**UTILITIES** are budgeted at \$10.1 million, a 2.4% increase due to nominal rate increases from the providers.

**REPLENISHMENT CHARGES** are budgeted approximately the same as fiscal 2020 due to expectations that the amount of groundwater that will be pumped will be similar. There are no budgeted rate increases for groundwater pumping.

**CAPITAL OUTLAY** is budgeted at \$216,000 and is a decrease of \$1.3 million compared to the prior year. Fiscal 2020 included the purchase of a new trunk radio system. Fiscal 2021 is in line with normal capital outlay spending.

### *Domestic Water Restricted Funds*

Water System Backup Facility Charges (WSBFC) are fees assessed on all new development, redevelopment projects, connections of existing residential units, and upgrades of existing commercial units within the District's domestic water service areas. These funds are restricted for constructing backbone facilities for additional capacity for pumping, storing, and distributing water.

At the beginning of fiscal 2021, there is approximately \$23.3 million in restricted funds available for allowable projects. Approximately \$9.8 million in restricted funds is budgeted to fund domestic water projects in fiscal 2021. WSBFC revenues average about \$3 million per year. The five-year Capital Improvement Plan (CIP) proposes using approximately \$23.8 million in restricted funds. Based on this plan, there are adequate restricted funds available.

### *Capital Improvements*

There is \$26.6 million in capital improvements budgeted for fiscal 2021. The budget includes projects for the rehabilitation of aging well sites, water main extensions to underserved areas, numerous water main replacement projects, the design of replacement of the ion-exchange treatment plants, and installation of a transmission main. Funding of the fiscal 2021 Capital Improvement Budget is with the use of an SRF loan, grants, unrestricted reserves, and restricted reserves. More details are located in the Capital Improvements chapter.

### *Five-Year Forecast*

The biggest challenges facing the Domestic Water Fund over the next five years include funding the Capital Improvement Plan, maintaining debt service coverage for existing and proposed State Revolving Fund loans, covering operating expenses, and maintaining adequate reserves.

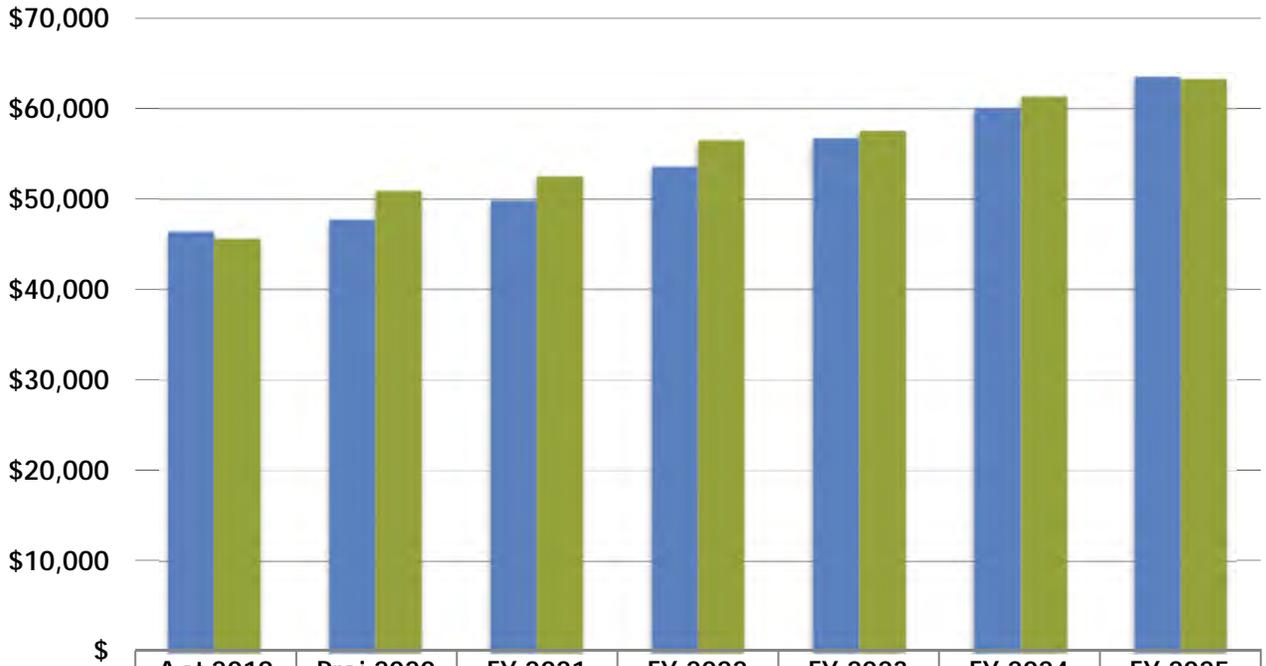
Currently the District is working with an outside firm to complete a COSS for the Domestic Water Fund. The study, which is expected to be completed in the spring of 2021, reviews existing rate structures, allocates revenue requirements to the various customer classes, evaluates adequacy of projected revenues under existing rates, makes recommendations for potential revenue adjustments, and develops a sound financial plan for a ten-year period. Rate setting procedures in California require that agencies responsible for imposing property related charges demonstrate a nexus between the cost of providing the service and the services or benefits received. The COSS will make recommendations on potential rate increases.

In order to meet the challenges facing the Domestic Water Fund, a considerable rate increase is likely. It is anticipated that a new five-year rate plan will be presented to the Board for adoption during the fourth quarter of fiscal 2021. Budgeted reserves are slightly above the reserve target at the end of fiscal 2021, and would decline sharply absent future rate increases.

The five-year forecast includes approximately \$166.2 million in capital improvements and a rate increase in both the fixed and consumptive rates in fiscal years 2022-2025. The District anticipates using pay-go funding and is pursuing additional SRF loans and grants for eligible projects. In addition, the fund has the ability to use the revolving line of credit for temporary financing of projects. Rate increases will be reviewed annually to determine the amount of the increase needed.

DOMESTIC WATER FUND					
FIVE-YEAR FORECAST (000s)					
	Budget		Projected		
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>Revenues</b>					
Water Sales	\$62,778	\$84,220	\$91,093	\$93,799	\$96,584
Service Charges	16,514	21,323	22,917	23,543	24,185
Availability Charges	645	645	645	645	645
Property Taxes - General	2,207	2,265	2,321	2,385	2,460
Charges for Services	3,300	3,300	3,300	3,300	3,300
Investment Income	1,171	1,209	1,299	1,324	1,411
<b>Total Revenues</b>	<b>\$86,615</b>	<b>\$112,962</b>	<b>\$121,575</b>	<b>\$124,996</b>	<b>\$128,585</b>
<b>% Change From Prior Year</b>	<b>0.7%</b>	<b>30.4%</b>	<b>7.6%</b>	<b>2.8%</b>	<b>2.9%</b>
<b>Expenses</b>					
Salaries & Benefits (net of capitalized labor)	\$38,020	\$40,199	\$42,721	\$45,603	\$48,455
Supplies & Services	22,888	23,345	23,915	24,501	25,103
Utilities	10,051	10,363	10,685	11,017	11,360
Replenishment Charges	12,520	17,254	19,986	22,010	23,445
Capital Outlay	216	216	216	216	216
<b>Total Expenses</b>	<b>\$83,695</b>	<b>\$91,377</b>	<b>\$97,523</b>	<b>\$103,347</b>	<b>\$108,579</b>
<b>% Change From Prior Year</b>	<b>(2.3%)</b>	<b>9.2%</b>	<b>6.7%</b>	<b>6.0%</b>	<b>5.1%</b>
<b>Operating Income (Loss)</b>	<b>\$2,920</b>	<b>\$21,585</b>	<b>\$24,052</b>	<b>\$21,649</b>	<b>\$20,006</b>
<b>% Change From Prior Year</b>	<b>906.9%</b>	<b>639.2%</b>	<b>11.4%</b>	<b>(10.0%)</b>	<b>(7.6%)</b>
<b>Nonoperating Revenues (Expenses)</b>					
Interfund Revenues	\$10,478	\$3,304	\$3,304	\$1,200	\$1,200
Debt Service	(632)	(1,031)	(1,346)	(1,981)	(2,938)
Loan Proceeds	2,603	-	4,550	11,800	18,800
Capital Improvement Budget	(26,639)	(33,409)	(35,280)	(32,485)	(38,400)
Contribution to Motorpool CIP	(1,176)	(1,196)	(914)	(1,133)	(999)
Use of Restricted Funds	9,810	10,663	2,825	503	-
Grant Revenue	365	225	-	-	-
Capital Grant Revenue	3,914	3,787	3,875	4,233	4,150
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$1,277)</b>	<b>(\$17,657)</b>	<b>(\$22,986)</b>	<b>(\$17,863)</b>	<b>(\$18,187)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$1,643</b>	<b>\$3,928</b>	<b>\$1,066</b>	<b>\$3,786</b>	<b>\$1,819</b>
<b>Beginning Reserve</b>	<b>\$50,923</b>	<b>\$52,566</b>	<b>\$56,494</b>	<b>\$57,560</b>	<b>\$61,346</b>
<b>Ending Reserve</b>	<b>\$52,566</b>	<b>\$56,494</b>	<b>\$57,560</b>	<b>\$61,346</b>	<b>\$63,165</b>
<b>% Change From Prior Year</b>	<b>40.4%</b>	<b>7.5%</b>	<b>1.9%</b>	<b>6.6%</b>	<b>3.0%</b>
<b>Target Reserve</b>	<b>\$49,932</b>	<b>\$53,582</b>	<b>\$56,718</b>	<b>\$60,040</b>	<b>\$63,489</b>

DOMESTIC WATER FUND RESERVE (000s)



	Act 2019	Proj 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Target Reserve	\$46,459	\$47,779	\$49,932	\$53,582	\$56,718	\$60,040	\$63,489
Actual Reserve	\$45,661	\$50,923	\$52,566	\$56,494	\$57,560	\$61,346	\$63,165



10 Million Gallon Reservoir in Final Phase of Construction

CANAL WATER *FUND*



**Background**

CVWD provides canal water to more than 1,200 accounts, including agriculture, golf courses, lakes, and replenishment facilities. Accounts are billed monthly for canal water usage on a per acre-foot (af) basis.

The Coachella Valley’s farmland is ranked among the most profitable crop-growing regions in the state on a per acre basis. More than two-thirds of local farmland is irrigated with Colorado River water delivered via the Coachella Canal (Canal), a branch of the All American Canal. More than 65% of area farms use drip or other micro-irrigation, which reduces water use, allows pesticides and herbicides to be added directly into irrigation lines, and contributes to increased crop yields. These irrigation practices place area farms among the most efficient agricultural water users in the state.

**The Coachella Canal**

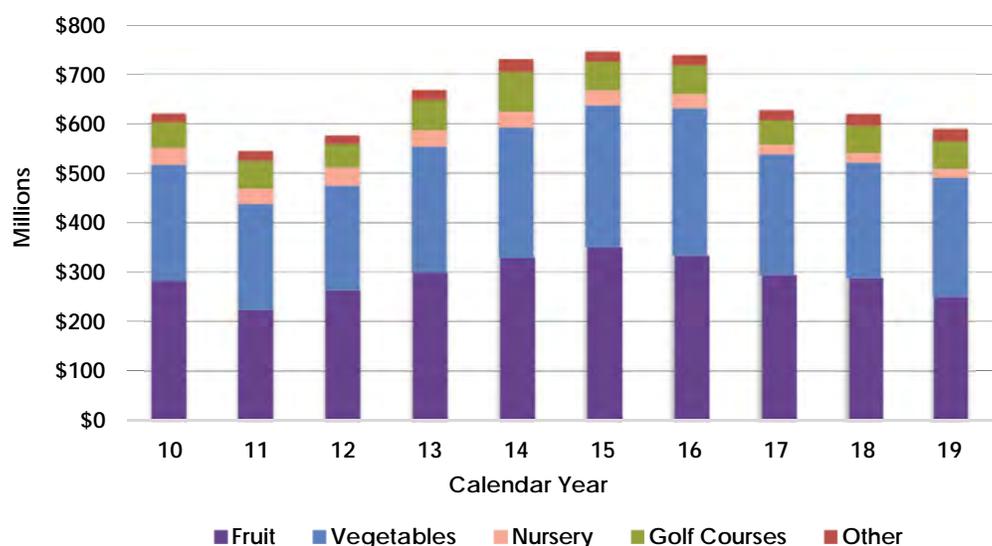
In 1934, CVWD entered into a contract with the United States Bureau of Reclamation (Reclamation, USBR) for the construction of the Coachella Branch of the All American Canal. Reclamation agreed to deliver water to CVWD for potable and irrigation purposes within the 137,000 acre area known as Improvement District Number 1 (ID 1), of which 76,000 acres are irrigable.

Costs associated with the construction of the Canal were to be reimbursed by CVWD. In 1935, CVWD adopted Ordinance Number 595 authorizing a tax levy for satisfying the repayment obligations to Reclamation. CVWD began levying the ID 1 tax in fiscal 1950, with the repayment obligation satisfied in 1994. The Canal continues to be owned by the USBR, but is maintained and operated by CVWD.

The Coachella Canal was completed in 1948, with CVWD taking water delivery in 1949. Water that flows through the Canal travels several hundred miles via gravity flow. It starts at the Colorado River and diverts into the All American Canal at the Imperial Dam, located 18 miles north of Yuma, Arizona. The water is diverted again, 38 miles downstream, into the Coachella Canal.

When the Canal was built, the northern 38 miles were lined with concrete to ensure more efficient connections to the underground distribution system. In 1980, the southern 49 miles of the Canal were replaced by a parallel concrete waterway that resulted in a savings of more than 130,000 acre-feet per year (af/yr). The remaining 36 miles of earthen waterway and canal were replaced with a parallel, concrete canal in 2006. The project was funded by the State of California and San Diego County Water Authority (SDCWA) as part of the 2003 Quantification Settlement Agreement (QSA).

**CROP VALUE BY INDUSTRY  
TEN-YEAR HISTORY**



As depicted in the chart above, crop production for 2019 exceeded \$589 million. This represents a \$30 million, or 4.9% decrease compared to 2018. Decline in fruit sales of \$37.6 million was offset by a \$7.5 million increase in vegetable sales. The top ten crops by value are dates, grapes, peppers, lemons/limes, carrots, lettuce, oranges & tangerines, nursery plants, Oriental vegetables, and cauliflower.

## *Irrigation Distribution and Drainage System*

In 1947, CVWD entered into a contract with the USBR for the construction of the irrigation distribution system and a system of protective works to protect the Canal and systems from alluvial fan flooding. Shortly after work on the Canal was completed, CVWD began construction on an underground tile system designed to carry agricultural irrigation drainage water away from farmland to the Salton Sea. The irrigation distribution system includes 485 miles of low-pressure concrete pipes ranging in size from 12-inches (in) to 92-in, which distribute water to 40-acre blocks of land within ID 1. Repayment obligations to Reclamation were satisfied in 1995 from the ID 1 property taxes. Today, there are nearly 2,300 miles of on-farm and CVWD-maintained drains.

## *Colorado River Water Supply*

### **WHAT IS THE QSA?**

Although CVWD's Colorado River water rights date back to 1934, the QSA, which was successfully ratified in October 2003, defined CVWD's allocation. The QSA quantifies Colorado River water allocations to California water contractors for 75 years, which allows for the transfer of water between agencies. CVWD received a base allocation of 330,000 af/yr under the QSA. CVWD's gross Colorado River supplies will gradually ramp up to 488,000 af/yr in 2026 through transfers with the Metropolitan Water District (MWD) and Imperial Irrigation District (IID).

The landmark 2003 QSA enabled California to implement major Colorado River water conservation and transfer programs, stabilizing water supplies for 75 years and reducing the State's demand on the river to its 4.4 million acre-foot/yr (maf/yr) entitlement. The agreement also provided mitigation funding for the environmentally sensitive Salton Sea. The completion of the QSA required the commitment and combined efforts of the following organizations:

- CVWD
- SDCWA
- IID
- MWD
- State of California
- U.S. Department of the Interior

### **WHAT ARE THE BENEFITS?**

The QSA enabled California to reduce its historic over-dependence on the Colorado River through voluntary agriculture-to-urban water transfers, primarily achieved through conservation programs (including canal lining). The State has since lived within its 4.4 maf/yr entitlement. The QSA quantified CVWD's entitlement to Colorado River water, protecting this allotment from use by other agencies, and provided rights to additional, significant amounts of imported water through transfers.

In addition, companion legislation required the State to identify a preferred Salton Sea restoration alternative and funding plan. In 2007, the State identified and submitted to the Legislature an \$8.9 billion preferred alternative, but the Legislature has yet to act on the preferred alternative, nor has it provided a viable funding plan.

**HOW DID IT IMPACT CVWD?**

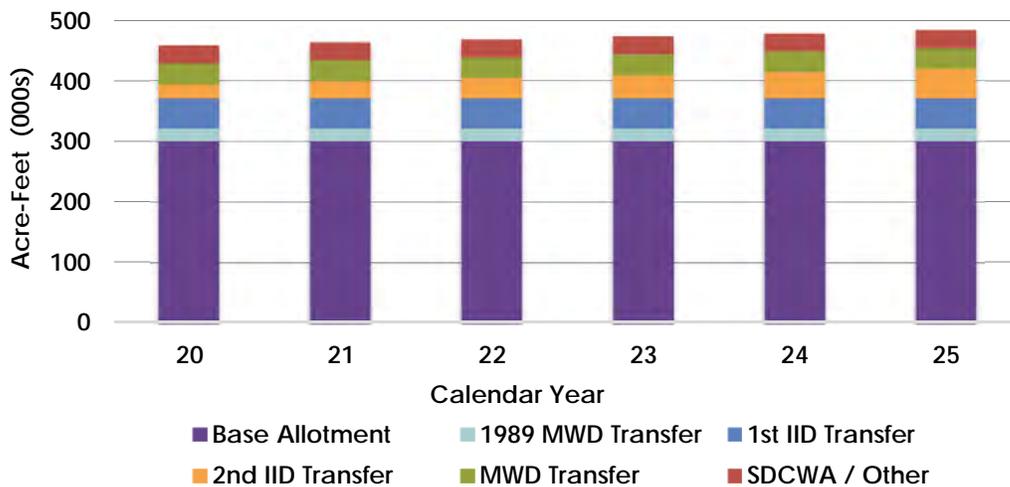
The QSA quantified CVWD’s entitlement to Colorado River water, which ensured that other agencies could not use its allotment. The QSA also gave CVWD the rights to additional, significant amounts of imported water.

The District’s annual base allotment of Colorado River water is 330,000 af. Water conserved from lining the last earthen section of the canal means that 21,500 af is transferred to SDCWA and 7,500 af is transferred to various Indian tribes, for an adjusted base allotment of 301,000 af. Additional allotments are being added each

year, ramping up to a total net allotment of 459,000 af in 2026.

The IID-CVWD Acquisition Agreement is the largest single transfer, which provides up to 103,000 af/yr to be delivered to the Coachella Canal by the way of the Imperial Dam and the All American Canal. The first delivery of this water started in 2008, and with the exception of a 13,000 af/yr increase in 2018, generally ramps up in increments of 5,000 af/yr during the life of the agreement. Two additional MWD transfer agreements provide another 55,000 af/yr.

**QSA WATER SUPPLY ALLOTMENTS  
2020 - 2025**



The graph above shows QSA water supply allotments through 2025.

**HOW SECURE IS THE COLORADO RIVER WATER SUPPLY?**

The Colorado River Basin is one of the most critical sources of water in the West, providing water to nearly 25 million people for municipal use, irrigating nearly 5.5 million acres of land, and is the lifeblood for at least 22 Native American tribes, 7 national wildlife refuges, 4 national recreation areas, and 11 national parks.

Under the 1922 Colorado River Compact, the Upper Basin (Wyoming, Utah, New Mexico, and Colorado) receives 7.5 million af/year and the Lower Basin (California, Arizona, and Nevada) also receives 7.5 maf/yr. In 1944, Mexico secured an agreement for annual deliveries of 1.5 maf/yr from the river. It has since become clear that the early decades of the 20th century, the period on which the 1922 compact was based, were the wettest period in the Colorado River basin and not representative of the long-term climatic conditions of the West.

The Colorado River Basin has been experiencing drought conditions for the last 15 years. If the surface level of Lake Mead is projected to be at or below 1,075 feet on January 1 of the following year, the Secretary of the Interior may declare a Shortage Condition, which would trigger water restrictions for Arizona and Nevada. California currently has no negotiated restrictions. Current projections by Reclamation (January 2020 24-month study) indicate a 0% chance of shortage in 2020, negligible chance in 2021, 9% chance in 2022, 31% chance in 2023 and a 37% chance in 2024.

Although California water districts hold senior rights to 4.4 maf/yr of Colorado River water, protecting water deliveries from mandatory reductions associated with the decline in Lake Mead elevations, these districts have engaged in voluntary water conservation efforts in order to prevent other states from experiencing the mandatory cutbacks. Most recently, the Drought Contingency Plan (DCP) Authorization Act signed into law by the President on April 16, 2019, is a program that, through voluntary contributions of conserved water, will delay or eliminate shortage conditions in Lake Mead. In early 2019, CVWD executed the Companion Agreement to the DCP, the Lower Basin DCP Agreement, and the necessary California interagency agreements associated with the voluntary contributions schedule. Together with the other Upper and Lower Basin States, California’s participation in the DCP demonstrates the best path forward to reduce risks facing the Colorado River and to limit state cutbacks in the coming years is through collaborative measures.

**ANNUAL COLORADO RIVER ALLOCATION BY STATE - MILLION ACRE-FEET**

California	Colorado	Arizona	Utah	Wyoming	New Mexico	Nevada
4.40	3.88	2.80	1.72	1.05	0.84	0.30

**Water Costs**

The base allotment of 301,000 af is provided at no cost to the District. The cost of additional allotments varies based on the terms of the QSA agreement.

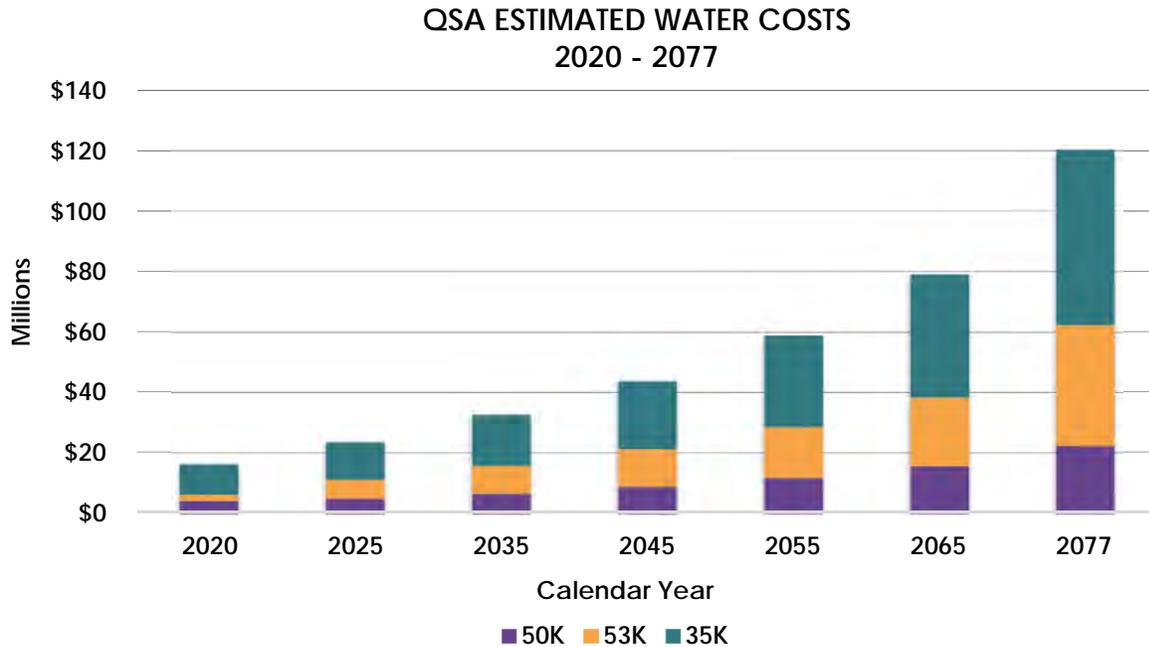
Water costs were \$83 per af in 2020. Each year the cost of water is adjusted from the 1998 base price by a blended Producer Price Index and Gross Domestic Product Implicit Price Deflator. A 3% inflation factor is used for fiscal years outside the five-year budget.

The table below depicts af to be received, along with the estimated IID water transfer costs over the remaining term of the contract. Water transfer costs are charged to CVWD for transportation of the water.

**IID WATER TRANSFER COSTS  
2020 - 2077**

Year	IID Water Transfer Ramp-Up Schedule			Cost Per af	
	50,000 (af)	53,000 (af)	Total (af)	Cost	af
2020	50,000	23,000	73,000	\$ 6,046,230	\$ 82.83
2025	50,000	48,000	98,000	\$ 11,068,000	\$ 112.94
2035	50,000	53,000	103,000	\$ 15,757,181	\$ 152.98
2045	50,000	53,000	103,000	\$ 21,176,334	\$ 205.60
2055	50,000	53,000	103,000	\$ 28,459,222	\$ 276.30
2065	50,000	53,000	103,000	\$ 38,246,816	\$ 371.33
2077	50,000	53,000	103,000	\$ 62,311,076	\$ 604.96

In fiscal 2021, 78,000 af of IID water transfer costs are budgeted in the Canal Fund at an estimated cost of \$90 per acre-foot. The 78,000 af of water transfer is comprised of 50,000 af from the First 50,000 af Transfer Agreement and 28,000 af from the Second 50,000 af Transfer Agreement. The 35,000 af of Metropolitan Water District water transfers are budgeted in the West Replenishment Fund at a total cost (including transportation) of \$307 per acre-foot, since the water is delivered to the West Whitewater Replenishment Area.



The graph above shows the QSA water costs over the remaining term of the contract.

**Rate Structure**

**CANAL WATER SERVICE CHARGES** are made up of two customer classes: Class 1 – Agriculture and Class 2 – All Nonagriculture. The definition of Class 1 and Class 2 customers is stated below:

*CLASS 1* - Agriculture consists of all canal water customers who use canal water for direct potable water production or commercial agriculture activities - i.e., customers who use canal water for the purpose of producing an agricultural commodity for commercial purposes, including growing crops and raising animals for the commercial production and/or sale of food, fiber, fuel, and other products.

*CLASS 2* - Nonagriculture consists of all other canal water customers - i.e., customers who use canal water for groundwater replenishment, including the District’s Replenishment Fund, landscape irrigation, recreation, and other activities, including but not limited to: golf courses, hunting clubs and polo fields.

**WATER SUPPLY SURCHARGES** fund the cost of QSA water purchases and will be collected only from Class 2 and Temporary Construction Meter customers. Class 1 customers are designated as having a historical priority access to the District’s Colorado River water rights (301,000 af per year). Since Class 1 customers use less than 301,000 af per year, those customers are not responsible for any QSA water purchase costs. In the event that Class 1 customers begin to consume canal water at a rate that exceeds 301,000 af per year, they will pay an equitable portion of the QSA water purchase costs and pay the Water Supply Surcharge.

**GATE CHARGES** are based on scheduled and unscheduled visits.

**QUAGGA MUSSEL SURCHARGE** pays for the maintenance and capital costs of Quagga mitigation. The Quagga mussel is a nonnative invasive mollusk that clogs and compromises water pipes and systems. It is pervasive in the Colorado River system, but District mitigation efforts have kept the Canal free of Quagga mussels.

**OUTSIDE ID 1 SURCHARGE** is assessed to all customers outside of ID 1. The Canal Water Fund receives an allocation of the general ad valorem property tax revenue collected by Riverside County within Improvement District 1. The ad valorem property tax is used, in part, to defray the costs of providing canal water services to Canal customers located in ID 1. The Canal Water Fund does not receive any allocation of ad valorem property tax revenues collected from properties located outside of ID 1. The Outside ID 1 Surcharge is imposed only on customers located outside of the boundaries of ID 1 and is designed to recover costs incurred by the District to serve these customers but whose costs are not defrayed by the ad valorem property tax revenues paid by ID 1 customers. The Outside ID 1 Surcharge is a fixed charge based on property acreage and is calculated by dividing the ID 1 property tax revenue in a given year by the total acres within ID 1 receiving canal water service.

### Canal Rate History

The table below shows the five-year history of canal rates for the District. The rates for fiscal 2021 remain the same as fiscal 2020.

#### CANAL 5-YEAR RATE HISTORY

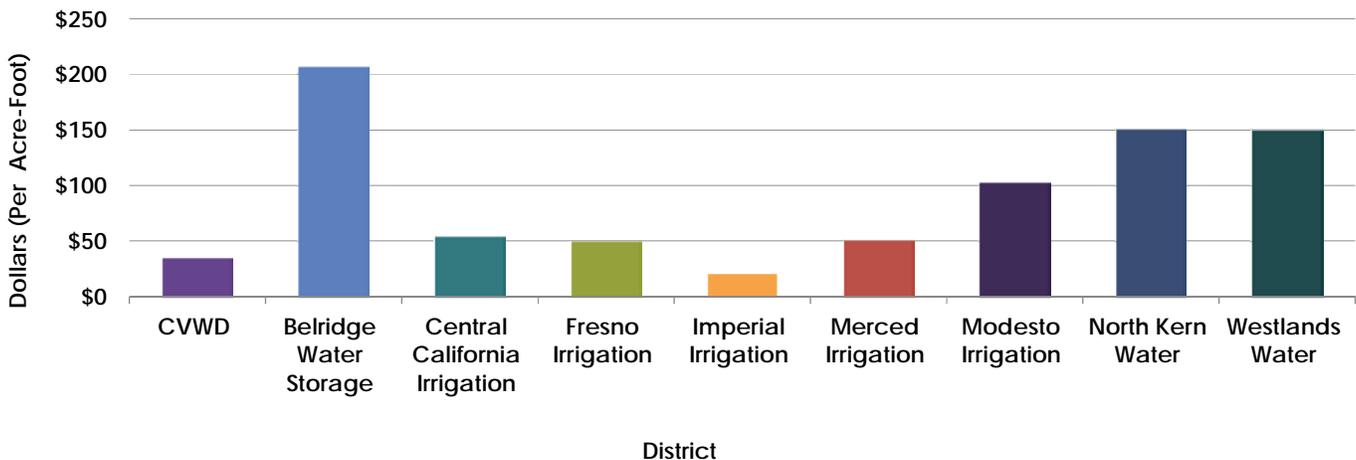
Service	FY 17	FY 18	FY 19	FY 20	FY 21
Water, per acre-foot, Class 1: Agriculture	33.48	34.32	34.32	34.32	34.32
Water, per acre-foot, Class 2: Nonagriculture (1)	33.48	34.32	34.32	34.32	34.32
Water, per acre-foot, Temporary Construction Meters (1)	45.15	47.41	47.41	47.41	47.41
Water Supply Surcharge	32.51	67.80	67.80	67.80	67.80
Quagga Mussel Surcharge, per acre-foot	2.65	2.78	2.78	2.78	2.78
Gate Charge - Scheduled, per visit	16.25	16.66	16.66	16.66	16.66
Gate Charge - Unscheduled, per visit	32.51	33.32	33.32	33.32	33.32
Outside ID 1 Surcharge (\$/acre/month)	3.69	3.69	3.69	3.69	3.69

(1) All Nonagriculture and Construction Meter customers pay the Class 1 rate plus the Water Supply Surcharge

### Canal Rate Comparison

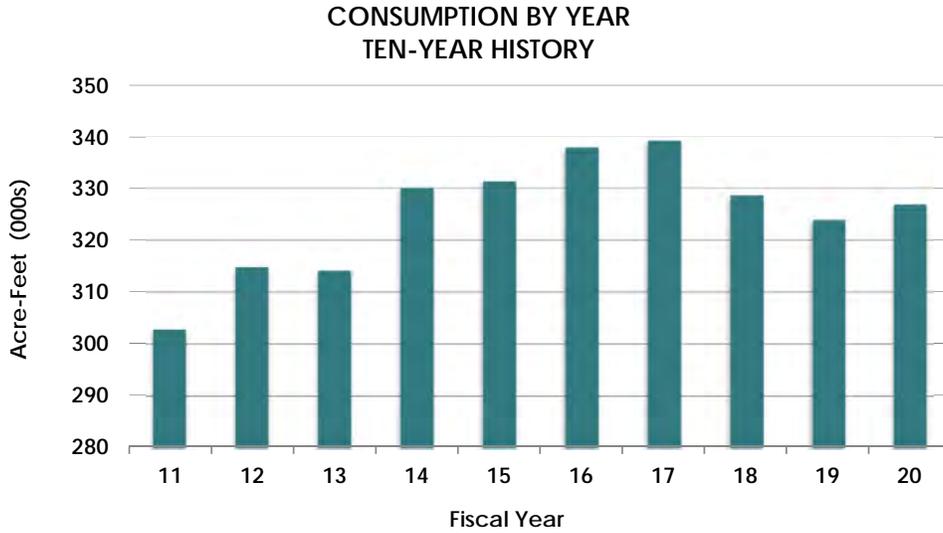
The graph below shows the District’s agriculture rate, as compared to other irrigation districts in California. The District’s rate is among the lowest in the state. This is due in part to the large amount of Colorado River water received at no cost. Imperial Irrigation is the only other district on this list that receives solely Colorado River water.

#### AGRICULTURE WATER RATE COMPARISON



**Consumption**

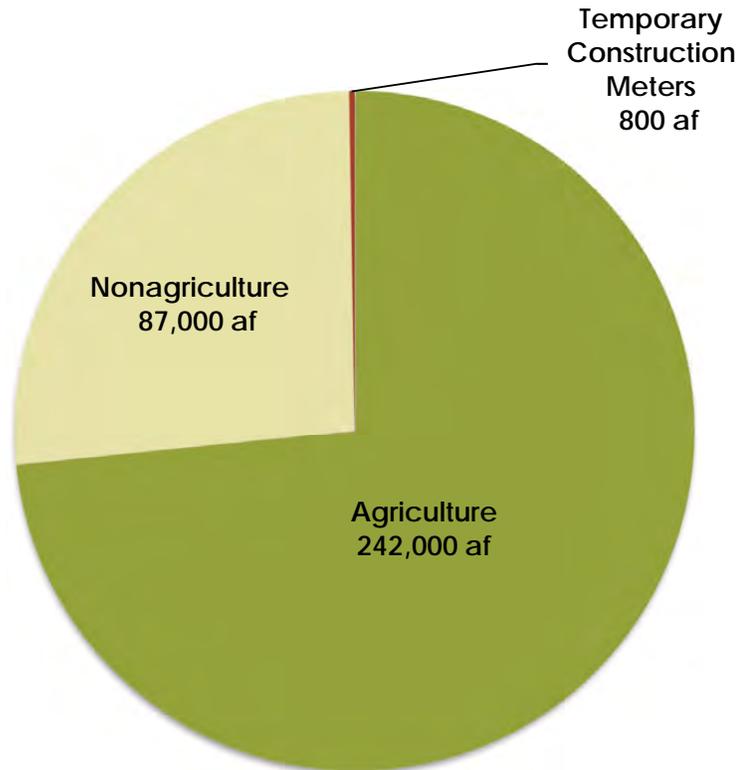
Total consumption in fiscal 2020 was 326,850 af, compared to 323,850 af in fiscal 2019, an increase of 1%, as shown in the graph below.



As depicted in the chart below, Class 1 - Agriculture consumes the largest amount of canal water, approximately 242,000 acre-feet.

**Budgeted Consumption by Rate Class**

**329,800 Acre-Feet**



### *Budget Summary*

The Coachella Canal was completed over 65 years ago. Currently, the District is challenged with maintaining an aging asset, while promoting water conservation, and maintaining rates that promote continued growth in the agriculture industry. As with all assets, proper maintenance and repair ensure reliable performance at the lowest operating cost. Underfunded canal systems lead to lost water, higher operating costs, and unreliable water deliveries. The replacement cost of the system, which includes the 123-mile Coachella Canal, 485 miles of distribution pipelines, and 2,298 miles of drainage, is estimated to be \$1.6 billion.

Revenues are budgeted 3% lower than the fiscal 2020 budget. Water sales are budgeted to decrease by 4.1%, while surcharges are budgeted to decrease by 4.3%. The decrease in budgeted water sales and surcharge revenues is primarily due to decreased Class 2 consumption resulting from the delayed completion of Phase 2 of the Palm Desert Replenishment Facility. Property tax revenues are budgeted to increase by 2%, while investment income is budgeted to decrease by 9.1%. Operating expenses are budgeted to increase by \$862,000, or 3.1%. Contributions to the Motorpool Fund consists of \$299,000 to fund the purchase of vehicles or equipment related to the Canal Water Fund.

Ending reserves are fully funded at \$31.4 million per the District's Reserve Policy.

### *Strategic Initiatives*

*The fiscal 2021 Strategic Plan includes two initiative related to the Canal Water Fund:*

#### **WATER SUPPLY SUSTAINABILITY**

**SG 3.05:** Improve agricultural open drain monitoring network infrastructure. The costs in this initiative are shared by the Canal and Replenishment Funds with the objective to improve flow measurements to aid as modeling inputs.

**SG 3.06:** Evaluate, design, and construct a 4.9 mile mid-canal reservoir to store 500 af of canal water to provide for greater operational flexibility.

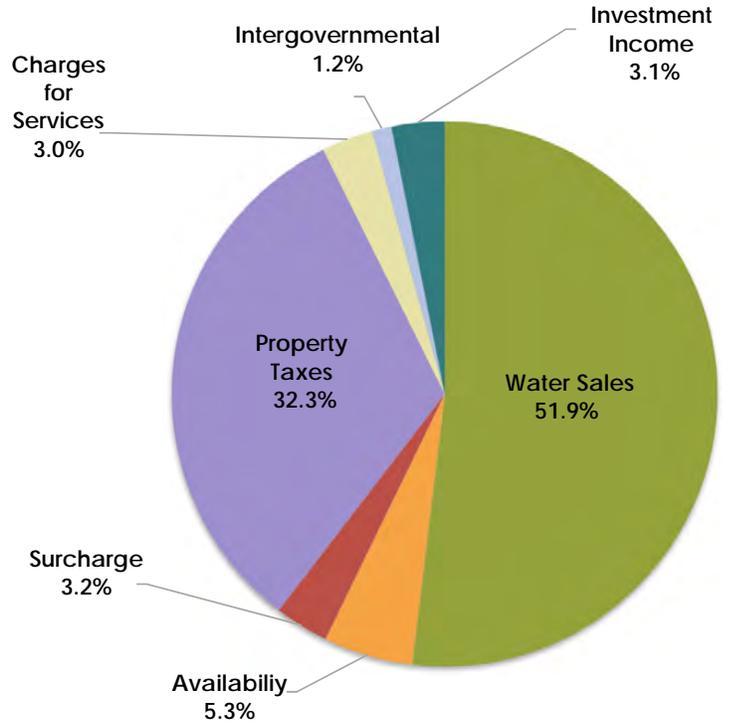
CANAL WATER FUND						
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RESERVE (000s)						
	Actual FY 2019	Budget FY 2020	Projected FY 2020	Budget FY 2021	Budget Change	% Change
<b>Revenues</b>						
Water Sales	\$15,983	\$17,416	\$16,719	\$16,697	(\$719)	(4.1)
Availability Charges	2,574	1,700	1,615	1,700	-	-
Surcharges	1,006	1,082	1,082	1,035	(47)	(4.3)
Property Taxes - General	10,776	10,174	10,174	10,375	201	2.0
Charges for Services	1,075	1,315	1,315	977	(338)	(25.7)
Intergovernmental Revenue	2,507	375	375	375	-	-
Investment Income	1,193	1,105	1,105	1,004	(101)	(9.1)
<b>Total Revenues</b>	<b>\$35,114</b>	<b>\$33,167</b>	<b>\$32,385</b>	<b>\$32,163</b>	<b>(\$1,004)</b>	<b>(3.0%)</b>
<b>Expenses</b>						
Salaries & Benefits (net of capitalized labor)	\$10,110	\$11,074	\$10,779	\$11,975	\$901	8.1
Supplies & Services	8,486	9,761	8,637	9,424	(337)	(3.5)
Utilities	609	689	570	584	(105)	(15.2)
Water Purchases	5,417	6,219	6,219	7,041	822	13.2
Capital Outlay	89	504	419	85	(419)	(83.1)
<b>Total Expenses</b>	<b>\$24,711</b>	<b>\$28,247</b>	<b>\$26,624</b>	<b>\$29,109</b>	<b>\$862</b>	<b>3.1%</b>
<b>Operating Income (Loss)</b>	<b>\$10,403</b>	<b>\$4,920</b>	<b>\$5,761</b>	<b>\$3,054</b>	<b>(\$1,866)</b>	<b>(37.9%)</b>
<b>Nonoperating Revenues (Expenses)</b>						
Capital Improvement Budget	(\$15,350)	(\$22,318)	(\$22,547)	(\$15,005)	\$7,313	32.8
Contribution to Motorpool CIP	(339)	(327)	(327)	(299)	28	8.6
Capital Improvement Reimbursements	11	-	-	-	-	-
CalPERS Liability Buy-down	(2,765)	-	-	-	-	-
Grant Revenue	-	-	-	25	25	-
Capital Grant Revenue	571	-	-	-	-	-
Other Revenue (Expenses)	2,327	-	1,541	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$15,545)</b>	<b>(\$22,645)</b>	<b>(\$21,333)</b>	<b>(\$15,279)</b>	<b>\$7,366</b>	<b>32.5%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>(\$5,142)</b>	<b>(\$17,725)</b>	<b>(\$15,572)</b>	<b>(\$12,225)</b>	<b>\$5,500</b>	<b>31.0</b>
<b>Beginning Reserve</b>	<b>\$64,356</b>	<b>\$59,214</b>	<b>\$59,214</b>	<b>\$43,642</b>	<b>(\$15,572)</b>	<b>(26.3)</b>
<b>Ending Reserve</b>	<b>\$59,214</b>	<b>\$41,489</b>	<b>\$43,642</b>	<b>\$31,417</b>	<b>(\$10,072)</b>	<b>(24.3%)</b>
<b>Target Reserve</b>	<b>\$27,602</b>	<b>\$30,016</b>	<b>\$30,088</b>	<b>\$31,018</b>	<b>\$1,002</b>	<b>3.3%</b>

**WATER SALES** are commodity sales, or the sale of water based on consumption in af (an acre-foot is equivalent to 325,851 gallons of water). Water sales represent 51.9% of the operating revenues, and are budgeted to decrease 4.1%. Revenue generated by the Water Supply Surcharge (Class 2, Nonagriculture) is decreasing primarily due to the delay in completion of Phase 2 of the Palm Desert Replenishment Facility. It is projected that the new replenishment facility will purchase an estimated 8,000 af of Class 2 water from the Canal Fund in fiscal 2021. This is a decrease of 17,000 af from the original budget of 25,000 af, resulting in a decrease in revenues of approximately \$1.8 million. Phase 2 is currently scheduled to be operational in 2022.

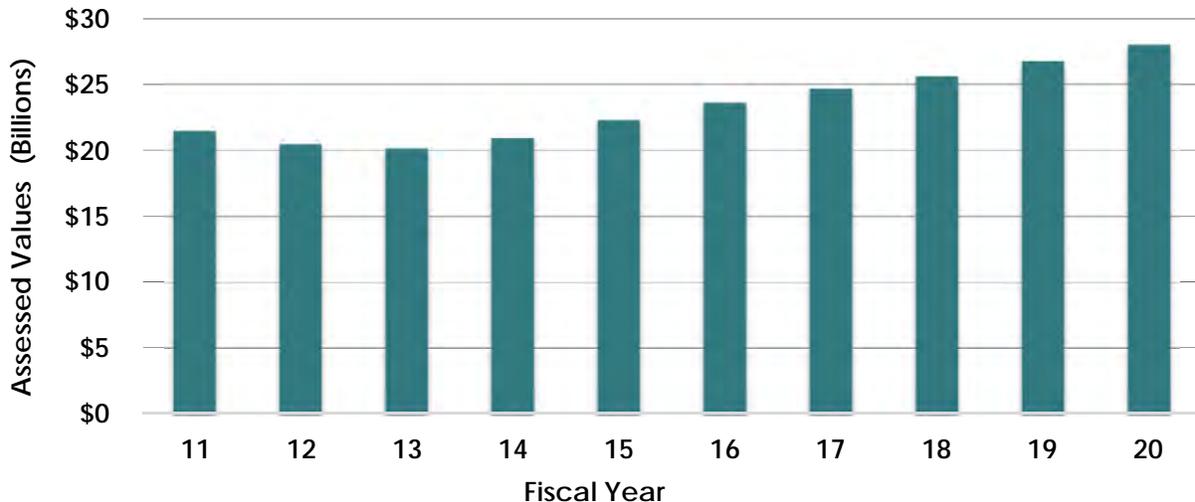
**PROPERTY TAXES** account for 32.3% of the revenues in the Canal Water Fund. Property tax revenues include redevelopment revenues that represent pass-through agreements of former Redevelopment Agencies (RDAs), along with the District’s allocated share of the 1% Riverside and Imperial County secured property tax levy pursuant to the California Revenue and Taxation Code. Revenues from property taxes are budgeted at \$10.4 million, an increase of 2% from fiscal 2020.

The graph below shows the assessed valuation in ID 1 over the past 10 years.

**Revenues**  
**Operating Revenues**  
**\$32,163,000**



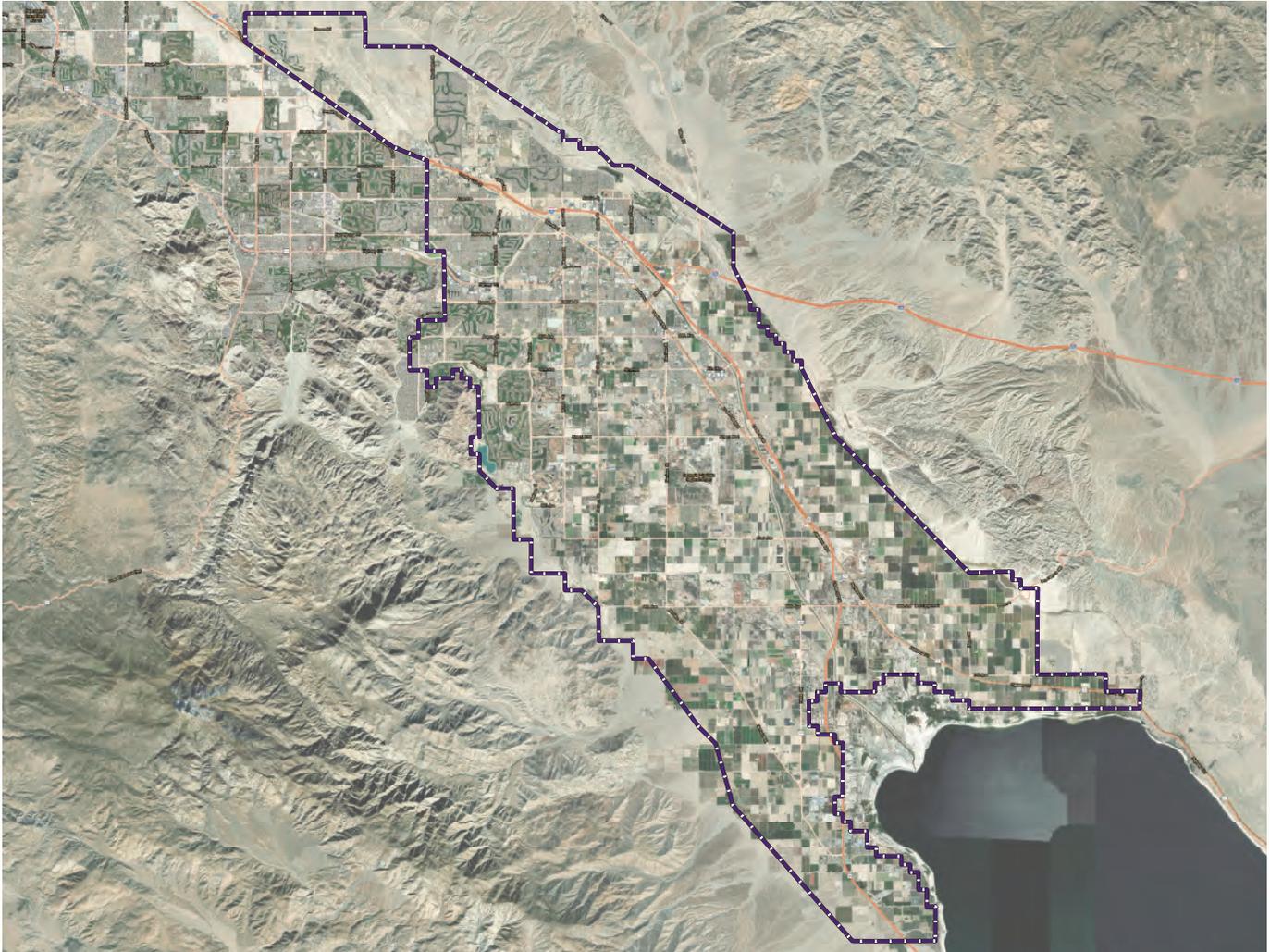
**IMPROVEMENT DISTRICT 1 - ASSESSED VALUATION**  
**TEN-YEAR HISTORY**



**IMPROVEMENT DISTRICT 1 PROPERTY TAXES** are included in the District's 1% property tax allocated from Riverside County. These revenues are segregated and earmarked for the Canal Fund, before the distribution of the discretionary property taxes.

ID 1 was formed to fund USBR contract repayment obligations for the Canal and its distribution and drainage systems. Although all debt obligations to USBR have been paid, the ID 1 property tax continues to be levied for the operation, maintenance, and replacement of the Canal, distribution, and drainage systems.

The revenues collected from the ID 1 tax are based on the assessed value of all properties within the improvement district boundary. The ID 1 tax generated approximately \$2.8 million in property taxes in fiscal 2020. ID 1 boundaries are depicted in the map below.



*Improvement District 1 Boundaries*

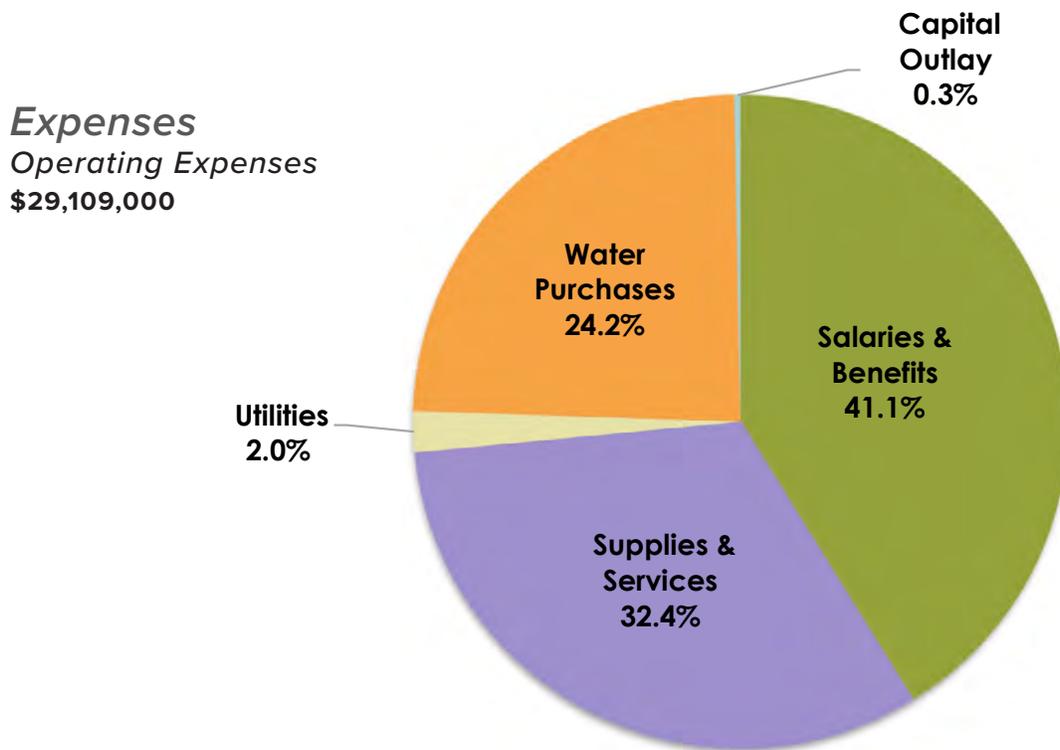
**OTHER REVENUE** includes charges for services and intergovernmental revenues amount to 4.2% of total Canal Water Fund revenues. Included in these revenues are gate charges, intergovernmental revenue reimbursements, plan check fees, construction inspection fees, and other miscellaneous fees and charges. Gate charges comprise a majority of this revenue source and are assessed to canal customers for scheduled and unscheduled visits.

**SURCHARGES** total \$1 million for fiscal 2021 and represent 3.2% of the revenues. Surcharge revenues include Quagga and Outside ID 1 surcharge revenue. The Quagga surcharge is \$2.78 per af of water purchased from the Canal Fund while the Outside ID 1 surcharge is a per acre charge of \$3.69 per acre per month.

**AVAILABILITY CHARGES** are budgeted at \$1.7 million, and account for 5.3% of the revenues of the Canal Water Fund. The District levies an annual per-acre charge on all parcels or groups of parcels located in ID 1, which can be served with canal water.

The per-acre charge is the Class 1 rate multiplied by 3.8, which is the 10-year average water demand per acre. The charge can be satisfied each year in one of three ways: (1) by paying the amount of the levy in full, (2) by paying water service charges equal to or in excess of the levy for that parcel, or (3) in the event water service charges are less than the amount of the levy, by paying the difference. This revenue source can be difficult to estimate due to the variability of water use from year to year.

**INVESTMENT INCOME** is budgeted at \$1 million and represents 3.1% of total Canal operating revenues. Interest income is based on the cash balance in the fund and the interest generated by the combined investments of the District.



**SALARIES & BENEFITS (NET OF CAPITALIZED LABOR)** amount to \$12 million, an increase of \$901,000 compared to fiscal 2020. This increase reflects the impacts of labor contracts and increases in CalPERS contributions.

**SUPPLIES & SERVICES** are budgeted at \$9.4 million, a 3.5% decrease from the prior year’s budget. The decrease is primarily due to decreases in legal, professional services, and contract services. In addition, other discretionary spending and one-time supplemental costs were reduced as part of the District’s fiscal 2021 budget objectives.

**WATER PURCHASES** are budgeted at \$7 million, an increase of \$822,000. This reflects 5,000 af of additional water the District is entitled to receive, per the QSA. This allotment will augment the supply of canal water available for farming, golf courses, other urban uses, as well as groundwater replenishment.

**UTILITIES** are budgeted at \$584,000, a decrease of \$105,000 from fiscal 2020.

**CAPITAL OUTLAY** is budgeted at \$85,000, a decrease of 83.1% from fiscal 2020.

## *Capital Improvements*

There are \$15 million in capital improvements budgeted in fiscal 2021. Projects include \$2.1 million for the Oasis tower replacement project, \$4.6 million for Phase 2 of the L-4 Pump Station Relocation Project, \$2.5 million for canal check structure replacement, \$4.4 million for irrigation lateral replacements and improvements, \$200,000 in miscellaneous canal projects, and \$1.2 million for the Fund's share of General District projects.

More details on the Capital Improvements Plan are located in the Capital Improvement chapter.

## *Five-Year Forecast*

The biggest challenge facing the Canal Water Fund over the next five years will be funding the Capital Improvement Plan and increases in water costs. There are approximately \$76 million in capital projects and \$45 million in water costs in the five-year forecast. Major projects include \$2 million for the Oasis tower replacement project, \$46 million in irrigation lateral replacements, \$8 million for a mid-canal reservoir, \$7 million in drain pipeline replacements, \$3 million in canal check structure replacements, \$7 million for the L-4 Pump Station Relocation Project, and \$3 million for the Fund's share of General District Projects.

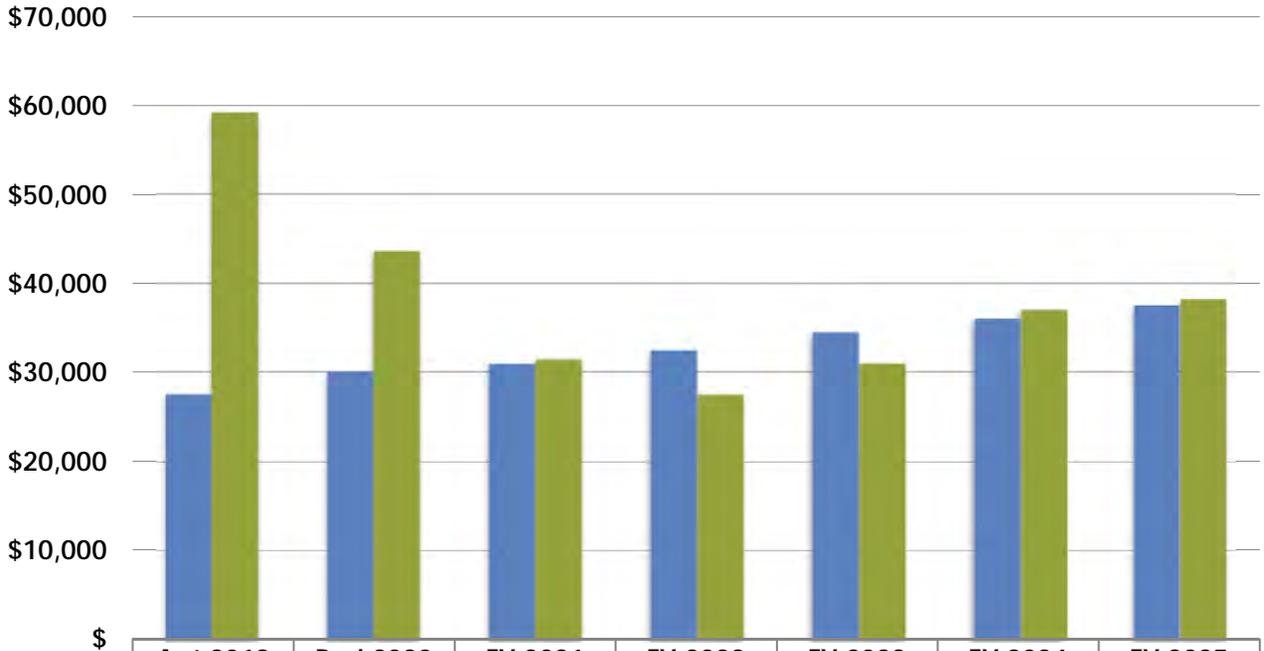
Even with significant budgeted rate increases, the Fund's reserves are projected to be below reserve targets for fiscal years 2022 and 2023 but are then projected to meet the District's Reserve Policy by fiscal years 2024 and 2025. If sufficient rate increases are not adopted then a combination of reduced operating costs, debt financing, and reduced capital spending will need to be considered to maintain target reserve levels.

Currently the District is working with an outside firm to complete a COSS for the Canal Water Fund. The study, which is expected to be completed in the spring of 2021, reviews existing rate structures, allocates revenue requirements to the various customer classes, evaluates adequacy of projected revenues under existing rates, makes recommendations for potential revenue adjustments, and develops a sound financial plan for a ten-year period. Rate setting procedures in California require that agencies responsible for imposing property-related charges demonstrate a nexus between the cost of providing the service and the services or benefits received. The COSS will make recommendations on potential rate increases.

**CANAL WATER FUND  
FIVE-YEAR FORECAST (000s)**

	Budget	Projected			
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>Revenues</b>					
Water Sales	\$16,697	\$33,152	\$38,771	\$39,944	\$41,113
Availability Charges	1,700	1,700	1,700	1,700	1,700
Surcharges	1,035	1,055	1,110	1,123	1,135
Property Taxes - General	10,375	10,542	9,403	7,963	8,176
Charges for Services	977	977	977	977	977
Intergovernmental Revenue	375	375	375	375	375
Investment Income	1,004	723	633	714	852
<b>Total Revenues</b>	<b>\$32,163</b>	<b>\$48,524</b>	<b>\$52,969</b>	<b>\$52,796</b>	<b>\$54,328</b>
<b>% Change From Prior Year</b>	<b>(3.0%)</b>	<b>50.9%</b>	<b>9.2%</b>	<b>(0.3%)</b>	<b>2.9%</b>
<b>Expenses</b>					
Salaries & Benefits (net of capitalized labor)	\$11,975	\$12,544	\$13,543	\$14,604	\$15,463
Supplies & Services	9,424	9,612	10,647	11,289	11,941
Utilities	584	604	625	647	669
Water Purchases	7,041	7,972	8,951	9,982	11,068
Capital Outlay	85	85	85	85	85
<b>Total Expenses</b>	<b>\$29,109</b>	<b>\$30,817</b>	<b>\$33,851</b>	<b>\$36,607</b>	<b>\$39,226</b>
<b>% Change From Prior Year</b>	<b>3.1%</b>	<b>5.9%</b>	<b>9.8%</b>	<b>8.1%</b>	<b>7.2%</b>
<b>Operating Income (Loss)</b>	<b>\$3,054</b>	<b>\$17,707</b>	<b>\$19,118</b>	<b>\$16,189</b>	<b>\$15,102</b>
<b>% Change From Prior Year</b>	<b>(37.9%)</b>	<b>479.8%</b>	<b>8.0%</b>	<b>(15.3%)</b>	<b>(6.7%)</b>
<b>Nonoperating Revenues (Expenses)</b>					
Capital Improvement Budget	(\$15,005)	(\$21,409)	(\$15,560)	(\$10,017)	(\$13,671)
Contribution to Motorpool CIP	(299)	(219)	(38)	(175)	(245)
Grant Revenue	25	25	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$15,279)</b>	<b>(\$21,603)</b>	<b>(\$15,598)</b>	<b>(\$10,192)</b>	<b>(\$13,916)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>(\$12,225)</b>	<b>(\$3,896)</b>	<b>\$3,520</b>	<b>\$5,997</b>	<b>\$1,186</b>
<b>Beginning Reserve</b>	<b>\$43,642</b>	<b>\$31,417</b>	<b>\$27,521</b>	<b>\$31,041</b>	<b>\$37,038</b>
<b>Ending Reserve</b>	<b>\$31,417</b>	<b>\$27,521</b>	<b>\$31,041</b>	<b>\$37,038</b>	<b>\$38,224</b>
<b>% Change From Prior Year</b>	<b>(24.3%)</b>	<b>(12.4%)</b>	<b>12.8%</b>	<b>19.3%</b>	<b>3.2%</b>
<b>Target Reserve</b>	<b>\$31,018</b>	<b>\$32,506</b>	<b>\$34,492</b>	<b>\$36,009</b>	<b>\$37,585</b>

CANAL WATER FUND RESERVE (000s)



	Act 2019	Proj 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Target Reserve	\$27,602	\$30,088	\$31,018	\$32,506	\$34,492	\$36,009	\$37,585
Actual Reserve	\$59,214	\$43,642	\$31,417	\$27,521	\$31,041	\$37,038	\$38,224

# SANITATION FUND



**Background**

CVWD began wastewater collections and treatment services in 1968. The Sanitation Fund provides sanitation (sewer) service to approximately 94,937 active accounts, serving an estimated population of 254,420. CVWD operates five wastewater reclamation plants (WRPs, plants) with a total combined plant capacity of 33.1 million gallons per day. The average daily flow of wastewater to the five plants is 16.71 million gallons, which is over 6.1 billion gallons per year. The District has the capacity at its reclamation plants to increase wastewater treatment as the Valley’s population grows. CVWD also maintains 1,160 miles of collection piping systems and 28 lift stations.

Today, CVWD recycles more than 2 billion gallons of wastewater each year.

Wastewater is subjected to an advanced multi-step treatment process that disinfects and filters microscopic particles, organic chemicals, and pathogens from the water, bringing it to a tertiary level. This treatment improves the water quality to a high enough level for full-body contact and irrigation purposes, but not for human consumption. Two of the plants, WRPs 7 and 10, produce tertiary treated water.

Recycled water is a safe alternative when the guidelines are followed and it is used for its intended purpose. Recycled water must meet strict water quality standards outlined in Title 22, Chapter 3, Division 4, of the California Code of Regulations. In order to make sure that

CVWD’s reclamation plants are meeting Title 22 standards, every day a recycled water sample is collected and analyzed for total coliform bacteria. Also, chlorine residual, modal contact time, and turbidity are continuously monitored.

Every gallon of recycled water used for outdoor irrigation saves precious groundwater for potable use by domestic customers.

WRPs 1 and 2 are simple lagoon plants. WRP 4 consists of Biolac activated sludge, solids

handling, lagoon treatment, and disinfection. WRP 4 discharges into the Coachella Valley Stormwater Channel and is the District’s only plant with a National Pollutant Discharge Elimination System (NPDES) permit. WRPs 7 and 10 use conventional activated sludge as the treatment process, along with chlorine disinfection. The table above shows plant efficiencies for removing Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD), expressed in milligrams per liter. Both are standard measures of wastewater strength. Since WRPs 1 and 2 do not discharge, there are no effluent values to calculate efficiency.

**WASTEWATER RECLAMATION PLANT EFFICIENCIES**

Plant		Influent	Effluent	% Removed
WRP 4	TSS	2,978	366	87.7%
	BOD	2,378	153	93.6%
WRP 7	TSS	3,493	99	97.2%
	BOD	2,965	39	98.7%
WRP 10	TSS	8,994	87	99.0%
	BOD	4,967	52	98.9%
<b>Total</b>	<b>TSS</b>	<b>15,465</b>	<b>552.4</b>	<b>96.4%</b>
	<b>BOD</b>	<b>10,309</b>	<b>243.9</b>	<b>97.6%</b>

**Sewer Rates**

Sewer customers are charged a consumption-based fixed service charge which estimates sewage discharge, called an equivalent sewer unit (ESU). Sewage discharges for residential customers are based on their indoor water budget of 200 gallons per dwelling unit per day, established by the Domestic Water Fund. Multiplying the 200 gallons per day by 365 days per year yields an equivalent sewer unit of 73,000 gallons per year (approximately 97.6 hundred cubic feet). This ESU value is used as a common denominator to measure the relative impact of all customer classes on the sewer system.

In addition, a monthly account charge per customer is established to recover billing costs. Residential customers' sewer bills are placed on the tax roll each year so their monthly account charge reflects the costs of placing the sewer bill on the tax roll.

The RV/trailer park customer class has sewage production patterns similar to residential, but receives monthly sewer bills rather than annual sewer bills, therefore they are charged a monthly account charge that reflects the cost to bill monthly.

**MONTHLY SEWER RATES**

Customer Class	Account Charge	Service Charge per ESU
Residential	1.58	23.04
RV/Trailer Parks	3.98	23.04
Nonresidential	3.98	23.04

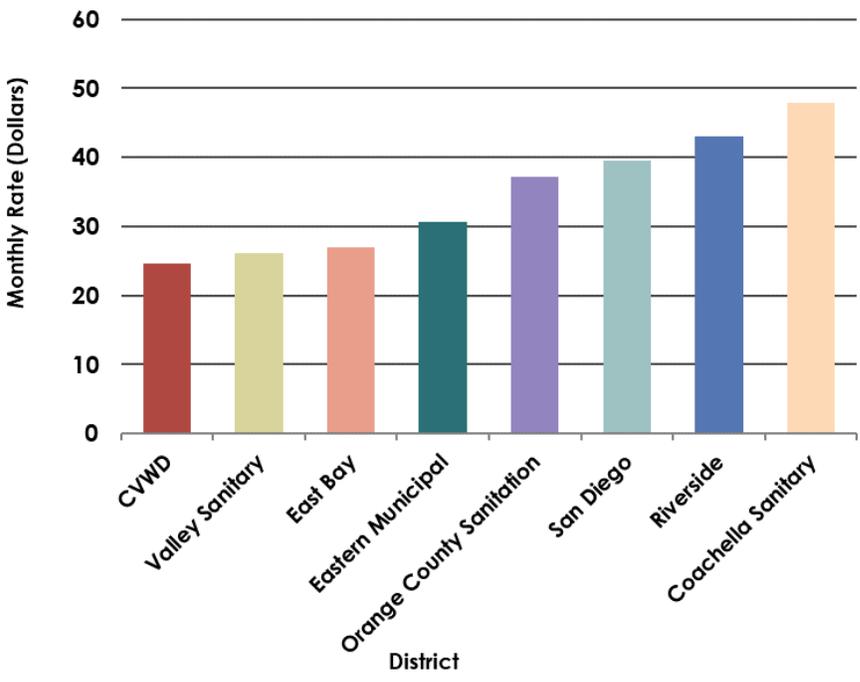
Nonresidential accounts are based on potable water use, combined with an assumption of a “return to sewer” factor. The return to sewer factor estimates how much of the account’s potable water use is discharged to the sewer drain as wastewater.

All residential and RV/trailer park customers are charged one service charge unit per dwelling unit. Nonresidential customers are charged one service charge per equivalent sewer unit. ESU values are assigned to nonresidential customers based on 90% of their average daily water usage over the previous three years. The table above outlines the rates that are in effect for fiscal 2021.

*Sewer Rate Comparison*

Residential customers receive their sanitation charges on their property tax bill. The charges are for one ESU and one monthly account charge multiplied by twelve. The District’s residential sanitation rates are about average, as shown in the adjacent graph.

**RESIDENTIAL SEWER RATE COMPARISON**



**Budget Summary**

The revenue budget is \$44.2 million, which is a negligible change from fiscal 2020. This is due to estimated static growth in customer base and a decrease in investment income. The expense budget decreased by 0.7%. The largest decrease is in capital outlay.

Reserves are budgeted at \$59.6 million, a decrease of \$11.8 million compared to the fiscal 2020 budget. Reserves for the Sanitation Fund are currently fully funded, per the Reserve Policy.



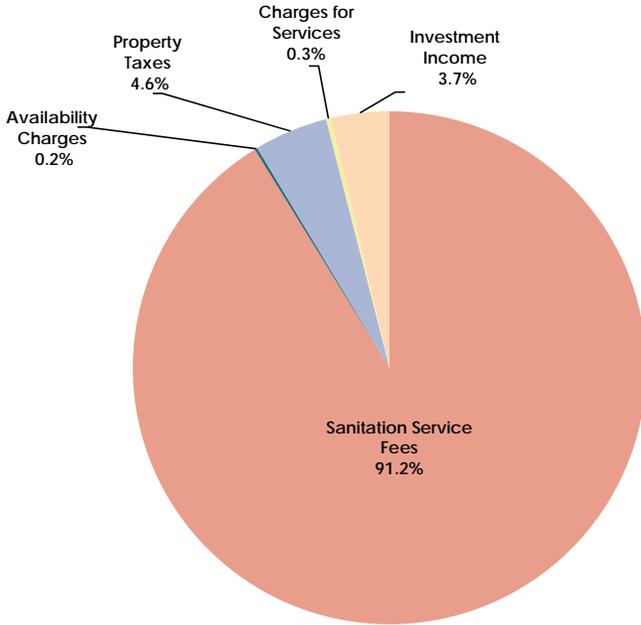
*WRP 10 Tertiary Filter Improvement Project*

SANITATION FUND						
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RESERVE (000s)						
	Actual FY 2019	Budget FY 2020	Projected FY 2020	Budget FY 2021	Budget Change	% Change
<b>Revenues</b>						
Sanitation Services Fees	\$39,870	\$39,849	\$38,645	\$40,347	\$498	1.2
Availability Charges	77	85	70	80	(5)	(5.9)
Property Taxes - General	1,977	1,985	1,758	2,049	64	3.2
Charges for Services	358	109	174	136	27	24.8
Investment Income	2,070	2,223	2,100	1,626	(597)	(26.9)
<b>Total Revenues</b>	<b>\$44,352</b>	<b>\$44,251</b>	<b>\$42,747</b>	<b>\$44,238</b>	<b>(\$13)</b>	<b>(0.0%)</b>
<b>Expenses</b>						
Salaries & Benefits (net of capitalized labor)	\$18,273	\$19,227	\$18,909	\$20,866	\$1,639	8.5
Supplies & Services	11,851	11,221	10,617	10,566	(655)	(5.8)
Utilities	4,061	4,208	4,154	3,977	(231)	(5.5)
Effluent Disposal Fee	657	-	-	-	-	-
Capital Outlay	431	1,229	1,221	220	(1,009)	(82.1)
<b>Total Expenses</b>	<b>\$35,273</b>	<b>\$35,885</b>	<b>\$34,901</b>	<b>\$35,629</b>	<b>(\$256)</b>	<b>(0.7%)</b>
<b>Operating Income (Loss)</b>	<b>\$9,079</b>	<b>\$8,366</b>	<b>\$7,846</b>	<b>\$8,609</b>	<b>\$243</b>	<b>2.9%</b>
<b>Nonoperating Revenues (Expenses)</b>						
Interfund Revenues	\$33	\$ -	\$ -	\$ -	\$ -	-
Debt Service - External	-	-	-	(926)	(926)	-
Loan Proceeds	-	-	-	16,000	16,000	-
Capital Improvement Budget	(23,174)	(47,708)	(41,466)	(35,502)	12,206	25.6
Contribution to Motorpool CIP	(391)	(1,273)	(1,273)	(692)	581	45.6
Use of Restricted Funds	2,152	6,226	-	1,124	(5,102)	(81.9)
CalPERS Liability Buy-down	(5,072)	-	-	-	-	-
Capital Grant Revenue	1,837	797	445	300	(497)	(62.4)
Other Revenue (Expenses)	797	-	133	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$23,818)</b>	<b>(\$41,958)</b>	<b>(\$42,161)</b>	<b>(\$19,696)</b>	<b>\$22,262</b>	<b>53.1%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>(\$14,739)</b>	<b>(\$33,592)</b>	<b>(\$34,315)</b>	<b>(\$11,087)</b>	<b>\$22,505</b>	<b>67.0</b>
<b>Beginning Reserve</b>	<b>\$119,754</b>	<b>\$105,015</b>	<b>\$105,015</b>	<b>\$70,700</b>	<b>(\$34,315)</b>	<b>(32.7)</b>
<b>Ending Reserve</b>	<b>\$105,015</b>	<b>\$71,423</b>	<b>\$70,700</b>	<b>\$59,613</b>	<b>(\$11,810)</b>	<b>(16.5%)</b>
<b>Target Reserve</b>	<b>\$30,767</b>	<b>\$31,158</b>	<b>\$30,643</b>	<b>\$32,067</b>	<b>\$909</b>	<b>2.9%</b>

## Revenues

### Operating Revenues

**\$44,238,000**



**SANITATION SERVICE FEES** are budgeted at \$40.3 million and represent 91.2% of operating revenues. Sanitation service fees are charged to residential customers as a flat monthly rate. Rather than sending a monthly bill to residential customers, the District places the annual residential sewer charge on the tax roll. These revenues are transmitted by Riverside County in January and May, and by Imperial County five times throughout the year. Residential sanitation service revenues are estimated based on current rates, and projected growth of 1.2% for the coming year. Commercial revenues are budgeted flat and are billed monthly along with the customer’s domestic water bill.

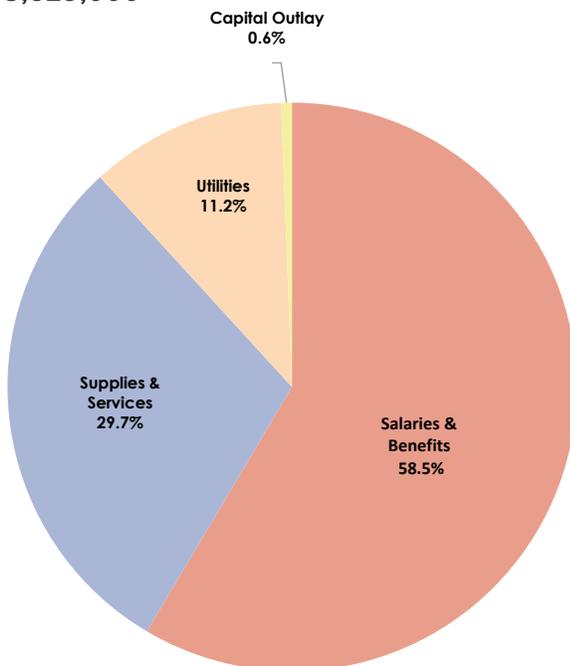
**PROPERTY TAXES** account for 4.6% of operating revenues and are projected to increase in fiscal 2021, based on the expected increases in assessed values.

**INVESTMENT INCOME** is budgeted at \$1.6 million and represents 3.7% of total Sanitation operating revenues. Interest income is based on the cash balance in the fund and the interest generated by the combined investments of the District. Interest rates have been relatively low for the last several years.

## Expenses

### Operating Expenses

**\$35,629,000**



Budgeted expenses for the Sanitation Fund amount to \$35.6 million, which is a 0.7% decrease from the fiscal 2020 budget. The chart on the left shows a breakdown of the expenses of the Sanitation Fund.

**SALARIES & BENEFITS** increased 8.5% due to moderate increases in salaries and CalPERS expenses.

**SUPPLIES & SERVICES** are budgeted at \$10.6 million, a decrease of 5.8%. The decrease is due to reductions in contract services, computer hardware and software, work orders, and materials & supplies. Discretionary spending was reduced to meet the District’s fiscal 2021 budget objective.

**UTILITIES** are budgeted at \$4 million, a decrease of 5.5%. Projections for electricity usage is reduced due to greater operational efficiencies at the WRPs.

**CAPITAL OUTLAY** is budgeted at \$220,000, a decrease of 82.1% compared to the prior year.

### *Sanitation Restricted Funds*

Sanitation Capacity Charge (SCC) Collection and Treatment fees are assessed on all new development and connections of existing residential units, and upgrades of existing commercial units within the District's sanitation system service area. These funds are restricted for constructing backbone facilities for collection and treatment of wastewater that provide additional capacity to the enterprise. As of fiscal 2021, there was \$3.4 million in SCC Treatment restricted funds available for allowable projects, and \$15.1 million in SCC Collection funds. The fiscal 2021 capital program requires the use of \$1.1 million in Treatment funds. Collection funds in the amount of \$50,000 will be used on capital projects in fiscal 2021.

The five-year CIP requires the use of \$22.7 million in Treatment funds. However, only \$2 million is collected annually, on average. So there will be a shortage of Treatment funds available, which means that some projects may need to be delayed or funded with debt. Collection funds are required in the amount of \$11.4 million over the five year period, and there are adequate funds to complete all projects.

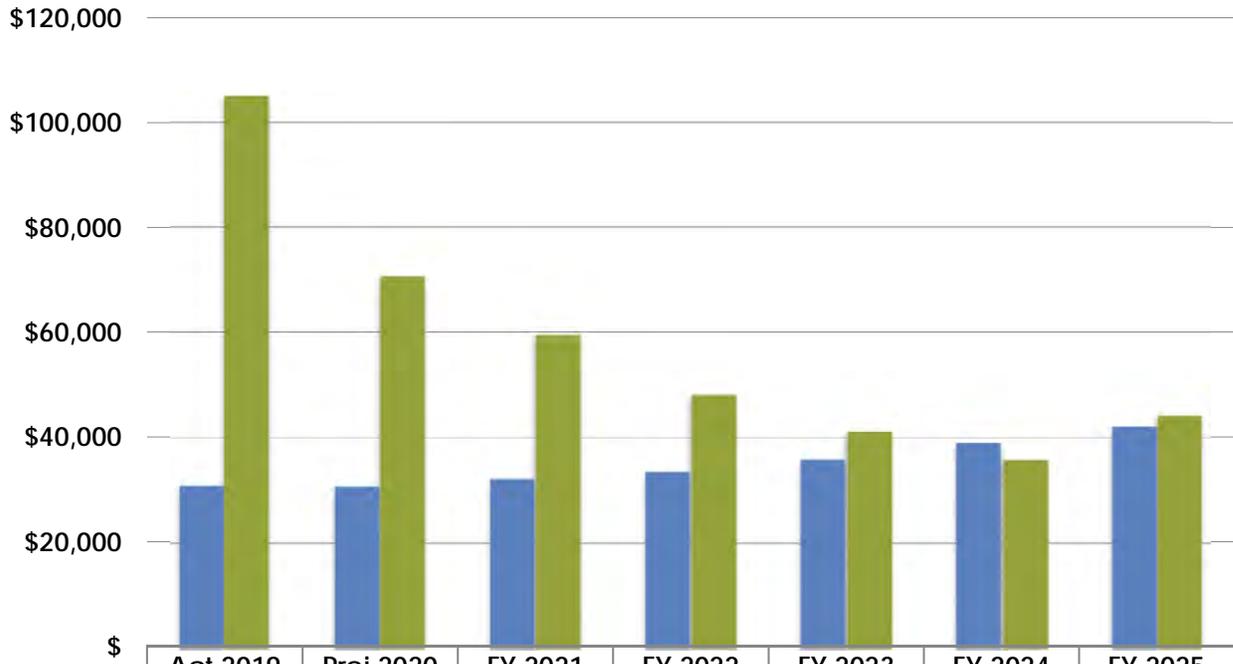
### *Five-Year Forecast*

The Sanitation Fund is fiscally sound over the next three years. Operating revenues continue to exceed operating expenses. Expenses are forecast to increase steadily, mainly due to increased salaries & benefits, utility costs, and supplies & services.

The five-year forecast includes \$239.3 million in capital improvements, which includes the expansion of the nonpotable water system, WRP 4, 7, and 10 plant improvements, lift station upgrades, and sewer pipeline rehabilitations. A funding plan has been prepared that identifies alternative funding sources for the CIP, such as grants and loans. A COSS is planned for fiscal 2022 which will determine rate increases needed going forward. With budgeted rate increases beginning in 2023, the Fund's reserves are projected to meet the Districts Reserve Policy. Alternative funding sources will continue to be sought out to assist with offsetting the Sanitation Fund's decreasing cash flow and maintain its target reserve level.

<b>SANITATION FUND</b>					
<b>FIVE-YEAR FORECAST (000s)</b>					
	Budget	Projected			
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>Revenues</b>					
Sanitation Services Fees	\$40,347	\$40,952	\$54,057	\$71,355	\$85,626
Availability Charges	80	80	80	80	80
Property Taxes - General	2,049	2,082	2,113	2,149	2,190
Charges for Services	136	143	150	158	166
Investment Income	1,626	1,371	1,108	949	827
<b>Total Revenues</b>	<b>\$44,238</b>	<b>\$44,628</b>	<b>\$57,508</b>	<b>\$74,691</b>	<b>\$88,889</b>
<b>% Change From Prior Year</b>	<b>(0.0%)</b>	<b>0.9%</b>	<b>28.9%</b>	<b>29.9%</b>	<b>19.0%</b>
<b>Expenses</b>					
Salaries & Benefits (net of capitalized labor)	\$20,866	\$21,944	\$23,064	\$24,662	\$26,598
Supplies & Services	10,566	10,777	11,040	11,311	11,589
Utilities	3,977	4,105	4,237	4,374	4,517
Capital Outlay	220	220	220	220	220
<b>Total Expenses</b>	<b>\$35,629</b>	<b>\$37,046</b>	<b>\$38,561</b>	<b>\$40,567</b>	<b>\$42,924</b>
<b>% Change From Prior Year</b>	<b>(0.7%)</b>	<b>4.0%</b>	<b>4.1%</b>	<b>5.2%</b>	<b>5.8%</b>
<b>Operating Income (Loss)</b>	<b>\$8,609</b>	<b>\$7,582</b>	<b>\$18,947</b>	<b>\$34,124</b>	<b>\$45,965</b>
<b>% Change From Prior Year</b>	<b>2.9%</b>	<b>(11.9%)</b>	<b>149.9%</b>	<b>80.1%</b>	<b>34.7%</b>
<b>Nonoperating Revenues (Expenses)</b>					
Debt Service	(\$926)	(\$1,301)	(\$1,481)	(\$1,826)	(\$2,196)
Loan Proceeds	16,000	15,000	15,000	7,000	3,000
Capital Improvement Budget	(35,502)	(44,510)	(55,831)	(55,399)	(48,053)
Contribution to Motorpool CIP	(692)	(421)	(571)	(346)	(562)
Use of Restricted Funds	1,124	11,514	9,633	8,708	3,200
Capital Grant Revenue	300	700	7,400	2,400	7,000
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$19,696)</b>	<b>(\$19,018)</b>	<b>(\$25,850)</b>	<b>(\$39,463)</b>	<b>(\$37,611)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>(\$11,087)</b>	<b>(\$11,436)</b>	<b>(\$6,903)</b>	<b>(\$5,339)</b>	<b>\$8,354</b>
<b>Beginning Reserve</b>	<b>\$70,700</b>	<b>\$59,613</b>	<b>\$48,177</b>	<b>\$41,274</b>	<b>\$35,935</b>
<b>Ending Reserve</b>	<b>\$59,613</b>	<b>\$48,177</b>	<b>\$41,274</b>	<b>\$35,935</b>	<b>\$44,289</b>
<b>% Change From Prior Year</b>	<b>(16.5%)</b>	<b>(19.2%)</b>	<b>(14.3%)</b>	<b>(12.9%)</b>	<b>23.2%</b>
<b>Target Reserve</b>	<b>\$32,067</b>	<b>\$33,366</b>	<b>\$35,813</b>	<b>\$38,966</b>	<b>\$42,024</b>

**SANITATION FUND RESERVE (000s)**



	Act 2019	Proj 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
■ Target Reserve	\$30,767	\$30,643	\$32,067	\$33,366	\$35,813	\$38,966	\$42,024
■ Actual Reserve	\$105,015	\$70,700	\$59,613	\$48,177	\$41,274	\$35,935	\$44,289



*Nonpotable Distribution Line Repair*

# STORMWATER FUND



## History

The Coachella Valley is an arid desert region averaging less than four inches of rain per year. However, the surrounding mountains are subject to much higher rainfall rates, which can produce unpredictable, damaging, and even deadly flash flooding events throughout the Coachella Valley.

Prior to 1915 efforts to manage damaging floods were handled by local communities (Indio, Coachella, or Mecca), but they soon realized that a regional solution will be required. In 1915, the Coachella Valley Stormwater District was formed to manage regional flooding that originated from the surrounding mountains and provide regional flood protection to the communities within the Coachella Valley.



*Whitewater River at Indian Avenue as it appeared on March 23, 1965*

It is reported that a flood in 1916 was particularly devastating. Indio had a sheet of water a mile wide. Water was two feet deep or more on Fargo Street. Coachella, Thermal, and Mecca were under water and many miles of county roads were damaged, including the new paved road in the upper valley. The Whitewater's meandering channel had become a narrowed, deeply scoured channel up to 50 feet deep from Cathedral City to Point Happy.

The threat of flooding not only comes from the Whitewater River, which collects runoff from Mount San Gorgonio and Mount San Jacinto, but numerous canyons surrounding the valley in the San Bernardino, San Jacinto and Santa Rosa mountains. The Valley has tributary — reaching all the way to the summit of the San Gorgonio Pass.

When Coachella Valley County Water District (CVCWD, District) began operations in 1918, the District actually shared an office with the Coachella Valley Storm Water District.

Ultimately, the Storm Water District was too small and lacked funds to build the necessary infrastructure to protect Coachella Valley residents and businesses from major floods.

In 1937, Coachella Valley voters and special legislation (Water Code 33100-33106), allowed the Coachella Valley County Water District to merge with the Coachella Valley Storm Water District, with the successor Coachella Valley County Water District assuming the powers and duties of both Storm Water and County Water District. In 1979, the District dropped "County" from its name and became known as the Coachella Valley Water District (CVWD, District).

CVWD is currently responsible for much of the Coachella Valley's regional stormwater protection, in the effort to provide protection to life and property. Historically, flooding in the Coachella Valley has been a dangerous occurrence with widespread damage and even death occurring after severe storms. Many of the facilities that exist today were built or improved in the 1970s, 1980's, and 1990's in cooperation with cities and other agencies following severe floods.

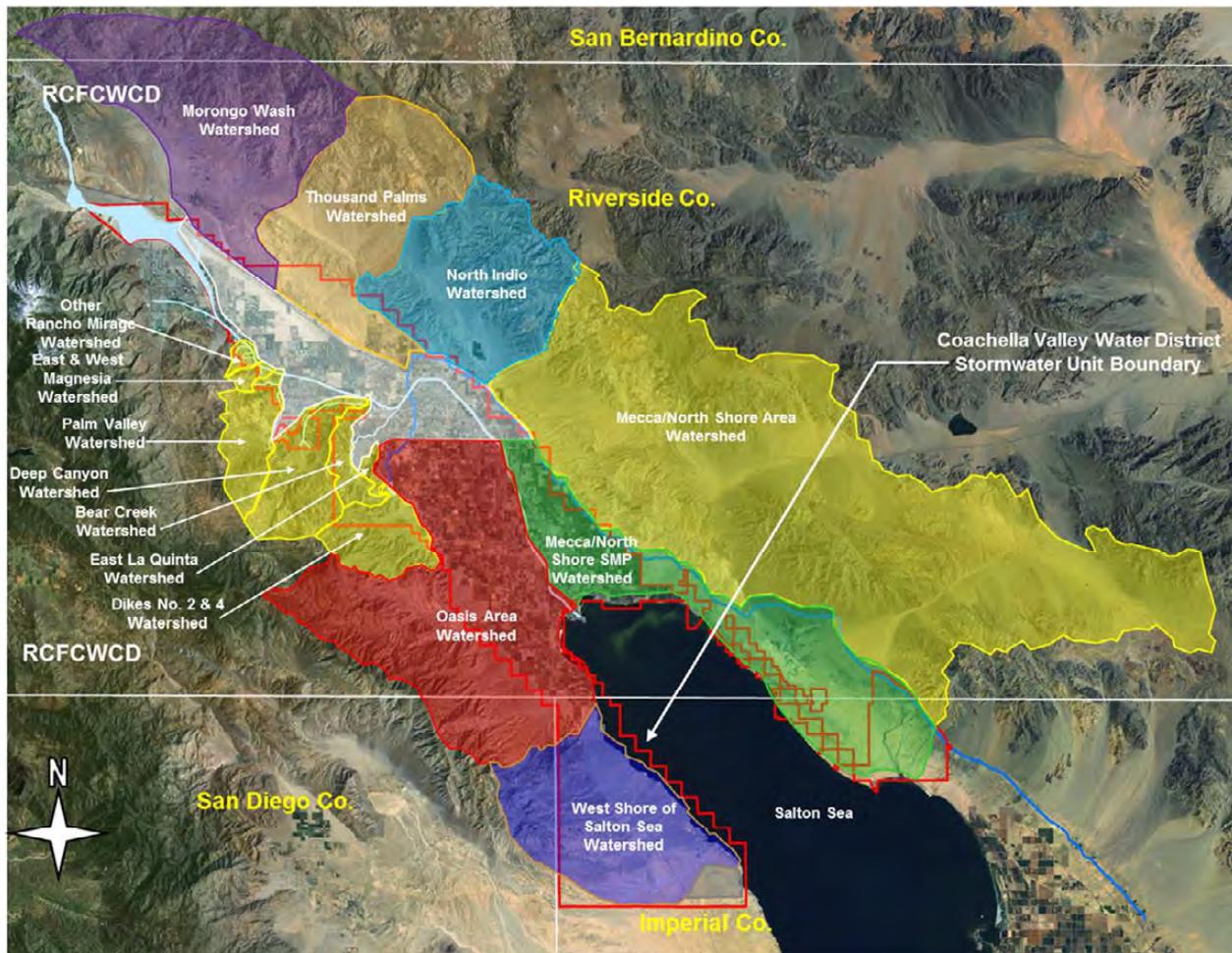
**Background**

CVWD protects over 590 square miles from flooding, with Riverside County Flood Control District responsible for the remaining areas of the valley. There are 18 stormwater channels within CVWD’s boundaries. The entire system includes approximately 169 miles of channels built along the natural alignment of dry creeks that naturally flow from the surrounding mountains into the Whitewater River. Along with the channels, a number of dikes and levees have been designed and built to collect rapidly flowing flood water as it pours from the adjacent mountains onto the valley floor.

The backbone of the valley’s stormwater protection system is a 50-mile storm channel that runs from the Whitewater area north of Palm Springs to the Salton Sea. The western half of the channel runs along the natural alignment of the Whitewater River that cuts diagonally across the valley to Point Happy in La Quinta. This portion of the channel is called the Whitewater River Stormwater Channel. Since the riverbed flattens out naturally in the eastern valley, a man-made storm channel directs flood waters downstream from Point Happy to the Salton Sea. This man-made extension is referred to as the Coachella Valley Stormwater Channel.

The Whitewater River/Coachella Valley Stormwater Channel was designed and built to withstand a standard project flood, or a flow of about 83,000 cubic feet per second, which is no longer used as a design standard. Regional stormwater facilities are currently designed and constructed using the 100-Year Flood design standard.

The following map depicts the numerous watershed areas that drain into the Coachella Valley, along with CVWD’s Stormwater Unit Boundaries. The map references the Riverside County Flood Control and Water Conservation District (RCFCWCD) which has jurisdiction over the areas that are outside of the CVWD Stormwater Unit Boundary.



With the merger of the Coachella Valley Storm Water District and the Coachella Valley County Water District, the District gained the designation of “Stormwater Unit”. This designation gives CVWD the ability to raise taxes for bonds, indebtedness, works, improvements, and functions authorized by the Storm Water District Act of 1909. This tax levy remains in effect today and is part of the 1% of assessed value that the counties of Riverside and Imperial impose and collect from property owners.

Stormwater protection is funded primarily by local property taxes. Property values reset each time there is a change in ownership, with the value being established at the sales price. In addition, values can increase each year based on CPI, up to 2%. In fiscal 2020, assessed values increased 4.48% from fiscal 2019 in the Stormwater Unit boundary.

With property taxes being the main revenue source, expansion of the stormwater system is limited. The Thousand Palms area and rural areas in the eastern Coachella Valley from Oasis to Salton City do not currently have flood protection. In fiscal 2019, the District completed the Eastern Coachella Valley Stormwater Master Plan. The plan is designed as a long-term, comprehensive stormwater master plan that identifies conceptual locations, alignments, and sizes for primary stormwater facilities within the 167 square mile Study Area. The Master Plan is a planning guide for locating and sizing regional stormwater and drainage facilities. It has been designed to be inherently flexible to allow CVWD to respond to changes in physical, environmental, regulatory, and economic conditions.



*Floodwater – Whitewater River Channel*

**Strategic Initiatives**

**Fiscal 2020 Stormwater Fund Strategic Plan Initiative Accomplishments:**

**SG6.3.22:** Completed a portion of the land acquisition for the North Indio Flood Control Project to protect the area from potential flood damage and remove flood insurance requirements for the residents of this area.

**Fiscal 2021 Stormwater Fund Strategic Plan Initiatives and initiatives carried forward from prior years:**

**SG6.3.15:** Complete improvements within Coachella Valley Stormwater Channel from Avenue 54 to Thermal Drop. This initiative will increase stormwater channel flows in this reach to 100-year flood capacity, which will reduce flood hazard risk in the community. (Carried forward)

**SG6.3.22:** Complete balance of land acquisition for the North Indio Flood Control Project to protect the area from potential flood damage and remove flood insurance requirements for the residents of this area. (Carried forward)

<b>STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RESERVE (000s)</b>						
	<b>Actual FY 2019</b>	<b>Budget FY 2020</b>	<b>Projected FY 2020</b>	<b>Budget FY 2021</b>	<b>Budget Change</b>	<b>% Change</b>
<b>Revenues</b>						
Property Taxes - General	\$18,325	\$17,704	\$18,472	\$18,227	\$523	3.0
Charges for Services	947	976	1,004	976	-	-
Investment Income	2,216	2,321	3,263	2,779	458	19.7
Other Revenue	-	-	31	-	-	-
<b>Total Revenues</b>	<b>\$21,488</b>	<b>\$21,001</b>	<b>\$22,770</b>	<b>\$21,982</b>	<b>\$981</b>	<b>4.7%</b>
<b>Expenses</b>						
Salaries & Benefits (net of capitalized labor)	\$3,843	\$4,374	\$4,221	\$5,034	\$660	15.1
Supplies & Services	6,312	4,384	3,676	3,641	(743)	(16.9)
Utilities	87	109	58	93	(16)	(14.7)
Capital Outlay	81	205	218	22	(183)	(89.3)
<b>Total Expenses</b>	<b>\$10,323</b>	<b>\$9,072</b>	<b>\$8,173</b>	<b>\$8,790</b>	<b>(\$282)</b>	<b>(3.1%)</b>
<b>Operating Income (Loss)</b>	<b>\$11,165</b>	<b>\$11,929</b>	<b>\$14,597</b>	<b>\$13,192</b>	<b>\$1,263</b>	<b>10.6%</b>
<b>Nonoperating Revenues (Expenses)</b>						
Debt Service - External	\$ -	\$ -	\$ -	(\$342)	(\$342)	-
Bank of the West Draws	-	-	2,744	12,400	12,400	-
Capital Improvement Budget	(18,828)	(12,505)	(11,292)	(14,934)	(2,429)	(19.4)
Contribution to Motorpool CIP	(358)	(593)	(593)	(182)	411	69.3
Capital Improvement Reimbursements	169	-	-	-	-	-
CalPERS Liability Buy-down	(1,067)	-	-	-	-	-
Grant Revenue	52	-	-	-	-	-
Other Revenue (Expenses)	880	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$19,152)</b>	<b>(\$13,098)</b>	<b>(\$9,141)</b>	<b>(\$3,058)</b>	<b>\$10,040</b>	<b>76.7%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>(\$7,987)</b>	<b>(\$1,169)</b>	<b>\$5,456</b>	<b>\$10,134</b>	<b>\$11,303</b>	<b>966.9</b>
<b>Beginning Reserve</b>	<b>\$123,349</b>	<b>\$115,362</b>	<b>\$115,362</b>	<b>\$120,818</b>	<b>\$5,456</b>	<b>4.7</b>
<b>Ending Reserve</b>	<b>\$115,362</b>	<b>\$114,193</b>	<b>\$120,818</b>	<b>\$130,952</b>	<b>\$16,759</b>	<b>14.7%</b>
<b>Target Reserve</b>	<b>\$42,215</b>	<b>\$42,148</b>	<b>\$44,518</b>	<b>\$44,582</b>	<b>\$2,434</b>	<b>5.8%</b>

## Budget Summary

Ending reserves are budgeted at \$131 million, an increase of 14.7%. The increase is based on a budgeted increase in property tax revenues and investment income, and a decrease in supplies & services, utilities, and capital outlay, along with a decrease in Motorpool CIP contribution. Stormwater reserves are fully funded according to the adopted Reserve Policy. The expense budget for fiscal 2021 reflects a 3.1% decrease as compared to fiscal 2020, with budgeted revenues increasing 4.7%.

## Revenues

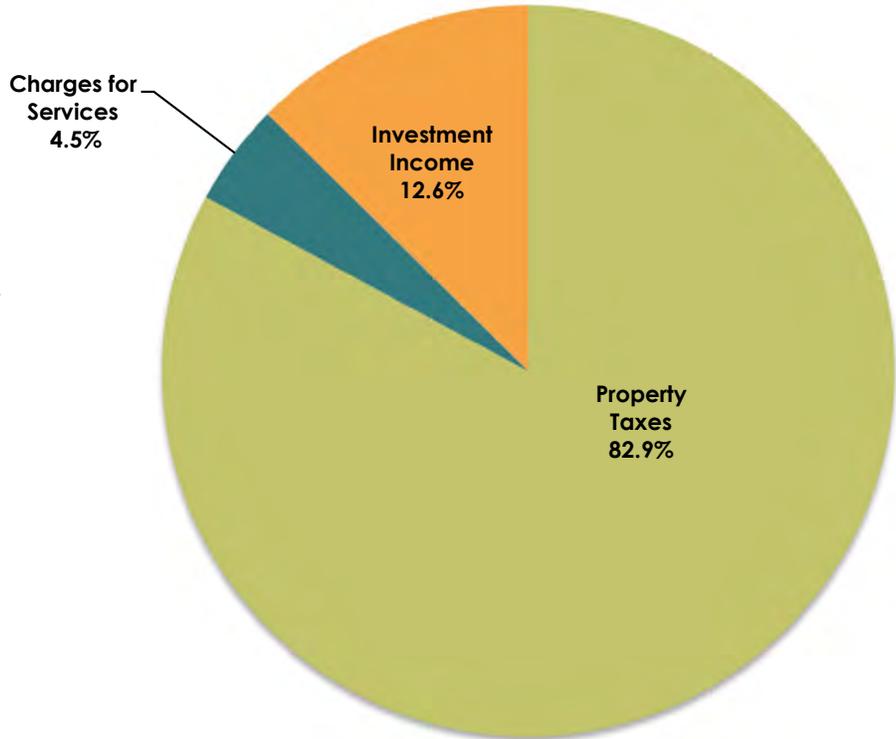
**Operating Revenues**  
**\$21,982,000**

**PROPERTY TAXES** account for 82.9% of revenues in the Stormwater Fund. Property tax revenues represent the District's dedicated share of the 1% Riverside and Imperial Counties secured property tax levy for the Stormwater Unit, pursuant to the California Revenue and Taxation Code. Assessed values and resale values have continued to increase, which accounts for the increase in budgeted revenue.

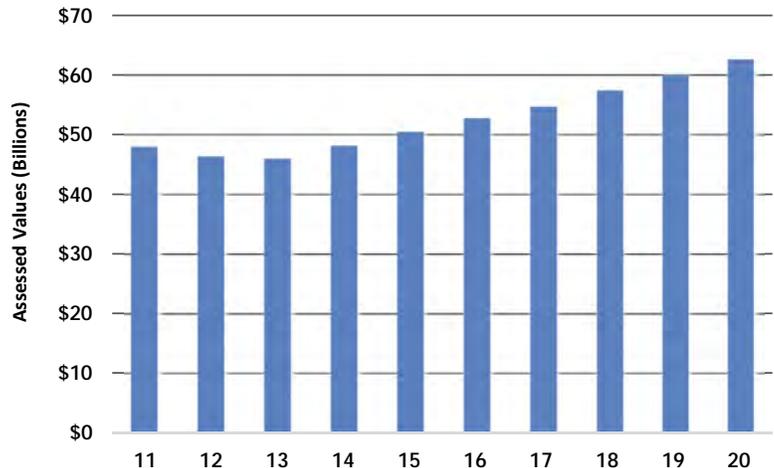
The adjacent graph depicts a ten-year history of the assessed values within the Stormwater boundaries. There was a steady decline in assessed valuation from 2009 through 2013. However, since 2014 assessed values have continued to increase. This contributes to increased revenue for the Stormwater Fund.

**INVESTMENT INCOME** is generated on available cash balances in the fund and is a function of the reserve balance and interest rates. Interest rates have been relatively low for a number of years, but have increased slightly. Investment income is budgeted at approximately \$2.8 million in fiscal 2021 and accounts for 12.6% of the Stormwater Fund's total revenues.

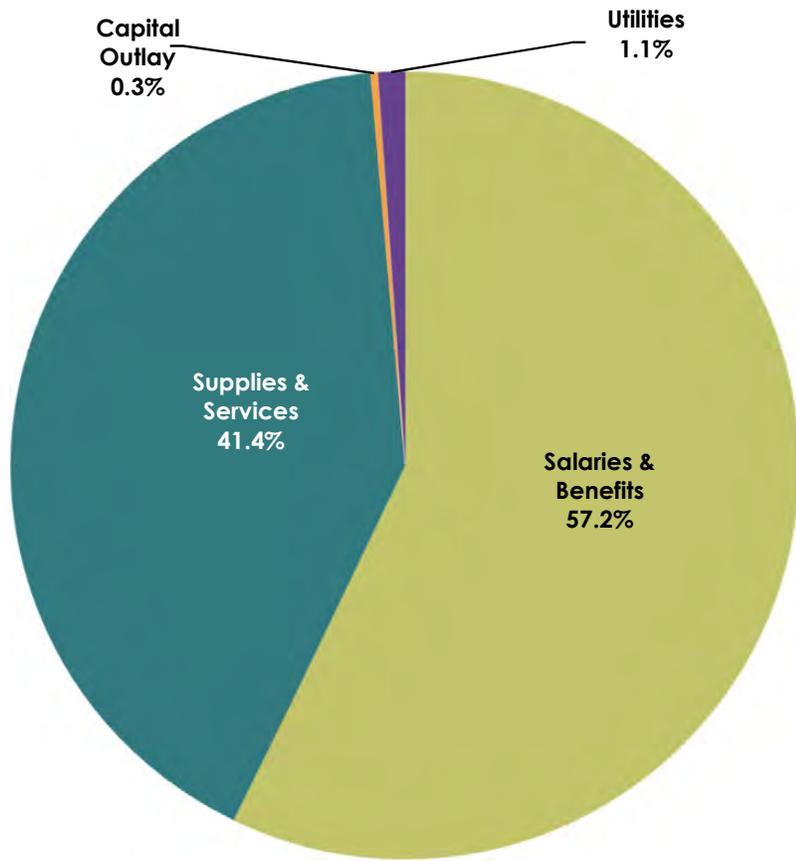
**CHARGES FOR SERVICES** consist mainly of lease revenue from lands owned by the Stormwater Fund. This comprises 4.5% of the revenues of the fund.



**STORMWATER ASSESSED VALUES  
TEN-YEAR HISTORY**



**Expenses**  
Operating Expenses  
\$8,790,000



**SALARIES & BENEFITS (NET OF CAPITALIZED LABOR)** are budgeted at \$5 million, a 15.1% increase over the fiscal 2020 budget. This increase reflects the impact of increases in employee salaries, a modest increase in the CalPERS rate, and a smaller capital improvement budget.

**SUPPLIES & SERVICES** decreased 16.9% to \$3.6 million. The decrease is primarily due to a reduction in professional services, computer hardware/software, small tools & equipment, work orders, and equipment usage/equipment leases.

**UTILITIES** are budgeted to decrease 14.7%, which more accurately reflects the actual water used by trucks for dust control when working in the stormwater channel.

**CAPITAL OUTLAY** is budgeted at \$22,000 in fiscal 2020, an 89.3% decrease from fiscal 2020.

## *Capital Improvements*

There are \$15 million in capital improvement projects budgeted in fiscal 2021, with \$12.4 million in funding coming from the Bank of the West line of credit and the balance from unrestricted reserves. Projects continue to focus on regional flood control master planning, design of wetlands, replacement of evacuation channels, levee certifications, and flood easement renewals. The Thousand Palms area, and rural areas in the eastern Coachella Valley, do not currently have flood protection. The budget includes \$4.4 million for ongoing construction for Coachella Valley Stormwater Channel Bank Protection-Avenue 62 to Avenue 64 and Fillmore Ditch Outfall, \$3 million for the East Side Dike Improvement Project-Phase 1, \$1.1 million for Whitewater River Channel Bank Protection Upstream of Cook Street, and \$800,000 for Levee Certification for Whitewater River Stormwater Channel/CVSC (Vista Chino to Monroe), as well as several smaller projects to improve stormwater protection in the east valley.

More details on the Capital Improvement Plan are located in the Capital Improvements chapter.

## *Five-Year Forecast*

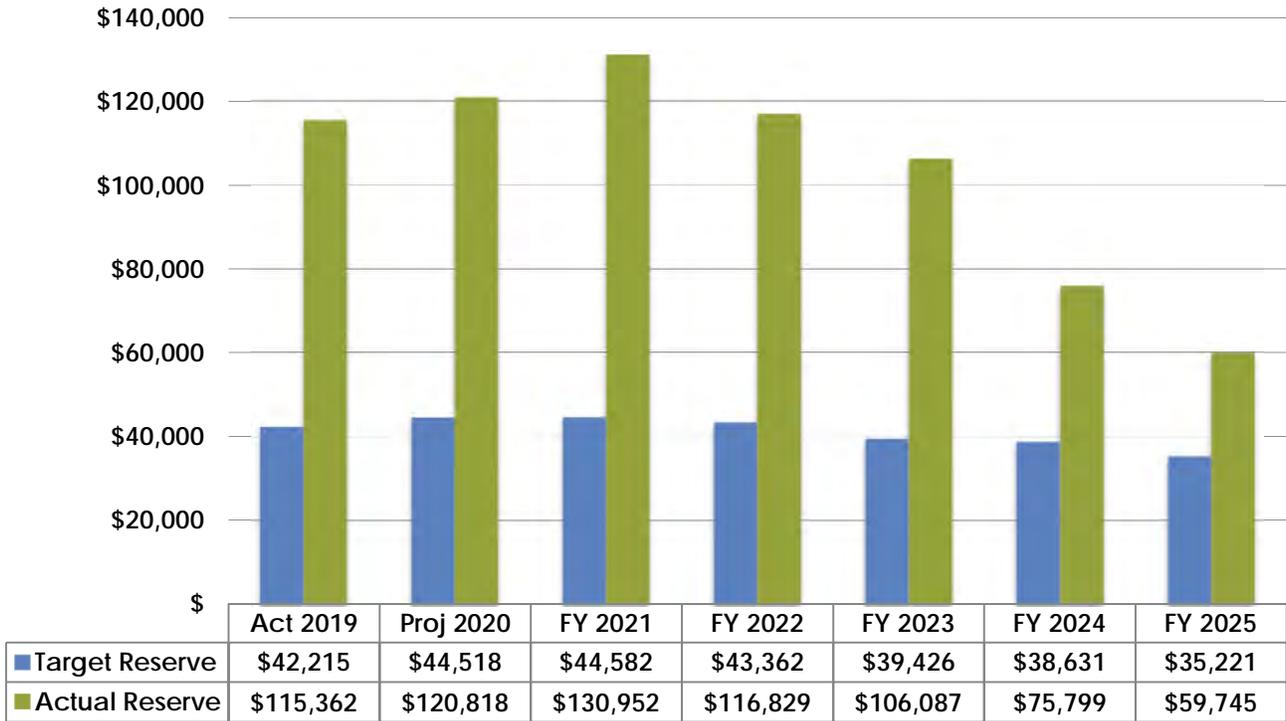
Property taxes are budgeted to increase every year through the forecast period, mainly due to increases in assessed values, which increases property tax revenues each year. Investment income is budgeted to decrease as a result of substantial capital spending, which significantly reduces reserves. Operating expenses are budgeted to decrease in fiscal 2022 and then increase slightly the following two years, followed by an estimated 12.1% increase in fiscal 2025. This is mainly attributed to a large Capital Improvement Budget in fiscal 2022 through fiscal 2024. A large capital improvement program increases the amount of capitalized labor required to complete the projects. The five-year forecast includes modest increases in salaries & benefits and supplies & services.

The biggest challenge facing the Stormwater Fund over the next five years is funding the Capital Improvement Plan. There are approximately \$174.6 million in capital improvements in the five-year forecast, with continued construction of major projects planned beyond that. The District is currently working on developing a five-year Stormwater grant and loan funding plan for capital improvements. Currently, the District has received a Water Infrastructure Finance and Innovation Act (WIFIA) loan that will fund 49% of two projects, with the first draw budgeted the end of fiscal 2022. The first project is the Coachella Valley Stormwater Channel Improvement Project between Avenue 54 and Thermal Drop Structure, and the second project is the North Indio Regional Flood Control Project. The District is planning to use short term financing for these two projects, which will be paid off with the initial draw on the WIFIA loan. In addition to short-term borrowing, debt issuance will be considered to ensure the District pursues the best possible option to fund Stormwater projects since the tax rate can only be increased with a 2/3 vote of the populace.

Reserves remain fully funded through fiscal 2025, even with significant capital spending. Without loan financing, reserves would fall below target.

STORMWATER FUND FIVE-YEAR FORECAST (000s)					
	Budget	Projected			
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>Revenues</b>					
Property Taxes - General	\$18,227	\$18,496	\$18,756	\$19,054	\$19,396
Charges for Services	976	976	976	976	976
Investment Income	2,779	3,012	2,687	2,440	1,743
<b>Total Revenues</b>	<b>\$21,982</b>	<b>\$22,484</b>	<b>\$22,419</b>	<b>\$22,470</b>	<b>\$22,115</b>
<b>% Change From Prior Year</b>	<b>4.7%</b>	<b>2.3%</b>	<b>(0.3%)</b>	<b>0.2%</b>	<b>(1.6%)</b>
<b>Expenses</b>					
Salaries & Benefits (net of capitalized labor)	\$5,034	\$4,536	\$5,009	\$5,118	\$6,123
Supplies & Services	3,641	3,714	3,805	3,898	3,994
Utilities	93	98	103	110	116
Capital Outlay	22	22	22	22	22
<b>Total Expenses</b>	<b>\$8,790</b>	<b>\$8,370</b>	<b>\$8,939</b>	<b>\$9,148</b>	<b>\$10,255</b>
<b>% Change From Prior Year</b>	<b>(3.1%)</b>	<b>(4.8%)</b>	<b>6.8%</b>	<b>2.3%</b>	<b>12.1%</b>
<b>Operating Income (Loss)</b>	<b>\$13,192</b>	<b>\$14,114</b>	<b>\$13,480</b>	<b>\$13,322</b>	<b>\$11,860</b>
<b>% Change From Prior Year</b>	<b>10.6%</b>	<b>7.0%</b>	<b>(4.5%)</b>	<b>(1.2%)</b>	<b>(11.0%)</b>
<b>Nonoperating Revenues (Expenses)</b>					
Debt Service - Bonds	(\$342)	(\$836)	(\$586)	(\$2,377)	(\$2,377)
Loan Proceeds	-	-	46,994	7,947	4,199
Bank of the West Draws	12,400	15,680	(30,824)	-	-
Capital Improvement Budget	(14,934)	(42,747)	(39,080)	(48,577)	(29,288)
Contribution to Motorpool CIP	(182)	(334)	(726)	(603)	(448)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$3,058)</b>	<b>(\$28,237)</b>	<b>(\$24,222)</b>	<b>(\$43,610)</b>	<b>(\$27,914)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$10,134</b>	<b>(\$14,123)</b>	<b>(\$10,742)</b>	<b>(\$30,288)</b>	<b>(\$16,054)</b>
<b>Beginning Reserve</b>	<b>\$120,818</b>	<b>\$130,952</b>	<b>\$116,829</b>	<b>\$106,087</b>	<b>\$75,799</b>
<b>Ending Reserve</b>	<b>\$130,952</b>	<b>\$116,829</b>	<b>\$106,087</b>	<b>\$75,799</b>	<b>\$59,745</b>
<b>% Change From Prior Year</b>	<b>14.7%</b>	<b>(10.8%)</b>	<b>(9.2%)</b>	<b>(28.6%)</b>	<b>(21.2%)</b>
<b>Target Reserve</b>	<b>\$44,582</b>	<b>\$43,362</b>	<b>\$39,426</b>	<b>\$38,631</b>	<b>\$35,221</b>

STORMWATER FUND RESERVE (000s)



North Indio Regional Flood Control Project

*STATE WATER PROJECT &  
WATER REPLENISHMENT FUNDS*



## STATE WATER PROJECT FUND

### *What is the State Water Project?*

The State Water Project (SWP) is the nation's largest state-built water and power development and conveyance system. It is a water storage and delivery system consisting of 34 reservoirs and lakes, 701 miles of aqueducts, 5 power plants, and 24 pumping plants delivering water to 29 urban and agricultural water suppliers in California, providing water to 25 million Californians and 750,000 acres of irrigated farmland. The design delivery volume of the SWP is approximately 4.2 maf, with approximately 70% delivered to urban users and 30% delivered to agricultural users.

The primary purpose of the SWP is water supply – that is, to divert, store, and distribute water to areas of need in California. Other purposes include flood control, power generation, recreation, fish and wildlife enhancement, and water quality improvement in the Sacramento-San Joaquin Delta (Delta). The Delta is an ecologically sensitive region where two of California's largest rivers meet, the Sacramento River and the San Joaquin River, and is the hub of the State's water distribution system. It is comprised of 738,000 acres of land and is one of the few estuaries in the world that is used as a major source of drinking water supply.

### *State Water Project and CVWD*

On March 29, 1963, CVWD entered into a water supply contract with the State of California Department of Water Resources (DWR), becoming one of the original 29 State Water Project contractors, along with Desert Water Agency (DWA). This action entitled CVWD to certain amounts of water from the SWP (currently at 138,350 af/yr) to replenish the Coachella Valley groundwater basin. Because the Coachella Valley lacks a means of bringing SWP water directly to its service area, a "bucket for bucket" exchange agreement was reached with the Metropolitan Water District (MWD) of Southern California. This agreement allows CVWD and DWA to trade SWP water to MWD for equal amounts of Colorado River water delivered to the Whitewater River and Mission Creek Groundwater Replenishment facilities through MWD's Colorado River Aqueduct. The exchange water is used to replenish the Whitewater River and Mission Creek groundwater subbasins, reducing overdraft and ensuring a reliable water supply for the Coachella Valley.

### *Cost of the State Water Project*

All 29 SWP contractors pay in proportion to their water supply allocation to cover the cost of constructing and operating facilities, which store and transport the water supply. Each contractor pays an additional transportation charge, which covers the cost of facilities required to deliver water to its service area. Contractors such as CVWD and DWA, who are farther away from the Delta, pay higher transportation charges than those close to the Delta.

Full payments are made each year for fixed SWP costs, regardless of the annual variations in water deliveries. Fixed costs include the charges for operation, maintenance, and debt service. Contractors also pay costs that vary depending on the amount of water delivered during the year, including costs for energy used to pump water to their aqueduct turnout location.

Individual SWP contractors may also incur additional costs associated with water storage or delivery structures unique to their needs. One example is the Perris Dam, which is the terminal reservoir on the East Branch of the SWP. Completed in 1972, this 2.2-mile long earthfill dam has a capacity of 131,450 af and serves three SWP contractors: MWD, DWA, and CVWD. A 2005 study showed that additional reinforcement to the dam's foundation was needed in order to meet the current seismic engineering standards. Pending this work, the working water storage elevation was lowered by 25 feet, which greatly reduces the ability to store water. It was proposed that a construction technique known as cement deep soil mixing (CDSM), be used to stabilize the foundation soil of the dam. This, and other ancillary work associated with the seismic stability project, is projected to cost up to \$240 million. CVWD's proportional share has been calculated at approximately \$52 million to be paid over the remainder of the existing contract with DWR that ends in 2035. The CDSM work was completed in 2017, which allowed initial test fill of the reservoir in 2018 and the resumption of normal service. Work is still ongoing on other areas of Perris Dam, including improvements to the outlet tower.

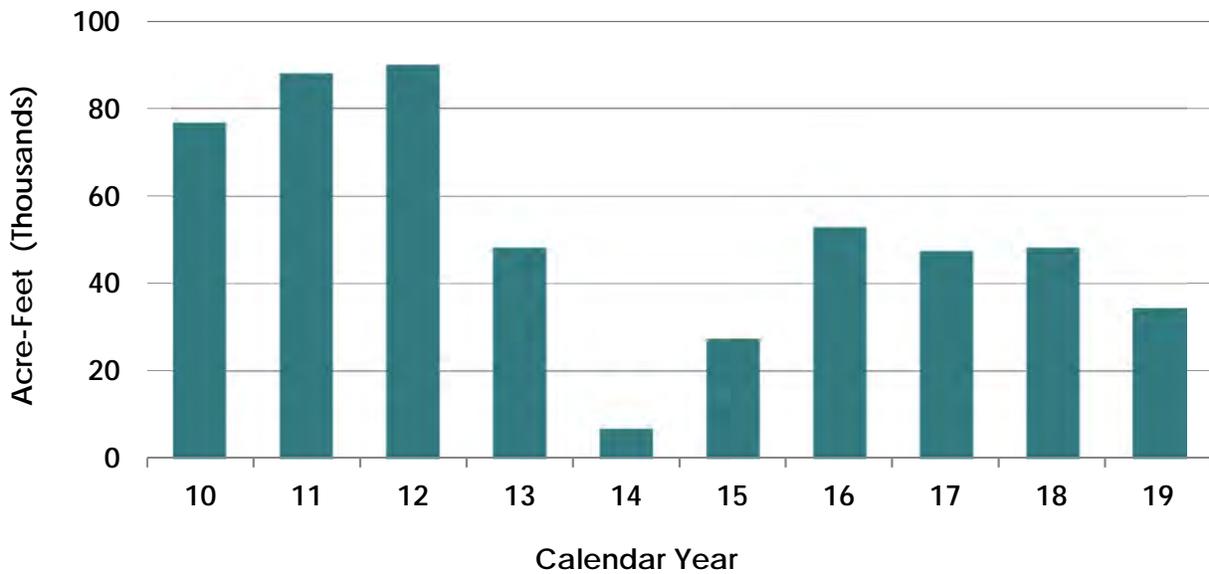
### *State Water Project Water Availability*

Availability of the water supply is highly variable and based on Delta inflows. Water years have been designated by the DWR as "wet," "above normal," "below normal," "dry," or "critical," based on the amount of rain and snow that fell during the preceding period from October 1 through September 30, which has a direct impact on the water supply release. DWR hydrologists and meteorologists measure snowpack in the Sierra

Nevada watersheds on or about the first of January, February, March, April, and May. Forecasts for snowmelt runoff, and thus, available water supply for the coming spring and summer are made. The May 1, 2020 snowpack survey showed the snow water content of the California snowpack was 12%, based on a weighted statewide average, compared to 161% during the previous May.

Table A, which is an exhibit in the State Water Project water supply contract, details the ideal full entitlement of water that a contractor may receive annually, although actual deliveries vary from year to year based on hydrology. The current maximum annual water entitlement for CVWD is 138,350 af, and the final Table A allocation for 2020 has been set at 20% (or 27,670 af). The chart below depicts CVWD’s SWP deliveries for the last 10 years, and shows the year-to-year change in reliability of water available. The long-term average delivery reliability from DWR is approximately 60% of the total entitlement, but the Coachella Valley Water Management Plan uses 50% average delivery reliability to be more conservative in its long-term projections.

**STATE WATER PROJECT - TABLE A  
CVWD's TEN-YEAR HISTORY of DELIVERIES**



**State Water Project Challenges**

The Delta faces numerous challenges to its long-term sustainability and reliability. The Delta pumps are turned off at various times throughout the year to limit salinity intrusion and protect threatened and endangered species in the Delta, which impact the reliability of SWP supplies. Continued subsidence of Delta islands, many of which are already below sea level, and the potential of catastrophic levee failure also threaten the operations of the project. Climate change may increase the variability in floods and droughts. In addition, changes in sea level also negatively affect efforts to manage salinity levels and preserve water quality in the Delta in order for the water to remain suitable for species habitat and urban and agricultural users. In 2017 and 2019, abundant hydrology highlighted limitations associated with the State’s storage and conveyance system. The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) was passed by the voters to provide opportunities to build new storage reservoirs to augment existing supplies.

## *Oroville Dam*

At a height of 770 feet, Oroville Dam is one of the tallest earthen dams in the U.S. and serves as the first and largest reservoir within the State Water Project system. Constructed in 1961, it has a maximum capacity of 3.5 maf. Similar to most dams, Oroville Dam was built with spillways to be used to release water to maintain safe reservoir operating conditions. Oroville Dam was constructed with a concrete-lined channel (Gated Spillway) and an unlined earthen path that serves as the Emergency Spillway. The extraordinary precipitation event that occurred during the first two months of 2017 resulted in the use of the Gated Spillway and the Emergency Spillway in order to maintain a safe reservoir level. The large volume released caused significant damage and erosion to both spillways. DWR began reconstruction of both spillways in 2017 and resumed normal operations early in 2019.

DWR's total cost of repairs to the Oroville spillways was \$1.1 billion and DWR submitted those costs to the Federal Emergency Management Agency (FEMA) for 75% reimbursement under the Stafford Act. After a series of applications and appeals, FEMA's latest response (February 2020) approved all repairs made to the Main Spillway, but denied eligibility for approximately \$280 million of work on the Emergency Spillway. Of the \$1.1 billion spent on repairs, approximately \$800 million is now eligible for FEMA's 75% reimbursement, leaving about \$500 million to be funded by other means. DWR is considering a second appeal and is currently exploring public assistance grants to help cover the non-reimbursable costs. Cost impacts to individual SWP contractors have yet to be determined.

## *Delta Conveyance Project (formerly California Water Fix)*

Attempts to stabilize the operations of the SWP and provide more reliable water supply to CVWD and other contractors have undergone several iterations, including the Delta Habitat Conservation and Conveyance Program (DHCP), the Bay-Delta Conservation Plan (BDCP), the California Water Fix, and most recently, the Delta Conveyance Project. In addition to engineering and permitting activities to provide more reliable water supply to the contractors, the Delta Conveyance Project will also support the development of habitat restoration opportunity areas.

The current iteration of the proposed water conveyance facility would feature: 3 pumping plants, state-of-the-art fish screens, a forebay for temporarily storing water pumped from the river, and a single tunnel (rather than 2 as proposed under the California Water Fix) to carry the water 35 miles to existing pumping plants in the south Delta. No final decisions on the proposed conveyance facility can be made prior to completion of regulatory and environmental review and public input.

Costs of the new facility, and associated mitigation, would be paid through charges to water users who benefit from its development and operation. Once the CVWD Board approves of CVWD's participation, CVWD would be responsible for paying its proportionate share of the estimated cost (including capital and operations and maintenance), which is still being finalized.

## *Sites Reservoir*

On July 26, 2016, the CVWD Board provided authorization to participate as a member of the Sites Reservoir Project. CVWD is participating in this project in order to reinforce its water supply to help meet the goal of achieving sustainable groundwater basins. The Sites Reservoir is a new off-stream water storage project that was contemplated as part of the initial discussions to increase opportunities for flood protection and water storage in the geographic area north of the Delta. Currently in the planning stages, this reservoir is envisioned to have a maximum storage capacity of 1.5 maf, which will have the ability to store water during wet hydrologic years and release water during dry periods. Located below Lake Oroville, releases from Sites Reservoir offers the benefit of allowing more water to be reserved in Oroville for environmental flow releases associated with fish temperature requirements. The governance for this project is represented by a diverse group of water agencies from north of the Delta and south of the Delta, some of whom are Central Valley Project contractors and others who are State Water contractors. The revised project is estimated to cost approximately \$3 billion, (2019 \$), down from an initial project estimate of over \$5 billion. Although it is too early in the planning process to determine the final cost to participating members, CVWD's Board has authorized a participation level of 10,000 af during the planning phase of this project.

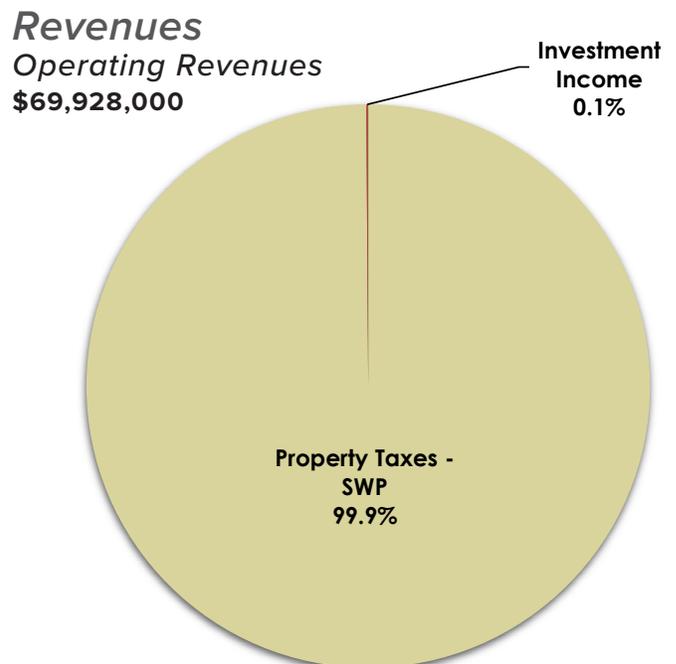
**Budget Summary**

In fiscal 2014, the SWP Fund was eliminated and all revenues and expenses were allocated to the three replenishment funds. In fiscal 2020, the District determined that it would reconstitute the SWP Fund to better account for the revenue and expense activities.

STATE WATER PROJECT FUND STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RESERVE (000s)						
	Actual FY 2019	Budget FY 2020	Projected FY 2020	Budget FY 2021	Budget Change	% Change
<b>Revenues</b>						
Property Taxes - SWP	\$ -	\$67,968	\$66,165	\$69,850	\$1,882	2.8
Investment Income	-	-	-	78	78	-
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$67,968</b>	<b>\$66,165</b>	<b>\$69,928</b>	<b>\$1,960</b>	<b>2.9%</b>
<b>Expenses</b>						
SWP Allocated Cost	\$ -	\$70,593	\$62,758	\$69,696	(\$897)	(1.3)
<b>Total Expenses</b>	<b>\$ -</b>	<b>\$70,593</b>	<b>\$62,758</b>	<b>\$69,696</b>	<b>(\$897)</b>	<b>(1.3%)</b>
<b>Operating Income (Loss)</b>	<b>\$ -</b>	<b>(\$2,625)</b>	<b>\$3,407</b>	<b>\$232</b>	<b>\$2,857</b>	<b>108.8%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$ -</b>	<b>(\$2,625)</b>	<b>\$3,407</b>	<b>\$232</b>	<b>\$2,857</b>	<b>108.8</b>
<b>Beginning Reserve</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$3,407</b>	<b>\$3,407</b>	<b>-</b>
<b>Ending Reserve</b>	<b>\$ -</b>	<b>(\$2,625)</b>	<b>\$3,407</b>	<b>\$3,639</b>	<b>\$6,264</b>	<b>238.6%</b>
<b>Target Reserve</b>	<b>\$ -</b>	<b>\$26,400</b>	<b>\$26,400</b>	<b>\$26,400</b>	<b>\$ -</b>	<b>0.0%</b>

SWP tax revenues are budgeted to increase by \$1.9 million due to projected increases in assessed valuations. Article 34 of the DWR contract enables CVWD to levy a tax on all property within the service boundaries not exempt from taxation, in an amount sufficient to provide for all payments due under the contract within that year. The current levy is \$0.10/\$100 of assessed value and is used to pay for State Water Project obligations. As an example, a house valued at \$300,000 would be levied \$300 (\$300,000/100 X \$0.10), or \$25 a month. This levy is placed on the property tax rolls for all nonexempt parcels within CVWD's boundaries.

**INVESTMENT INCOME** is budgeted at \$78,000. Investment income is based on the cash balance in the fund and is generated by the combined investments of the District.



**Expenses**

**Operating Expenses**  
**\$69,696,000**

**SWP ALLOCATED COSTS** are budgeted at \$69.7 million, a decrease of \$897,000. The decrease in SWP costs is primarily due to a 32.5% projection in the water allocation from the Department of Water Resources compared to a 67.5% projection in fiscal 2020. The decrease in water allocation is due to reduced snowpack in the Sierra Nevada Mountains which is where most of the state’s water supply originates.

SWP costs are divided into two categories: fixed and variable. The fixed expenses are for debt service on bonds and fixed operating expenses of the system, which are paid whether or not the District receives any water.

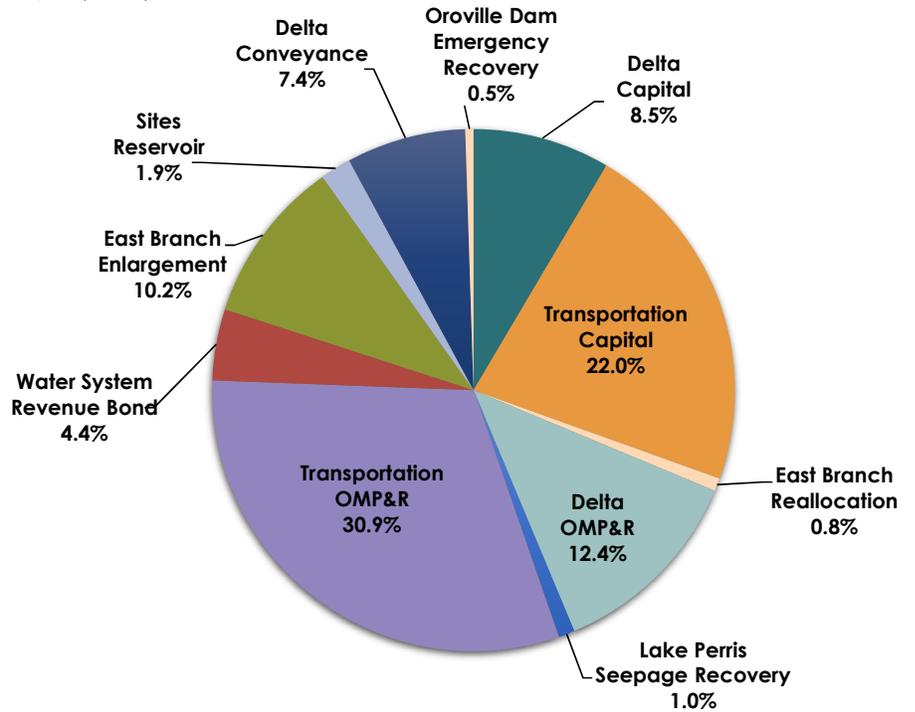
The chart on the right depicts the fixed components of the SWP cost.

Variable expenses are dependent on the amount of water received by the District and the distance between the release of the water and CVWD’s delivery point.

The chart below depicts the variable components of the SWP cost.

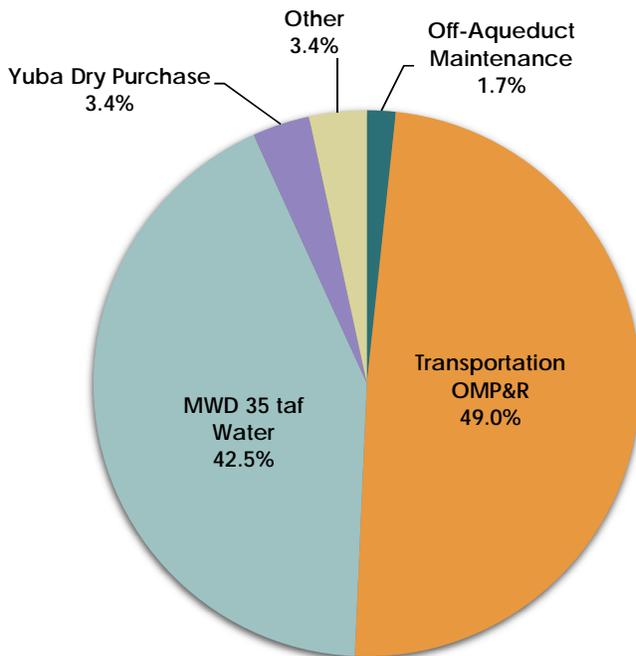
**Distribution of SWP Budgeted**

**Fixed Expenses**  
**\$53,988,000**



**Distribution of SWP Budgeted**

**Variable Expenses**  
**\$15,708,000**



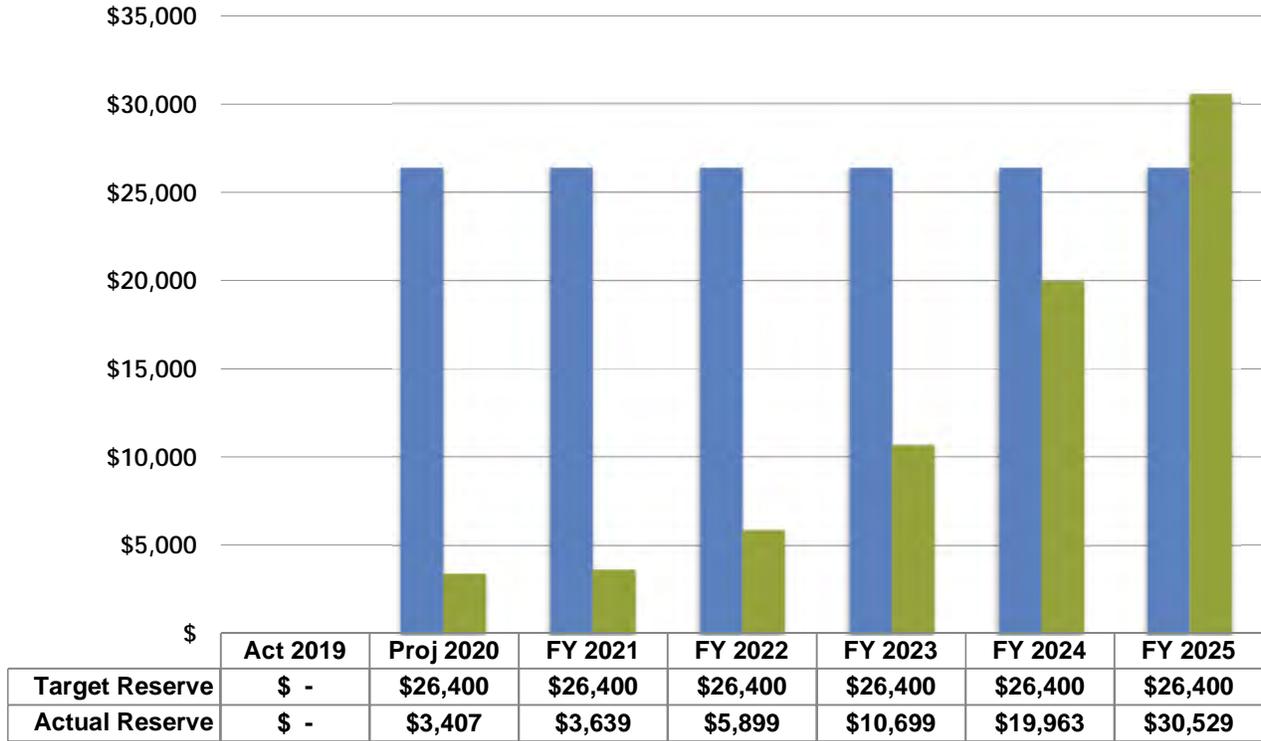
*Five-Year Forecast*

The biggest challenge facing the SWP Fund over the next five years is if increases in the SWP tax along with increases in assessed valuations will keep pace with increases in water costs.

The five-year forecast includes projected increases in assessed valuations along with an increase in the SWP tax in fiscal 2022. As a result, it is projected that the Fund will meet its reserve target per the District's Reserve Policy by fiscal 2025.

STATE WATER PROJECT FUND FIVE-YEAR FORECAST (000s)					
	Budget	Projected			
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>Revenues</b>					
Property Taxes - SWP	\$69,850	\$78,863	\$80,819	\$83,066	\$85,658
Investment Income	78	84	136	246	459
<b>Total Revenues</b>	<b>\$69,928</b>	<b>\$78,947</b>	<b>\$80,955</b>	<b>\$83,312</b>	<b>\$86,117</b>
<b>% Change From Prior Year</b>	<b>2.9%</b>	<b>12.9%</b>	<b>2.5%</b>	<b>2.9%</b>	<b>3.4%</b>
<b>Expenses</b>					
SWP Allocated Cost	\$69,696	\$76,687	\$76,155	\$74,048	\$75,551
<b>Total Expenses</b>	<b>\$69,696</b>	<b>\$76,687</b>	<b>\$76,155</b>	<b>\$74,048</b>	<b>\$75,551</b>
<b>% Change From Prior Year</b>	<b>(1.3%)</b>	<b>10.0%</b>	<b>(0.7%)</b>	<b>(2.8%)</b>	<b>2.0%</b>
<b>Operating Income (Loss)</b>	<b>\$232</b>	<b>\$2,260</b>	<b>\$4,800</b>	<b>\$9,264</b>	<b>\$10,566</b>
<b>% Change From Prior Year</b>	<b>108.8%</b>	<b>874.1%</b>	<b>112.4%</b>	<b>93.0%</b>	<b>14.1%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$232</b>	<b>\$2,260</b>	<b>\$4,800</b>	<b>\$9,264</b>	<b>\$10,566</b>
<b>Beginning Reserve</b>	<b>\$3,407</b>	<b>\$3,639</b>	<b>\$5,899</b>	<b>\$10,699</b>	<b>\$19,963</b>
<b>Ending Reserve</b>	<b>\$3,639</b>	<b>\$5,899</b>	<b>\$10,699</b>	<b>\$19,963</b>	<b>\$30,529</b>
<b>% Change From Prior Year</b>	<b>238.6%</b>	<b>62.1%</b>	<b>81.4%</b>	<b>86.6%</b>	<b>52.9%</b>
<b>Target Reserve</b>	<b>\$26,400</b>	<b>\$26,400</b>	<b>\$26,400</b>	<b>\$26,400</b>	<b>\$26,400</b>

STATE WATER PROJECT FUND RESERVE (000s)



## WATER REPLENISHMENT FUNDS

### Background

Decline in the Valley’s water table was first noted in the 1910s, when local residents and farmers were concerned that their artesian wells were drying up. When CVWD was formed in 1918, its first actions included obtaining water rights and building facilities near Windy Point to capture natural runoff from nearby mountains to help replenish the aquifer and to seek a supplemental water supply for the Coachella Valley. The Valley’s high mountains provide a barrier, or rain shadow, against coastal storms. This effect renders the area a desert, averaging less than four inches of rain per year. This rainfall, along with snowmelt from surrounding mountains, is not enough to replenish what is pumped from the groundwater basin to meet the water demands of the Valley.

There are numerous “producers,” including CVWD, that extract groundwater by pumping well water. Producers include well owners or operators that pump water from the aquifer, such as: water agencies, golf courses, farmers, landowners, and other entities that operate wells. Producers who extract greater than 25 acre-feet (af) in a 12-month period within the groundwater replenishment areas of benefit (AOB) are subject to groundwater replenishment assessment charges (RACs). The State Water Code allows CVWD and DWA to levy and collect RACs in the Coachella Valley. RACs were levied by CVWD for the first time in fiscal 1981 on groundwater producers in the West Whitewater River Subbasin AOB (West AOB). Beginning in fiscal 2004, RACs were levied in the Mission Creek Subbasin AOB (MC AOB); and in fiscal 2005, RACs were levied in the East Whitewater River Subbasin AOB (East AOB).

The replenishment activities of these subbasins are accounted for in three separate enterprise funds. The replenishment assessment charges cover a portion of the costs of importing supplemental water for replenishment, operation and maintenance of the replenishment basins, and various administrative costs, such as billing, meter reading, report preparation, and the costs for programs that provide incentives to use nonpotable water sources in place of groundwater.

In fiscal 2014, the SWP Fund was eliminated and all revenues and expenses were allocated to the three replenishment funds. In fiscal 2020, the District determined that it would reconstitute the SWP Fund to better account for the revenue and expense activities. As a result, all SWP related revenues and expenses for fiscal 2020 forward have been reallocated to the reconstituted SWP Fund.

### Overdraft

To alleviate groundwater overdraft, CVWD and DWA import water to replenish the western portion of the Whitewater River Subbasin and the Mission Creek Subbasin. In addition, CVWD uses imported water to replenish the eastern portion of the Whitewater River Subbasin. These replenishment programs are key elements of the Coachella Valley Water Management Plan that includes water conservation, additional imported water acquisition, water reclamation, and source substitution. The Coachella Valley Water Management Plan was approved in 2019 by the California Department of Water Resources as a functionally equivalent Groundwater Sustainability Plan for the Indio Subbasin to comply with the Sustainable Groundwater Management Act. Average groundwater levels have increased in the last 10 years in the West Whitewater and East Whitewater areas of benefit. Engineers have estimated that if CVWD continues to implement the activities enumerated in the Coachella Valley Water Management Plan, overdraft in these areas will be eliminated by 2022.

### Groundwater Replenishment

Soon after its formation in 1918, CVWD constructed facilities in the Whitewater River channel near Windy Point to help replenish the Whitewater River (Indio) Subbasin with water naturally flowing from the Whitewater River Canyon. In 1973, CVWD and DWA installed new groundwater replenishment facilities and began replenishing groundwater within this subbasin with imported water from the State Water Project (SWP). CVWD and DWA began replenishing groundwater in the adjacent Mission Creek Subbasin with this same imported water supply in 2002. Because the Coachella Valley does not have a direct connection from the SWP, CVWD and DWA entered into agreements with the Metropolitan Water District (MWD) of Southern California to exchange water from MWD’s Colorado River Aqueduct and receive advanced deliveries of this imported water supply.

In 2009, after 12 years of successful pilot tests, CVWD began operating a full-scale facility using Colorado River water from the Coachella Canal to replenish groundwater in the eastern portion of the Whitewater River Subbasin. In early 2019, CVWD started operating Phase 1 of the Palm Desert Groundwater Replenishment facility (GRF) (PDRF) to replenish groundwater in the mid-valley area of the Whitewater River Subbasin also using Colorado River water from the Coachella Canal. Construction of Phase 2 of the Palm Desert GRF is expected to be complete by early 2022.

## *Colorado River Water*

Recognizing the need to supplement natural replenishment with imported water, CVWD began efforts to import Colorado River water to the Coachella Valley and approved its first contract with the federal government in 1919 for the survey of the All American Canal route. Bringing imported water to the region required a massive waterway that did not yet exist. The 1928 Boulder Canyon Act authorized construction of Hoover Dam, Lake Mead, Imperial Dam, the All American Canal, and its 123-mile Coachella Branch. The Coachella Canal was completed in 1949, which conveyed approximately 300,000 af/yr primarily to serve farms; this enabled the agricultural industry to reduce pumping of groundwater and help preserve the Coachella Valley groundwater basin.

The Quantification Settlement Agreement (QSA) was signed in 2003, providing CVWD with a secured Colorado River gross delivery allotment of 488,000 af/yr. Additional information regarding Colorado River water and the QSA is located in the Canal Water Fund section of this document.



*One of Four Colorado River Aqueduct Valves in Metropolitan Water District's Valve Vault*

## WEST WHITEWATER REPLENISHMENT FUND

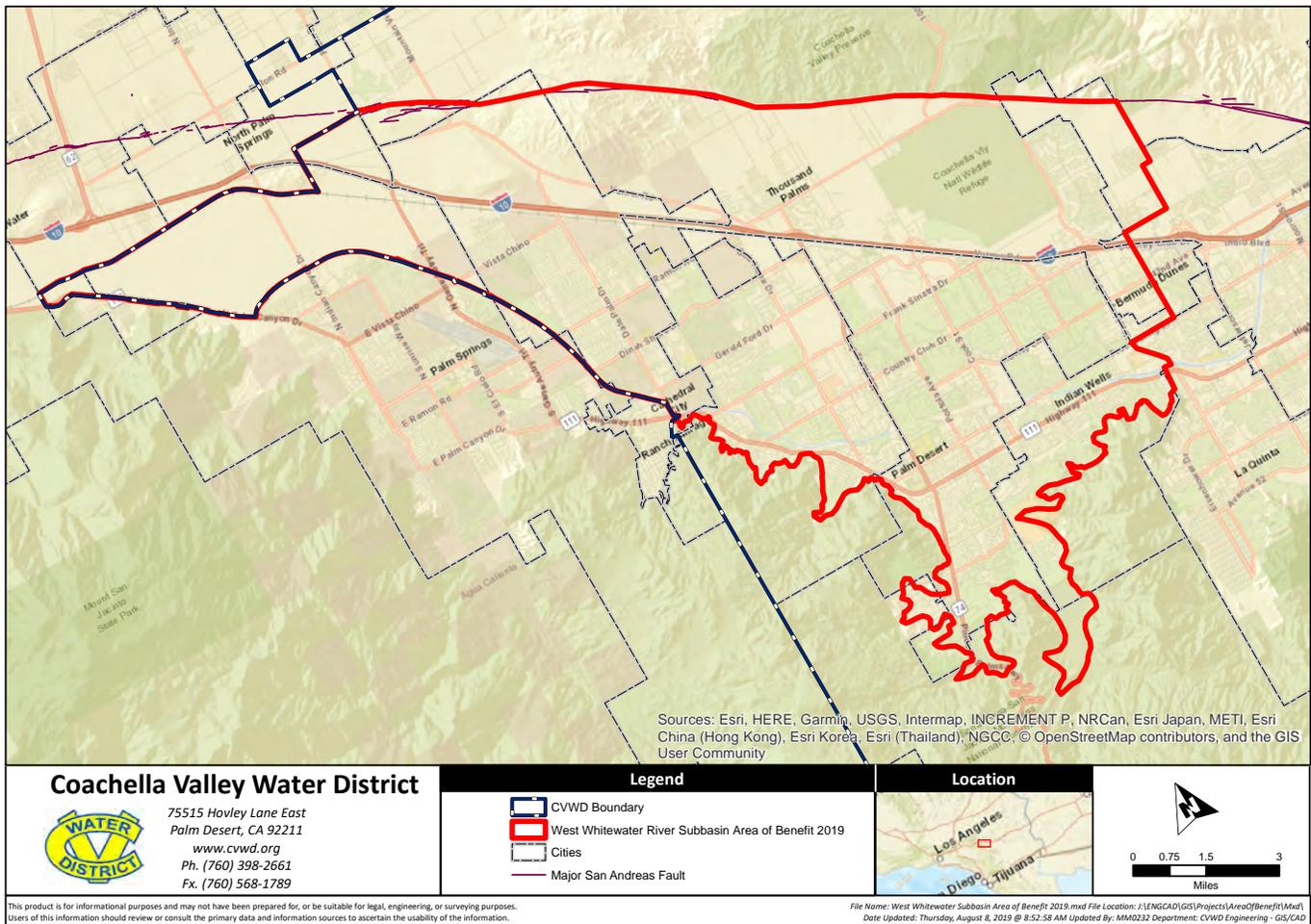
### Background

In 1973, CVWD and DWA began using the SWP entitlement to replenish the western Coachella Valley’s aquifer at the Whitewater spreading area, northwest of Palm Springs. This replenishment area is referred to as the West Whitewater River Subbasin Area of Benefit (AOB) and its activities are accounted for in the West Whitewater Replenishment Fund (West Whitewater).

The West Whitewater River Subbasin AOB is replenished using imported water from the SWP, water purchased from MWD, Rosedale-Rio Bravo Water Storage District, other available purchase opportunities, as well as natural runoff. Other water purchases include the Metropolitan Water District QSA 35,000 Acre-foot Transfer. Beginning in early 2019, Colorado River water pumped from the Coachella Canal to the Palm Desert Groundwater Replenishment Facility through the Mid-Valley pipeline is also used to replenish the West Whitewater River Subbasin AOB.

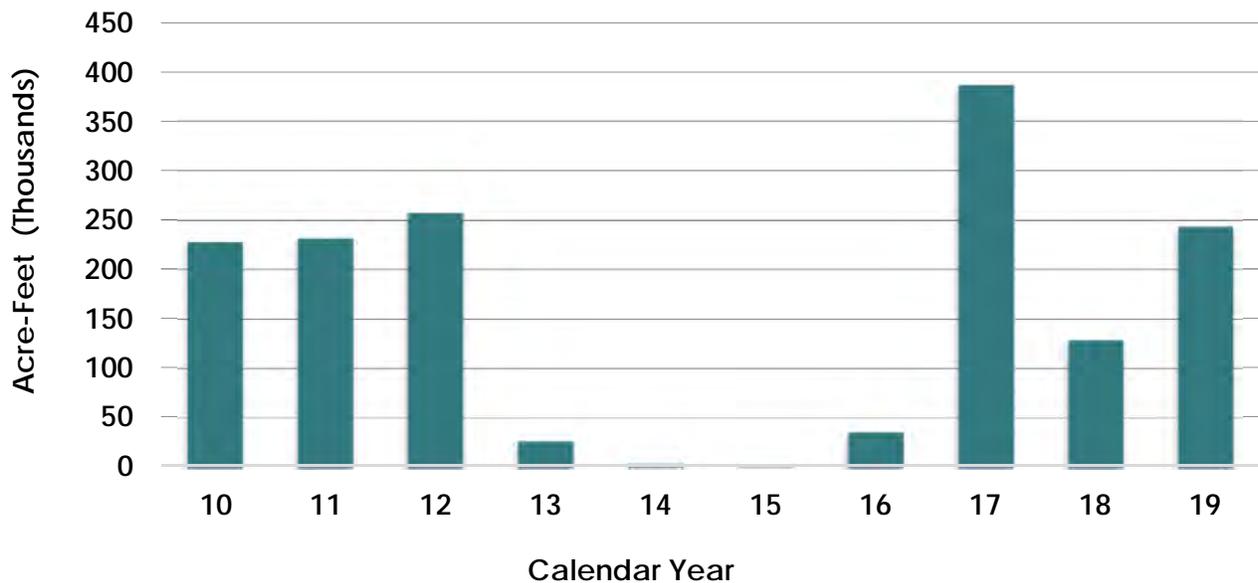
The following map shows the West Whitewater Area of Benefit, along with CVWD Boundaries.

West Whitewater River Subbasin Area of Benefit



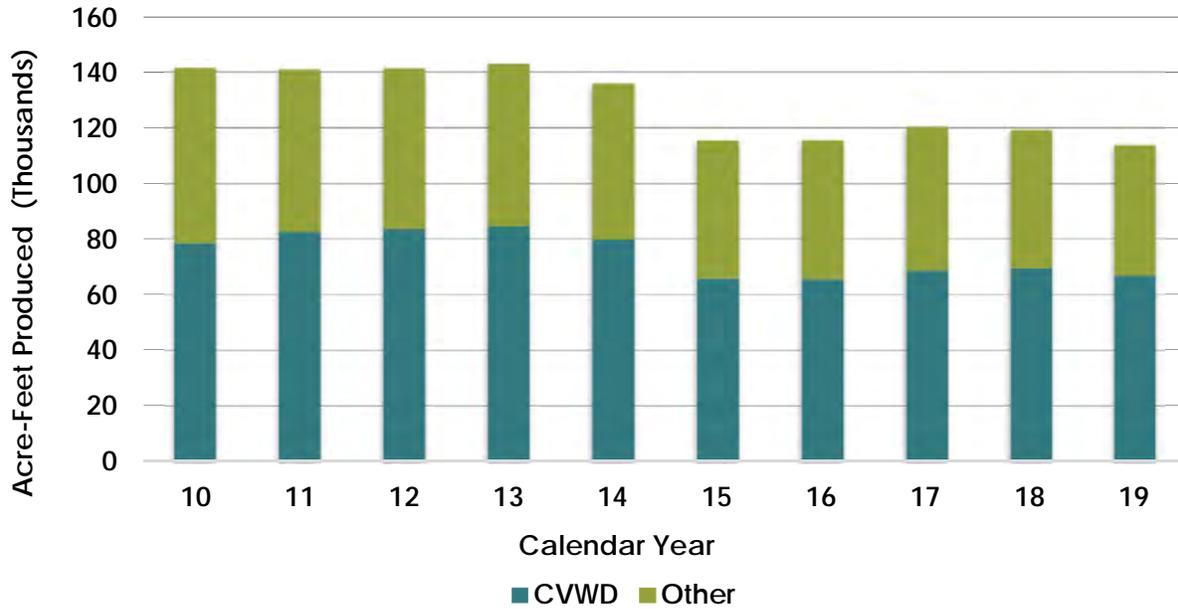
The graph below shows the amount of water CVWD and DWA have replenished over the last ten calendar years. It also shows the variability of the supply of SWP water. To date, CVWD, DWA, and MWD have replenished approximately 3.7 maf of water in the West Whitewater River Subbasin AOB. The amount of water replenished varies year to year. This is due in part to the 1984 Advance Delivery Agreement between CVWD, DWA, and MWD, whereby the District allows MWD to predeliver up to 800,000 af of water in the Whitewater River Subbasin. MWD predelivered, or delivered in advance, a total of over 300,000 af of water from 2010 through 2012. In 2017 and 2018, MWD predelivered an additional 285,000 af and 90,083 af of water, respectively, which is reflected in the chart below. In years where an advanced delivery balance exists, MWD may deliver less than CVWD's and DWA's SWP allocations to the Coachella Valley and instead draw down the advance delivery account. This agreement provides flexibility by allowing MWD to store Colorado River water in the Whitewater River Subbasin in wet years and draw on that storage in dry years. During critically dry years, this agreement also allows water to be predelivered into MWD's service area, under specified repayment conditions.

**WEST WHITEWATER RIVER SUBBASIN AOB  
TEN-YEAR HISTORY OF ACRE-FEET REPLISHED**



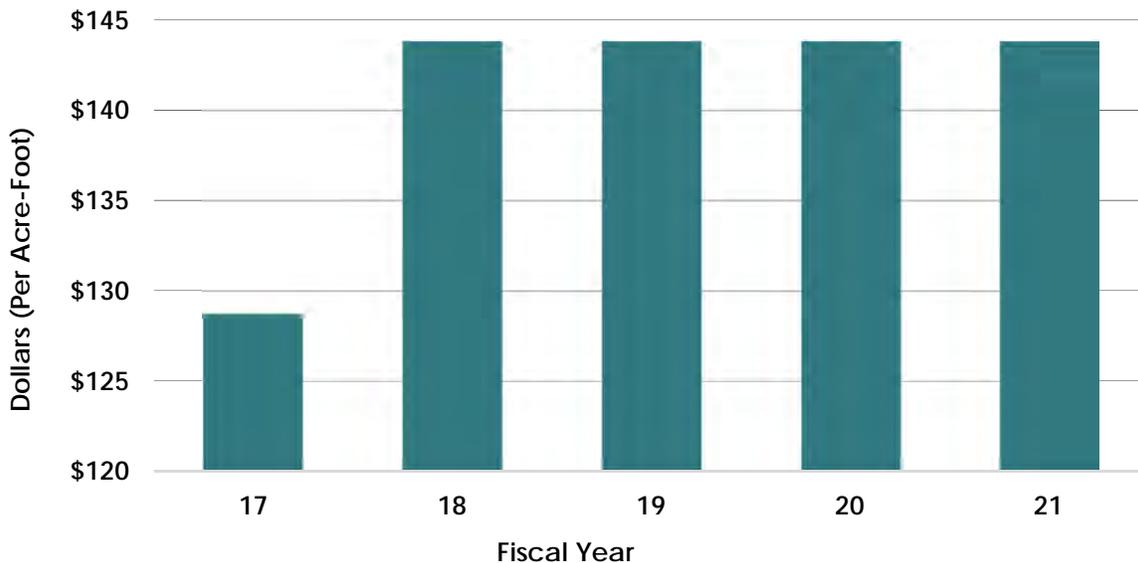
There were 72 producers subject to the RAC in the West Whitewater River Subbasin AOB that pumped 113,841 af of water from the aquifer in 2019, a decrease of 5,409 af from 2018. Of the 113,841 af produced in 2019, CVWD's wells produced 66,852 af for use as domestic water compared to 69,524 af in 2018, a decrease of 2,672 af. The graph on the following page shows the amount of water produced in the subbasin over the last ten calendar years.

**WEST WHITEWATER RIVER SUBBASIN AOB  
TEN-YEAR HISTORY OF ACRE-FEET PRODUCED**



The graph below shows the five-year history of replenishment rates for the West Whitewater Replenishment Fund. The rates have remained the same since fiscal 2018.

**WEST WHITEWATER RAC RATES  
FIVE-YEAR HISTORY**



## *Nonpotable Water*

CVWD initially started providing nonpotable water in 1968, with the acquisition of Water Reclamation Plant 9 (WRP 9). Previously known as Palm Desert Country Club's wastewater treatment and recycling facility. WRP 9 provided Palm Desert Country Club with recycled water for golf course irrigation. Since that time, the District has continued to expand the use of recycled water.

In 1987, CVWD expanded nonpotable operations with delivery of nonpotable water to Santa Rosa, Palm Desert Greens, and Portola Country Clubs from WRP 10. In 1997, the District began delivering nonpotable water to Sun City from WRP 7.

Previously, nonpotable water was strictly reclaimed wastewater (recycled water). Currently, nonpotable water also includes Colorado River water (canal water) via the Mid-Valley Pipeline (MVP), or a blend of recycled water and canal water.

Canal water is a critical component of nonpotable water since there is not sufficient recycled water available to irrigate all of the valley's golf courses on a year-round basis. Most of the Valley's recycled water is produced in the winter, when the snowbirds are here. But golf course water demand is highest during the summer, when the Valley's population is at its lowest, temperatures are at their highest, and recycled water supplies are reduced. Thus, canal water is needed to make up the difference.

In 2009, the District completed the first phase of the Mid-Valley Pipeline. The 54-inch, 6.8 mile long pipeline is buried more than 20 feet below the Coachella Valley Stormwater Channel and delivers Colorado River water to customers and Wastewater Reclamation Plant 10, where it can be used both for groundwater replenishment and golf course irrigation. Initially, the MVP provided a reliable supply of nonpotable water year-round to 13 customers already using recycled water for at least some of their irrigation.

Customers whose properties are adjacent to the MVP are able to connect directly and receive strictly Colorado River water. The balance of the Colorado River water delivered by the MVP to WRP 10 is received into a 65 acre-foot storage reservoir. It is then pumped into a 45 acre-foot (af) blending reservoir where it could be mixed with recycled water. This water is subsequently delivered to nonpotable customers for irrigation purposes.

At the end of fiscal 2019, the Nonpotable Fund was merged into the West Whitewater Fund. In fiscal 2020, water sales and related expenses incurred in delivering and promoting the use of recycled water and Colorado River water delivered by the MVP for uses such as golf course and large landscape irrigation were incorporated into the West Whitewater Fund.

## *Budget Summary*

In fiscal 2014, the SWP Fund was eliminated and all revenues and expenses were allocated to the three replenishment funds. In fiscal 2020, the District determined that it would reconstitute the SWP Fund to better account for the revenue and expense activities. As a result, all SWP related revenues and expenses for fiscal 2020 forward have been reallocated to the reconstituted SWP Fund.

West Whitewater revenues are budgeted to decrease by 2.1%, compared to fiscal 2020 primarily due to budgeted lower water sales, and decreases in replenishment charges from decreased production.

Operating expenses are budgeted to decrease \$5.6 million compared to fiscal 2020 primarily due to decreases in water-related expenses.

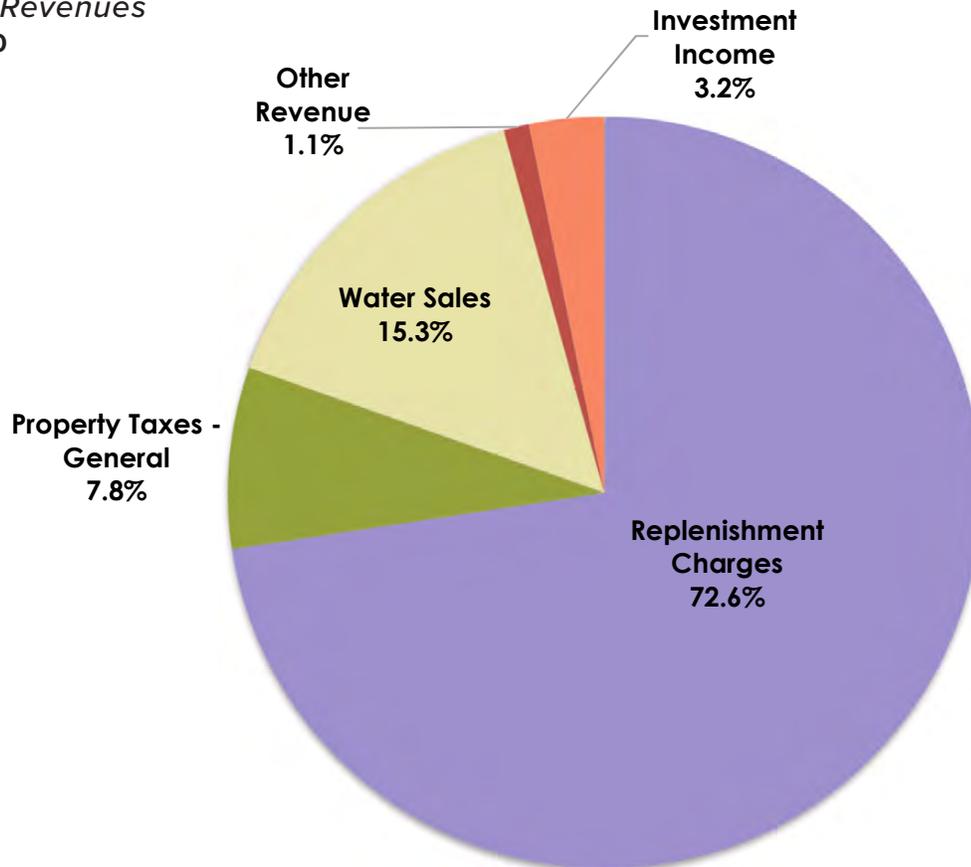
Nonoperating expenses include capital improvements of \$2 million, \$1.2 million in debt service, and a \$20,000 transfer to the Motorpool Fund for its share of equipment purchases.

Ending reserves for fiscal 2021 are budgeted at \$30.3 million, an increase of \$1.1 million from fiscal 2020. The increase in reserves is primarily due to fiscal 2020 projected operating expenses being \$1.9 million lower than budgeted.

WEST WHITEWATER REPLENISHMENT FUND						
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RESERVE (000s)						
	Actual FY 2019	Budget FY 2020	Projected FY 2020	Budget FY 2021	Budget Change	% Change
<b>Revenues</b>						
Water Sales	\$3,463	\$3,647	\$3,647	\$3,568	(\$79)	(2.2)
Replenishment Charges	16,357	17,760	17,760	16,968	(792)	(4.5)
Property Taxes - General	7,828	1,769	1,769	1,827	58	3.3
Property Taxes - SWP	49,690	-	-	-	-	-
Charges for Services	51	5	5	5	-	-
Intergovernmental Revenue	825	250	250	250	-	-
Investment Income	628	414	414	737	323	78.0
Other	625	-	-	-	-	-
<b>Total Revenues</b>	<b>\$79,467</b>	<b>\$23,845</b>	<b>\$23,845</b>	<b>\$23,355</b>	<b>(\$490)</b>	<b>(2.1%)</b>
<b>Expenses</b>						
Salaries & Benefits (net of capitalized labor)	\$2,900	\$3,443	\$3,290	\$3,843	\$400	11.6
Supplies & Services	4,938	4,918	4,197	4,710	(208)	(4.2)
Utilities	372	364	506	464	100	27.5
QSA Mitigation Payments	2,599	665	665	191	(474)	(71.3)
Water Purchases	10,238	18,203	17,029	12,804	(5,399)	(29.7)
SWP Allocated Cost	46,542	-	-	-	-	-
Capital Outlay	20	126	103	63	(63)	(50.0)
<b>Total Expenses</b>	<b>\$67,609</b>	<b>\$27,719</b>	<b>\$25,790</b>	<b>\$22,075</b>	<b>(\$5,644)</b>	<b>(20.4%)</b>
<b>Operating Income (Loss)</b>	<b>\$11,858</b>	<b>(\$3,874)</b>	<b>(\$1,945)</b>	<b>\$1,280</b>	<b>\$5,154</b>	<b>133.0%</b>
<b>Nonoperating Revenues (Expenses)</b>						
Debt Service - Interfund	(\$255)	(\$1,900)	(\$1,288)	(\$1,200)	\$700	36.8
Capital Improvement Budget	(8,491)	(675)	(375)	(1,992)	(1,317)	(195.1)
Contribution to Motorpool CIP	(77)	(84)	(84)	(20)	64	76.2
Capital Improvement Reimbursements	39	-	-	-	-	-
CalPERS Liability Buy-down	(804)	-	-	-	-	-
Grant Revenue	-	-	-	50	50	-
Capital Grant Revenue	691	-	-	100	100	-
Other Revenue (Expense)	508	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$8,389)</b>	<b>(\$2,659)</b>	<b>(\$1,747)</b>	<b>(\$3,062)</b>	<b>(\$403)</b>	<b>(15.2%)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$3,469</b>	<b>(\$6,533)</b>	<b>(\$3,692)</b>	<b>(\$1,782)</b>	<b>\$4,751</b>	<b>72.7</b>
<b>Beginning Reserve</b>	<b>\$32,287</b>	<b>\$35,756</b>	<b>\$35,756</b>	<b>\$32,064</b>	<b>(\$3,692)</b>	<b>(10.3)</b>
<b>Ending Reserve</b>	<b>\$35,756</b>	<b>\$29,223</b>	<b>\$32,064</b>	<b>\$30,282</b>	<b>\$1,059</b>	<b>3.6%</b>
<b>Target Reserve</b>	<b>\$33,641</b>	<b>\$11,312</b>	<b>\$10,654</b>	<b>\$9,366</b>	<b>(\$1,946)</b>	<b>(17.2%)</b>

**Revenues**

Operating Revenues  
\$23,355,000



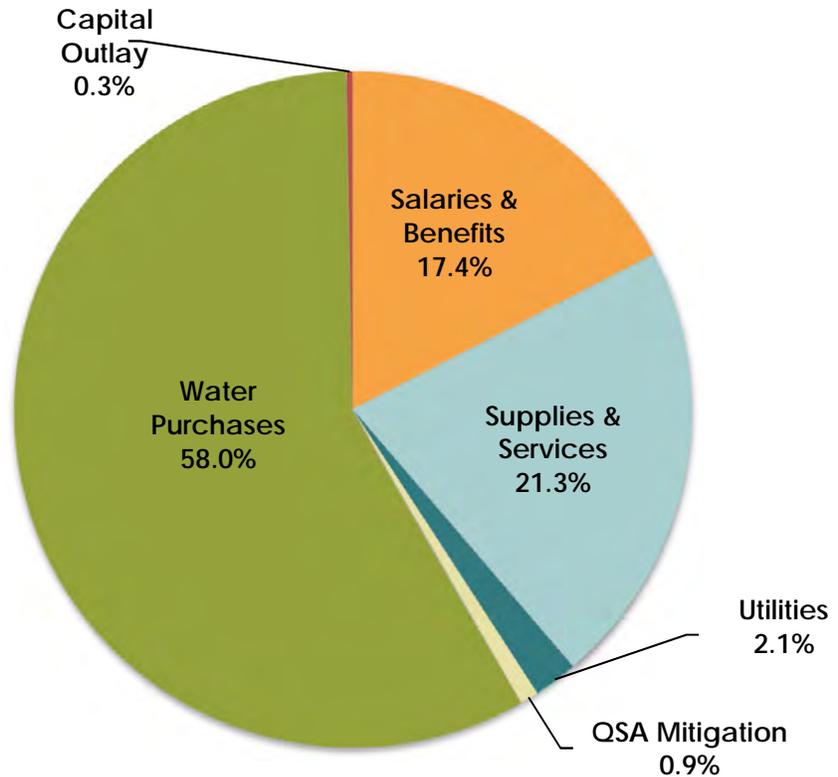
**WATER SALES** comprise 15.3% of the revenue. Water sales are revenues generated from the sale of reclaimed wastewater (recycled) and Colorado River water (canal water) via the Mid-Valley Pipeline, or a blend of recycled water and canal water.

**REPLENISHMENT CHARGES** comprise 72.6% of the revenue. The replenishment charge revenues are budgeted based on the amount of water expected to be pumped from the aquifer (well production) multiplied by the RAC rate. The RAC rate remains unchanged at \$143.80 per acre-foot in fiscal 2021. Replenishment charge revenues are budgeted at \$17 million for fiscal 2021, a decrease of 4.5% from fiscal 2020. This is the result of budgeted decreases in production.

**PROPERTY TAXES - GENERAL** revenues make up 7.8% of the revenues of the fund, an increase of 3.3% due to budgeted increases in assessed valuations. These property taxes are part of the District’s general discretionary tax revenue and may be allocated as determined by the Board of Directors.

**INVESTMENT INCOME** is budgeted at \$737,000. Investment income is based on the cash balance in the fund and is generated by the combined investments of the District.

**Expenses**  
*Operating Expenses*  
**\$22,075,000**



**SALARIES & BENEFITS** amount to \$3.8 million, an increase of \$400,000 compared to fiscal 2020. This increase reflects the impacts of labor contracts and increases in CalPERS contributions.

**SUPPLIES & SERVICES** are budgeted at \$4.7 million, a decrease of \$208,000. The decreases are in legal, professional services, materials and supplies, and contract services. In addition, other discretionary spending and one-time supplemental costs were reduced as part of the District’s fiscal 2021 budget objectives.

**WATER PURCHASES** are budgeted at \$12.8 million, as compared to \$18.2 million budgeted in fiscal 2020, representing a 29.7% decrease in water purchase costs. The decrease in water costs is primarily attributed to budgeted decreases in water purchased from Rosedale-Rio Bravo along with other miscellaneous water costs.

**QSA MITIGATION** costs are budgeted at \$191,000. The QSA Mitigation costs are based on the amount of QSA water purchased from the Canal Fund. See the East RAC Fund for more information on the QSA Mitigation Costs.

**CAPITAL OUTLAY** is budgeted at \$63,000 for fiscal 2021.

**CAPITAL IMPROVEMENTS** The Capital Improvements Budget of \$2 million is primarily for construction on Phase 2 of the Palm Desert Replenishment Facility (PDRF). Phase 2 of the PDRF is projected to be completed in fiscal 2022 and will provide for replenishing Colorado River Water at Wastewater Reclamation Plant 10 (WRP 10) located in Palm Desert. More details on the Capital Improvement Plan are located in the Capital Improvements chapter.

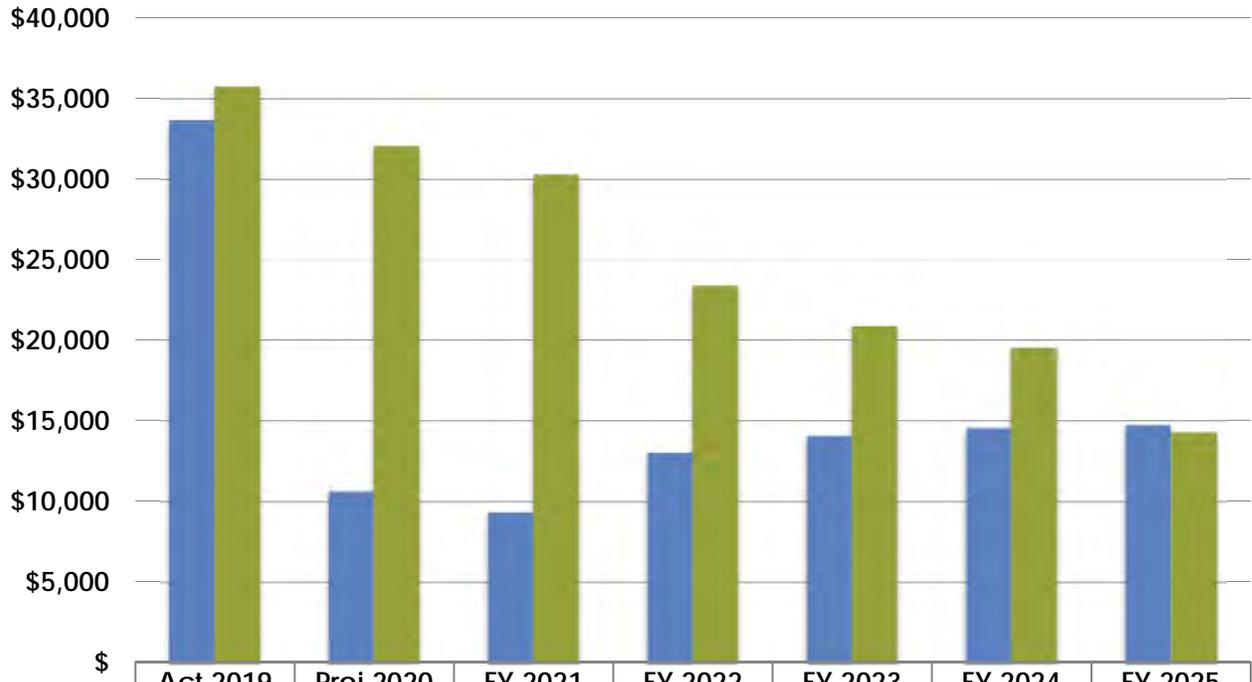
## Five-Year Forecast

The biggest challenge facing the West Whitewater Fund over the next five years is its declining reserve balances. The Fund is projecting negative cash flows of \$17.7 million for the five-year period primarily due to increasing water costs. The five-year budget period includes \$112.1 million in water costs, \$6 million in debt service and \$390,000 in payments to the Motorpool Fund for its share of equipment purchases. The five-year budget includes projected increases in replenishment rates that will provide the Fund with sufficient reserves to meet its reserve target per the District's Reserve Policy through fiscal 2024 but is projected to need additional rate increase in fiscal 2025 and beyond to maintain its reserve levels.

The District has contracted with an outside firm to provide a COSS for the West Whitewater Fund. The study will review existing rate structures, allocates revenue requirements to the various customer classes, evaluates the adequacy of projected revenues under existing rates, makes recommendations for potential revenue adjustments, and develops a sound financial plan for a ten-year period.

<b>WEST WHITEWATER REPLENISHMENT FUND</b>					
<b>FIVE-YEAR FORECAST (000s)</b>					
	Budget	Projected			
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>Revenues</b>					
Water Sales	\$3,568	\$3,749	\$3,977	\$4,219	\$4,219
Replenishment Charges	16,968	24,048	27,588	29,948	32,308
Property Taxes - General	1,827	1,875	1,922	1,975	2,036
Charges for Services	5	5	5	5	5
Intergovernmental Revenue	250	250	250	250	250
Investment Income	737	696	539	481	450
<b>Total Revenues</b>	<b>\$23,355</b>	<b>\$30,623</b>	<b>\$34,281</b>	<b>\$36,878</b>	<b>\$39,268</b>
<b>% Change From Prior Year</b>	<b>(2.1%)</b>	<b>31.1%</b>	<b>11.9%</b>	<b>7.6%</b>	<b>6.5%</b>
<b>Expenses</b>					
Salaries & Benefits (net of capitalized labor)	\$3,843	\$4,023	\$4,389	\$4,661	\$4,789
Supplies & Services	4,710	4,804	4,922	5,043	5,167
Utilities	464	478	492	508	524
QSA Mitigation Payments	191	613	559	564	53
Water Purchases	12,804	22,470	24,839	25,600	26,362
Capital Outlay	63	63	63	63	63
<b>Total Expenses</b>	<b>\$22,075</b>	<b>\$32,451</b>	<b>\$35,264</b>	<b>\$36,439</b>	<b>\$36,958</b>
<b>% Change From Prior Year</b>	<b>(20.4%)</b>	<b>47.0%</b>	<b>8.7%</b>	<b>3.3%</b>	<b>1.4%</b>
<b>Operating Income (Loss)</b>	<b>\$1,280</b>	<b>(\$1,828)</b>	<b>(\$983)</b>	<b>\$439</b>	<b>\$2,310</b>
<b>% Change From Prior Year</b>	<b>133.0%</b>	<b>(242.8%)</b>	<b>46.2%</b>	<b>144.7%</b>	<b>426.2%</b>
<b>Nonoperating Revenues (Expenses)</b>					
Debt Service - Interfund	(\$1,200)	(\$1,200)	(\$1,200)	(\$1,200)	(\$1,200)
Capital Improvement Budget	(1,992)	(3,907)	(220)	(480)	(6,220)
Contribution to Motorpool CIP	(20)	(56)	(118)	(112)	(84)
Grant Revenue	50	50	-	-	-
Capital Grant Revenue	100	100	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$3,062)</b>	<b>(\$5,013)</b>	<b>(\$1,538)</b>	<b>(\$1,792)</b>	<b>(\$7,504)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>(\$1,782)</b>	<b>(\$6,841)</b>	<b>(\$2,521)</b>	<b>(\$1,353)</b>	<b>(\$5,194)</b>
<b>Beginning Reserve</b>	<b>\$32,064</b>	<b>\$30,282</b>	<b>\$23,441</b>	<b>\$20,920</b>	<b>\$19,567</b>
<b>Ending Reserve</b>	<b>\$30,282</b>	<b>\$23,441</b>	<b>\$20,920</b>	<b>\$19,567</b>	<b>\$14,373</b>
<b>% Change From Prior Year</b>	<b>3.6%</b>	<b>(22.6%)</b>	<b>(10.8%)</b>	<b>(6.5%)</b>	<b>(26.5%)</b>
<b>Target Reserve</b>	<b>\$9,366</b>	<b>\$13,052</b>	<b>\$14,084</b>	<b>\$14,549</b>	<b>\$14,790</b>

**WEST WHITEWATER REPLENISHMENT FUND RESERVE (000s)**



	Act 2019	Proj 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Target Reserve	\$33,641	\$10,654	\$9,366	\$13,052	\$14,084	\$14,549	\$14,790
Actual Reserve	\$35,756	\$32,064	\$30,282	\$23,441	\$20,920	\$19,567	\$14,373

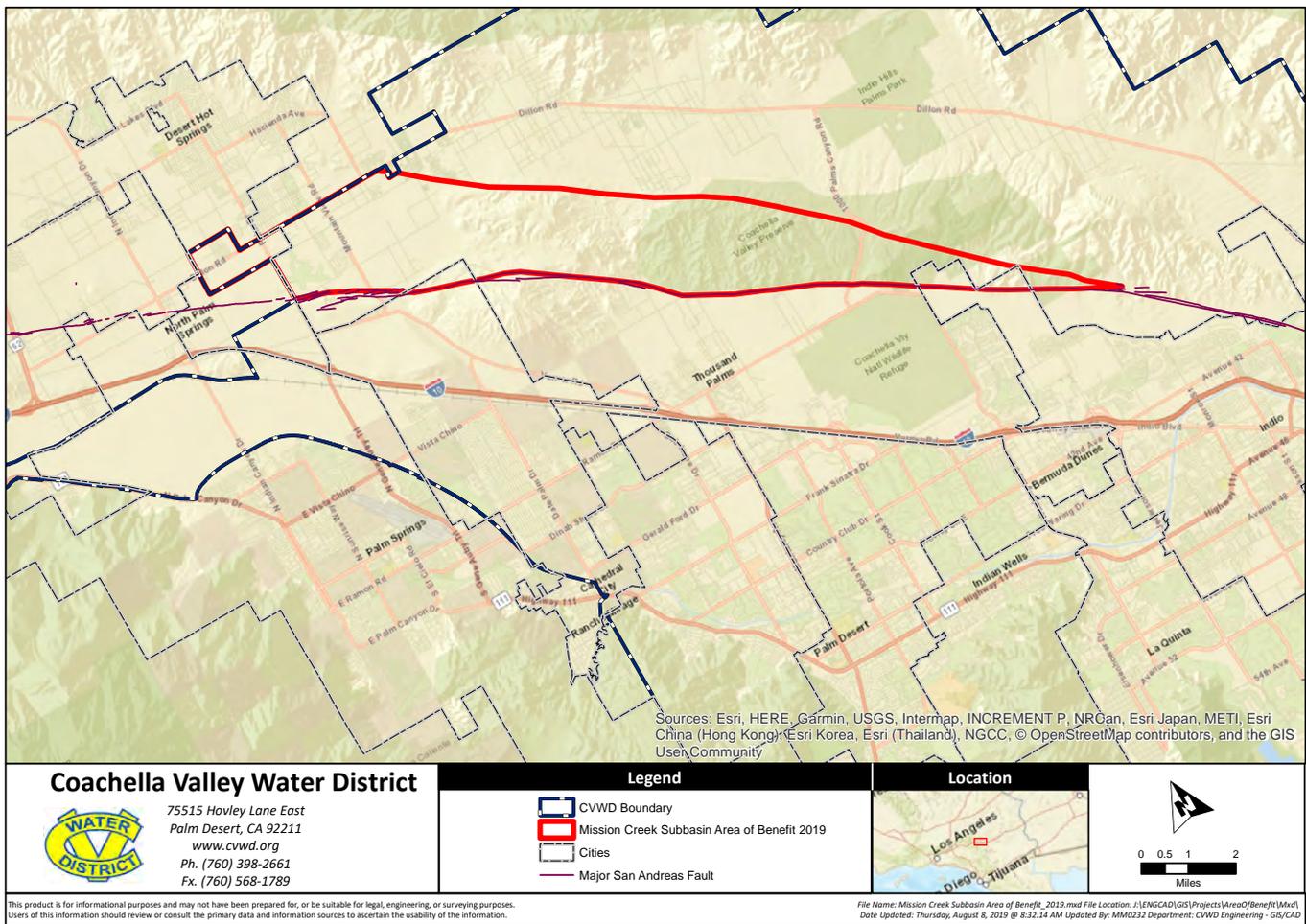
## MISSION CREEK REPLENISHMENT FUND

### Background

The Mission Creek Subbasin Area of Benefit (AOB) is bound on the south by the Banning fault and on the north and east by the Mission Creek fault as depicted in the map below. This subbasin relies on the same imported SWP exchange water source, as does the West Whitewater River Subbasin AOB. CVWD and DWA began constructing facilities to replenish the Mission Creek subbasin in 2001, and completed them in 2002. In 2003, recognizing that management of the Mission Creek Subbasin extended across agency boundaries, CVWD and DWA entered into the Mission Creek Groundwater Replenishment Agreement. This agreement recognizes the need to operate the subbasin as a complete unit rather than as individual segments delineated by agency boundaries.

The following map shows the Mission Creek AOB, along with CVWD boundaries.

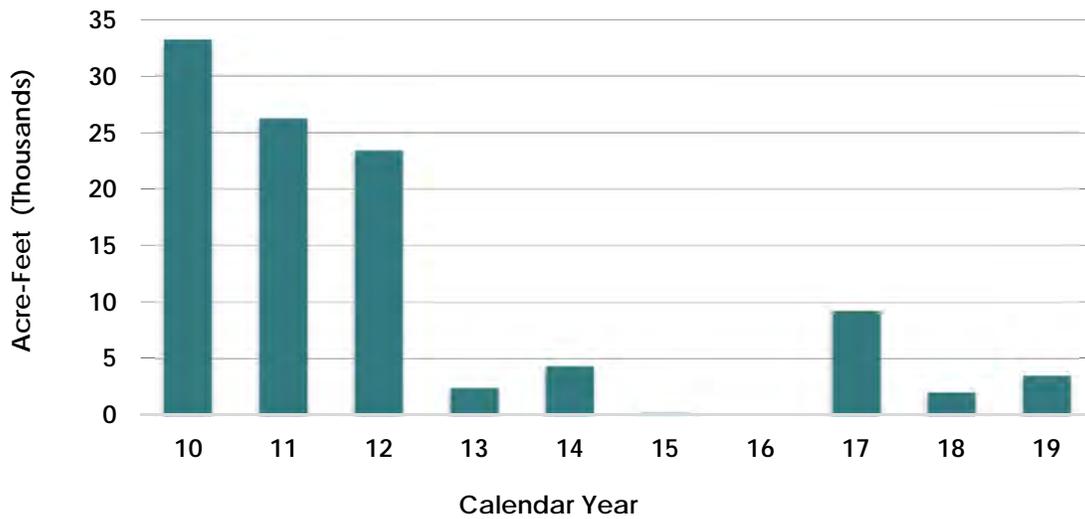
Mission Creek Subbasin Area of Benefit



To date, CVWD and DWA have replenished 165,086 af in the Mission Creek Subbasin AOB. The graph below shows the annual volume replenished at the Mission Creek Replenishment facility over the last ten calendar years. The amount of water replenished varies each year, due in part to the 1984 Advance Delivery Agreement between CVWD, DWA, and MWD, whereby MWD is allowed to predeliver water in the Mission Creek Subbasin. There were 3,498 af of water deliveries to the Mission Creek Replenishment facility in calendar 2019.

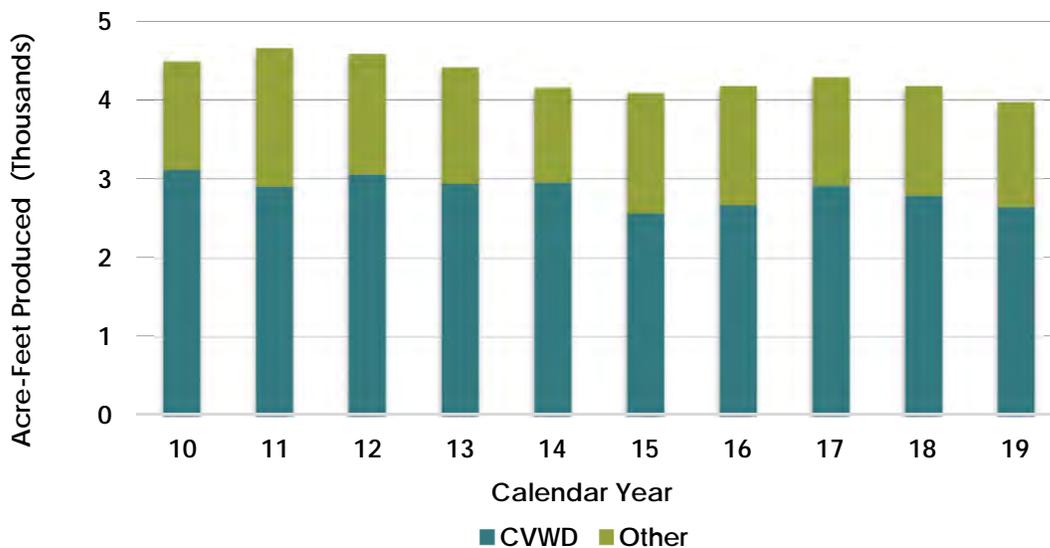
In 2019, there were four producers subject to the RAC in CVWD’s Mission Creek Subbasin AOB that pumped 3,973 af of water. Of that total production, 2,642 af were produced by CVWD wells for use as domestic water.

**MISSION CREEK SUBBASIN AOB  
TEN-YEAR HISTORY OF ACRE-FEET REPLENISHED**

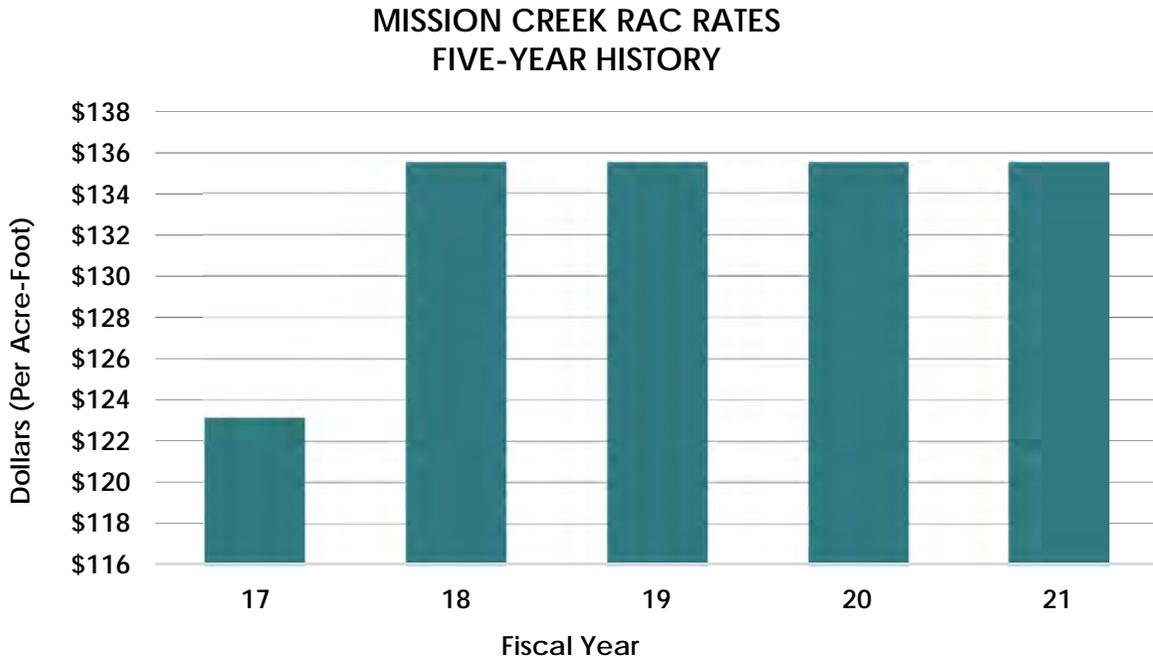


Annual production for the Mission Creek Subbasin AOB is depicted in the chart below.

**MISSION CREEK SUBBASIN AOB  
TEN-YEAR HISTORY OF ACRE-FEET PRODUCED**



The graph below shows the five-year history of replenishment rates for the Mission Creek Replenishment Fund. The rates have remained the same since fiscal 2018.



### *Budget Summary*

In fiscal 2014, the SWP Fund was eliminated and all revenues and expenses were allocated to the three replenishment funds. In fiscal 2020, the District determined that it would reconstitute the SWP Fund to better account for the revenue and expense activities. As a result, all SWP related revenues and expenses for fiscal 2020 forward have been reallocated to the reconstituted SWP Fund.

Mission Creek revenues are budgeted to increase \$28,000 as compared to fiscal 2020. The primary reason is the increase in investment income. Operating expenses are budgeted to increase by 16.1% compared to fiscal 2020, due primarily to increases in supplies and services.

Ending reserves for fiscal 2021 are budgeted at \$3.9 million, an increase of \$67,000 from fiscal 2020.

MISSION CREEK REPLENISHMENT FUND						
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RESERVE (000s)						
	Actual FY 2019	Budget FY 2020	Projected FY 2020	Budget FY 2021	Budget Change	% Change
<b>Revenues</b>						
Replenishment Charges	\$550	\$590	\$590	\$590	\$ -	-
Property Taxes (SWP)	6,141	-	-	-	-	-
Charges for Services	50	-	-	-	-	-
Investment Income	28	58	58	86	28	48.3
<b>Total Revenues</b>	<b>\$6,769</b>	<b>\$648</b>	<b>\$648</b>	<b>\$676</b>	<b>\$28</b>	<b>4.3%</b>
<b>Expenses</b>						
Salaries & Benefits (net of capitalized labor)	\$208	\$242	\$229	\$209	(\$33)	(13.6)
Supplies & Services	338	297	336	410	113	38.0
Utilities	1	1	1	1	-	-
Water Purchases	-	-	50	-	-	-
SWP Allocated Costs	4,936	-	-	-	-	-
Capital Outlay	-	5	4	13	8	160.0
<b>Total Expenses</b>	<b>\$5,483</b>	<b>\$545</b>	<b>\$620</b>	<b>\$633</b>	<b>\$88</b>	<b>16.1%</b>
<b>Operating Income (Loss)</b>	<b>\$1,286</b>	<b>\$103</b>	<b>\$28</b>	<b>\$43</b>	<b>(\$60)</b>	<b>(58.3%)</b>
<b>Nonoperating Revenues (Expenses)</b>						
Contribution to Motorpool CIP	\$ -	(\$3)	(\$3)	(\$1)	\$2	66.7
CalPERS Liability Buy-down	(53)	-	-	-	-	-
Grant Revenue	-	-	-	100	100	-
Other Revenue (Expense)	5	-	-	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$48)</b>	<b>(\$3)</b>	<b>(\$3)</b>	<b>\$99</b>	<b>\$102</b>	<b>3400.0%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$1,238</b>	<b>\$100</b>	<b>\$25</b>	<b>\$142</b>	<b>\$42</b>	<b>42.0</b>
<b>Beginning Reserve</b>	<b>\$2,484</b>	<b>\$3,722</b>	<b>\$3,722</b>	<b>\$3,747</b>	<b>\$25</b>	<b>0.7</b>
<b>Ending Reserve</b>	<b>\$3,722</b>	<b>\$3,822</b>	<b>\$3,747</b>	<b>\$3,889</b>	<b>\$67</b>	<b>1.8%</b>
<b>Target Reserve</b>	<b>\$3,096</b>	<b>\$198</b>	<b>\$219</b>	<b>\$220</b>	<b>\$22</b>	<b>11.1%</b>

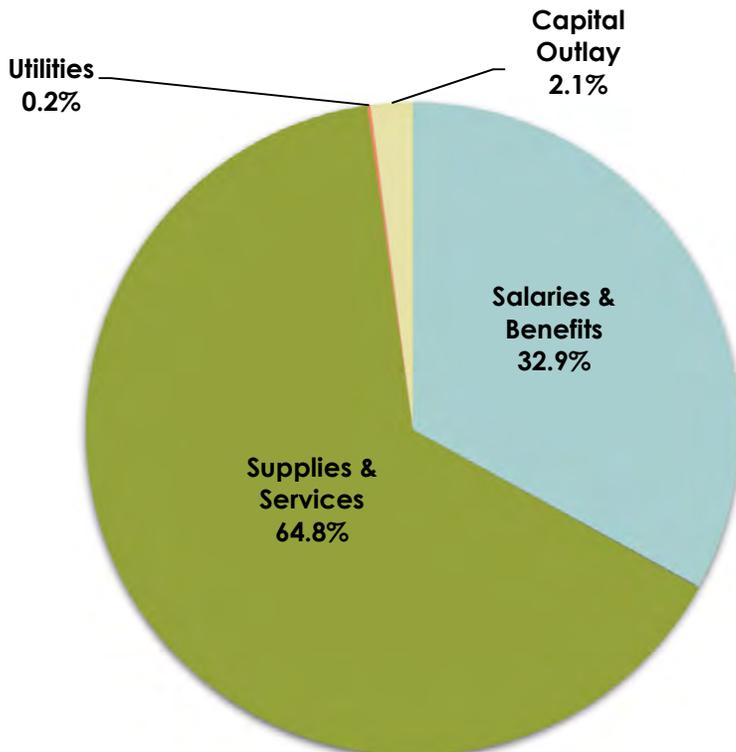
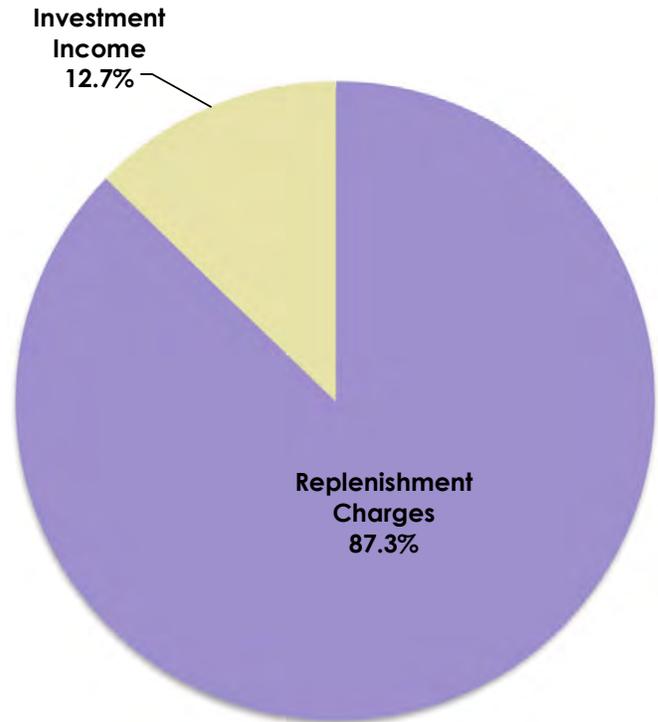
## Revenues

### Operating Revenues

**\$676,000**

**REPLENISHMENT CHARGES** account for 87.3% of total fund revenues and remain consistent with fiscal 2020 revenue. Replenishment charge revenues are based on the amount of water expected to be pumped from the aquifer (well production) multiplied by the RAC rate. The RAC rate for fiscal 2021 remained unchanged at \$135.52 per acre-foot.

**INVESTMENT INCOME** is budgeted at \$86,000. Investment income is based on the cash balance in the fund and is generated by the combined investments of the District.



## Expenses

### Operating Expenses

**\$633,000**

**SALARIES & BENEFITS** amount to \$209,000, a decrease of \$33,000 compared to fiscal 2020.

**SUPPLIES & SERVICES** are budgeted at \$410,000, an increase of \$113,000 from fiscal 2020, primarily due to increases in professional and contract services.

### CAPITAL IMPROVEMENTS

There are no budgeted capital improvements in fiscal 2021.

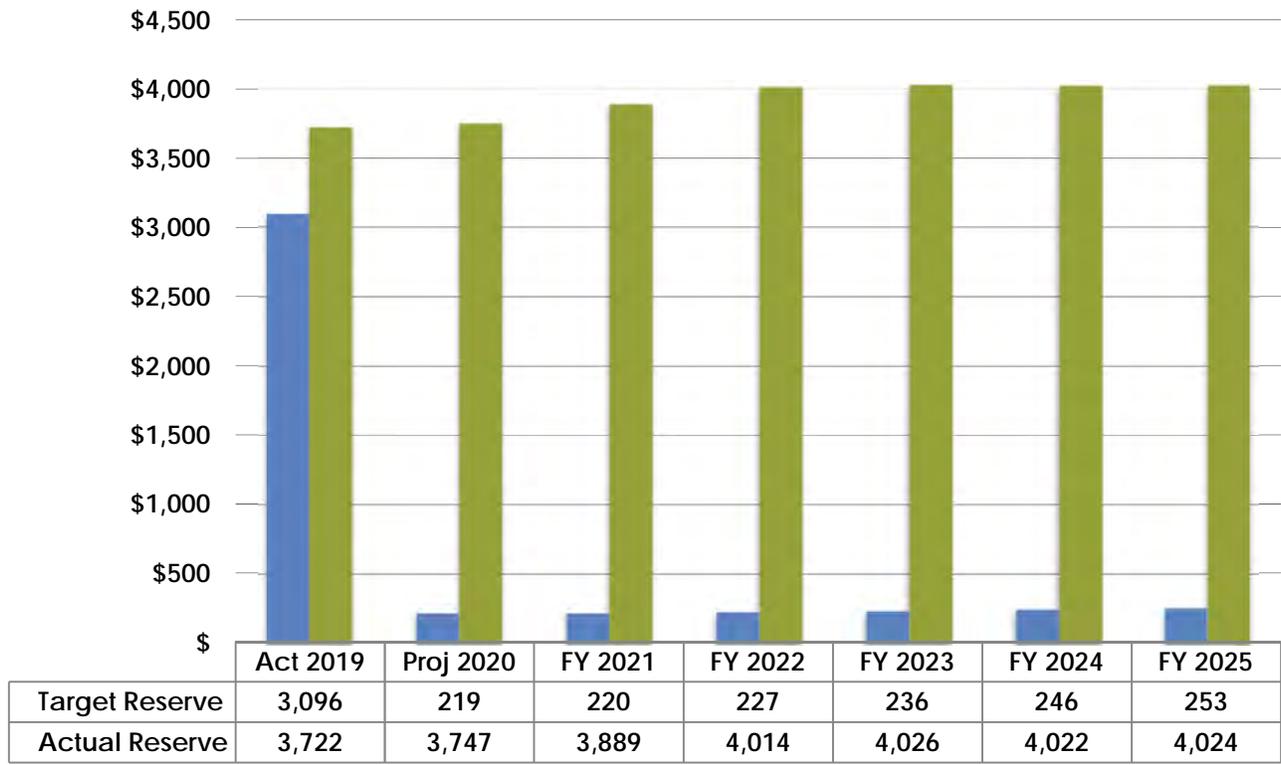
*Five-Year Forecast*

The five-year forecast reflects no annual rate increases. Reserves are fully funded through fiscal 2025 per the District’s Reserve Policy.

The District has contracted with an outside firm to provide a COSS for the Mission Creek Fund. The study will review existing rate structures, allocates revenue requirements to the various customer classes, evaluates the adequacy of projected revenues under existing rates, makes recommendations for potential revenue adjustments, and develops a sound financial plan for a ten-year period.

<b>MISSION CREEK REPLENISHMENT FUND</b>					
<b>FIVE-YEAR FORECAST (000s)</b>					
	Budget	Projected			
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>Revenues</b>					
Replenishment Charges	\$590	\$590	\$603	\$618	\$640
Investment Income	86	89	92	93	93
<b>Total Revenues</b>	<b>\$676</b>	<b>\$679</b>	<b>\$695</b>	<b>\$711</b>	<b>\$733</b>
<b>% Change From Prior Year</b>	<b>4.3%</b>	<b>0.4%</b>	<b>2.4%</b>	<b>2.3%</b>	<b>3.1%</b>
<b>Expenses</b>					
Salaries & Benefits (net of capitalized labor)	\$209	\$221	\$235	\$250	\$266
Supplies & Services	410	419	429	440	451
Utilities	1	1	1	1	1
Capital Outlay	13	13	13	13	13
<b>Total Expenses</b>	<b>\$633</b>	<b>\$654</b>	<b>\$678</b>	<b>\$704</b>	<b>\$731</b>
<b>% Change From Prior Year</b>	<b>16.1%</b>	<b>3.3%</b>	<b>3.7%</b>	<b>3.8%</b>	<b>3.8%</b>
<b>Operating Income (Loss)</b>	<b>\$43</b>	<b>\$25</b>	<b>\$17</b>	<b>\$7</b>	<b>\$2</b>
<b>% Change From Prior Year</b>	<b>(58.3%)</b>	<b>(41.9%)</b>	<b>(32.0%)</b>	<b>(58.8%)</b>	<b>(71.4%)</b>
<b>Nonoperating Revenues (Expenses)</b>					
Contribution to Motorpool CIP	(\$1)	\$ -	(\$5)	(\$11)	\$ -
Grant Revenue	100	100	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$99</b>	<b>\$100</b>	<b>(\$5)</b>	<b>(\$11)</b>	<b>\$ -</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$142</b>	<b>\$125</b>	<b>\$12</b>	<b>(\$4)</b>	<b>\$2</b>
<b>Beginning Reserve</b>	<b>\$3,747</b>	<b>\$3,889</b>	<b>\$4,014</b>	<b>\$4,026</b>	<b>\$4,022</b>
<b>Ending Reserve</b>	<b>\$3,889</b>	<b>\$4,014</b>	<b>\$4,026</b>	<b>\$4,022</b>	<b>\$4,024</b>
<b>% Change From Prior Year</b>	<b>1.8%</b>	<b>3.2%</b>	<b>0.3%</b>	<b>(0.1%)</b>	<b>0.0%</b>
<b>Target Reserve</b>	<b>\$220</b>	<b>\$227</b>	<b>\$236</b>	<b>\$246</b>	<b>\$253</b>

MISSION CREEK REPLENISHMENT FUND RESERVE (000s)



## EAST WHITEWATER REPLENISHMENT FUND

### Background

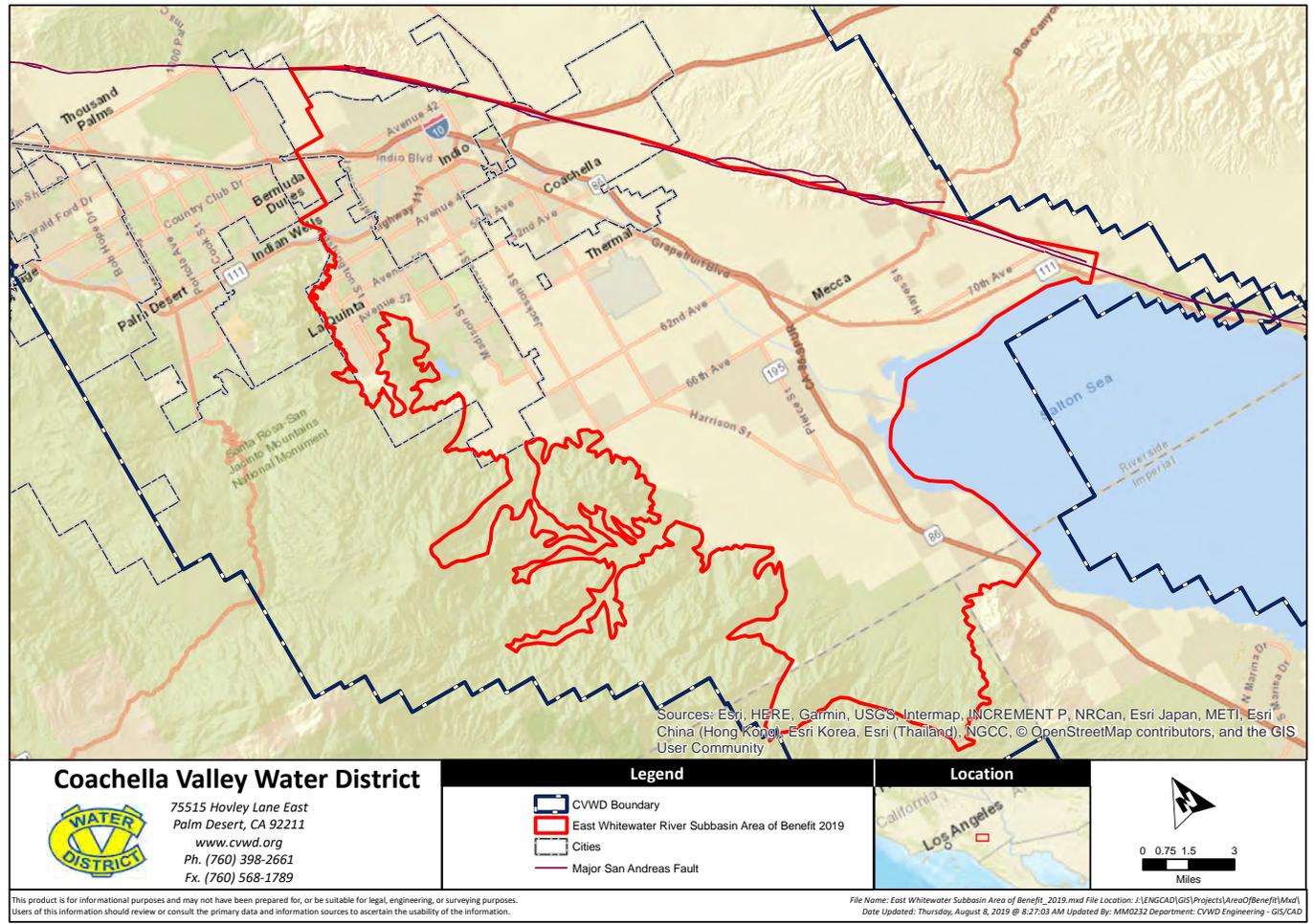
The eastern boundary of the Whitewater River Subbasin is formed primarily by the watershed of the Mecca Hills and by the northwest shoreline of the Salton Sea, running between the Santa Rosa Mountains and Mortmar. The southern boundary roughly coincides with the Riverside/Imperial County line. The western boundary runs from Point Happy in La Quinta, to Indio Hills and the San Andreas Fault.

Groundwater replenishment in the east valley began in 1997, using pilot groundwater replenishment facilities at Dike 4. The Thomas E. Levy Groundwater Replenishment facility (TEL) became operational in June 2009. A loan from the Domestic Water Fund was used to pay for the cost of the new facility. The repayment schedule of the TEL facility has been accelerated from its original 2028 repayment date to 2023.

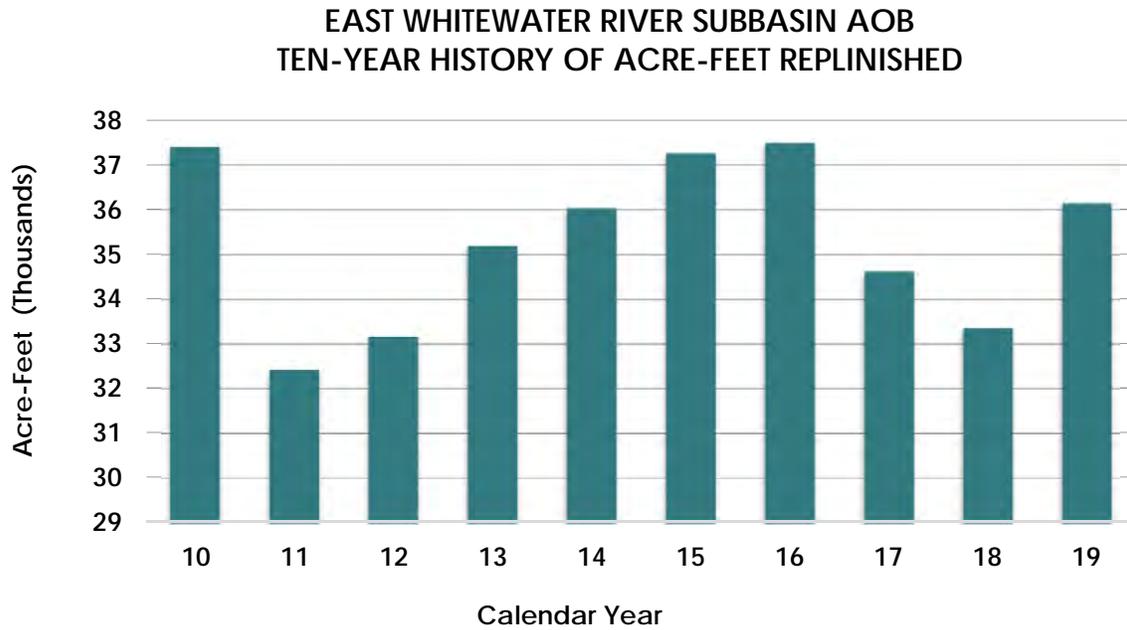
Since 2009, groundwater levels have been elevated an average of 30 feet in the eastern Coachella Valley and as much as 90 feet near the TEL facility. According to a 2014 study released by the U.S. Geological Survey (USGS), average subsidence rates decreased at five locations in the City of La Quinta, near the TEL facility, and in one case, USGS measured ground uplift. These measurements were taken in 2010, after only one full year of operation of the TEL facility.

The following map shows the East Whitewater AOB, along with CVWD Boundaries.

East Whitewater River Subbasin Area of Benefit



The graph below depicts the amount of water replenished in this subbasin for the last ten calendar years.



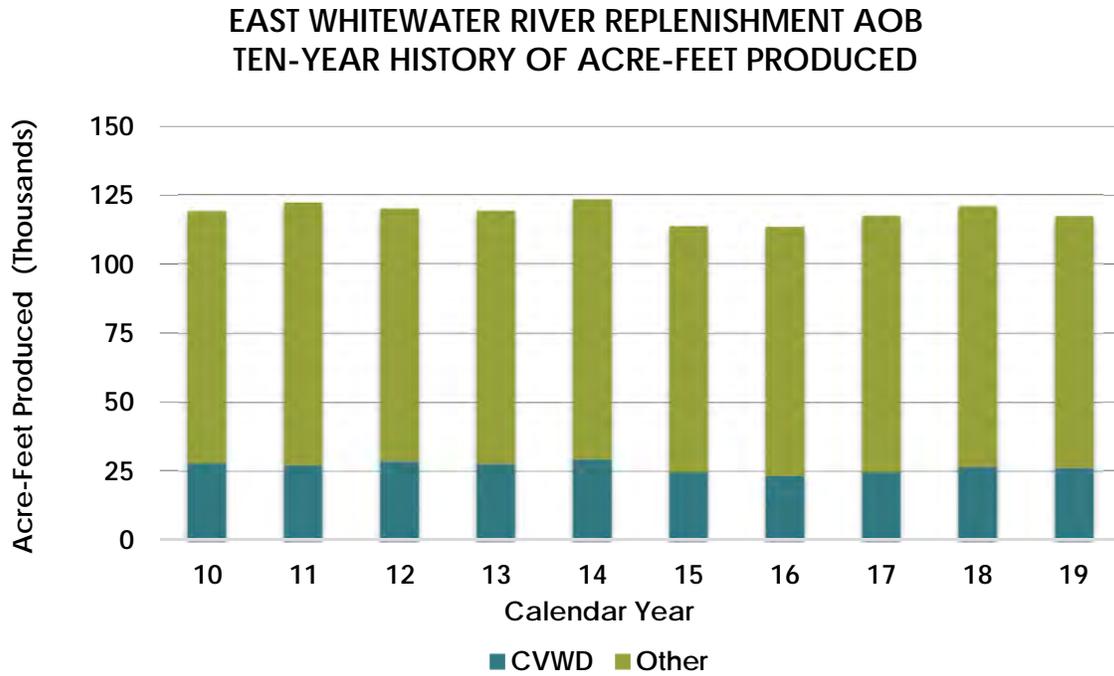
To date, CVWD has replenished 412,889 af of water in this AOB. The water is supplied from the Colorado River via the Coachella Branch of the All American Canal.

Of the 112 producers subject to the RAC in CVWD’s East Whitewater River Subbasin AOB in 2019, 27 were “self-reporters.” Self-reporters are producers that read their own water meter and report their own groundwater production to the District, rather than entering into an agreement with the District to allow District staff to read their meter and report their production. The District requires these producers to accurately and timely report the volume of water they pump from all their wells located within the AOB on a monthly basis. The District performs audits on these self-reporters, along with aggressively identifying producers that do not accurately report the amount of water produced. If, after investigation, it is determined that groundwater production is under-reported, the District invoices the producers for the past under-reported production.

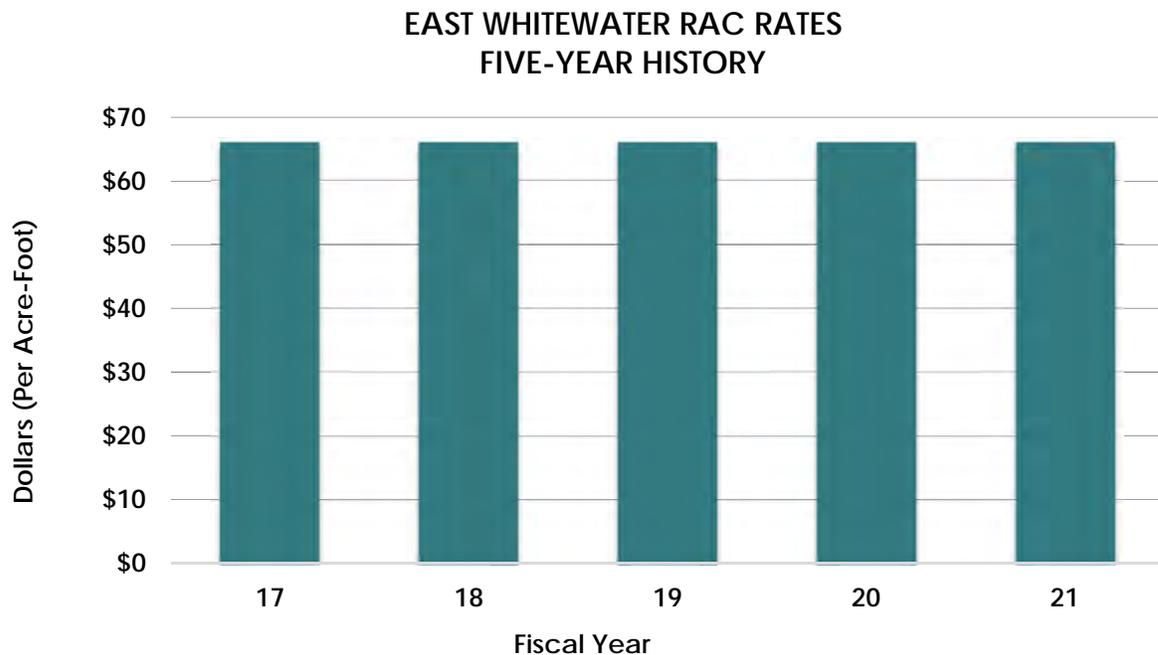
Production is charged to the period it was produced, while the revenues are reported in the fiscal year invoiced. As a result, production numbers reported for prior years will be updated, as necessary.

The 112 producers subject to the RAC in CVWD’s East Whitewater River Subbasin AOB pumped 117,269 af of water from the aquifer in 2019, a decrease of 3,666 af from 2018. Of the 117,269 af produced in 2019, CVWD’s wells produced 26,278 af for use as domestic water as compared to 26,651 af in 2018, a decrease of 373 af.

The graph below shows the amount of water produced for the last ten calendar years.



The graph below shows the five-year history of replenishment rates for the East Whitewater Replenishment Fund. The rates have remained the same since fiscal 2017.



## Budget Summary

In fiscal 2014, the SWP Fund was eliminated and all revenues and expenses were allocated to the three replenishment funds. In fiscal 2020, the District determined that it would reconstitute the SWP Fund to better account for the revenue and expense activities. As a result, all SWP related revenues and expenses for fiscal 2020 forward have been reallocated to the reconstituted SWP Fund.

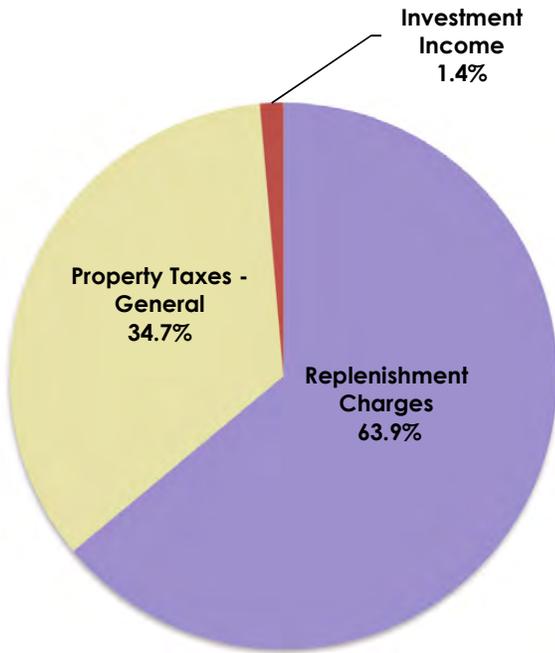
East Whitewater revenues are budgeted 2.5% lower as compared to the fiscal 2020. Replenishment revenues are budgeted to decrease 2.2% due to lower budgeted production. Operating expenses are budgeted to decrease by 1.4% compared to fiscal 2020 primarily due to decreased QSA Mitigation, utilities, and capital outlay costs. Ending reserves for fiscal 2021 are budgeted at \$261,000, a decrease of \$7.1 million. The decrease in reserves is primarily attributed to no replenishment rate increase in fiscal 2021 to offset the nonoperating expenses of \$10.1 million.

EAST WHITWATER REPLENISHMENT FUND						
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RESERVE (000s)						
	Actual FY 2019	Budget FY 2020	Projected FY 2020	Budget FY 2021	Budget Change	% Change
<b>Revenues</b>						
Replenishment Charges	\$7,629	\$8,099	\$8,099	\$7,920	(\$179)	(2.2)
Property Taxes - General	-	4,258	4,258	4,298	40	0.9
Property Taxes - (SWP)	9,989	-	-	-	-	-
Charges for Services	45	-	-	-	-	-
Investment Income	399	353	353	169	(184)	(52.1)
<b>Total Revenues</b>	<b>\$18,062</b>	<b>\$12,710</b>	<b>\$12,710</b>	<b>\$12,387</b>	<b>(\$323)</b>	<b>(2.5%)</b>
<b>Expenses</b>						
Salaries & Benefits (net of capitalized labor)	\$1,482	\$1,574	\$1,568	\$1,889	\$315	20.0
Supplies & Services	1,261	1,758	1,301	2,223	465	26.5
Utilities	1,029	1,049	942	952	(97)	(9.2)
Water Purchases	3,873	3,881	3,976	3,881	-	-
QSA Mitigation Payments	6,633	1,080	1,080	548	(532)	(49.3)
Capital Outlay	26	334	351	51	(283)	(84.7)
<b>Total Expenses</b>	<b>\$14,304</b>	<b>\$9,676</b>	<b>\$9,218</b>	<b>\$9,544</b>	<b>(\$132)</b>	<b>(1.4%)</b>
<b>Operating Income (Loss)</b>	<b>\$3,758</b>	<b>\$3,034</b>	<b>\$3,492</b>	<b>\$2,843</b>	<b>(\$191)</b>	<b>(6.3%)</b>
<b>Nonoperating Revenues (Expenses)</b>						
Debt Service - Interfund Loan	(\$8,983)	(\$13,267)	(\$13,385)	(\$9,278)	\$3,989	30.1
Capital Improvement Budget	(6,905)	(704)	(649)	(835)	(131)	(18.6)
Contribution to Motorpool CIP	(57)	(20)	(20)	(9)	11	55.0
CalPERS Liability Buy-down	(381)	-	-	-	-	-
Grant Revenue	-	-	-	50	50	-
Other Revenue (Expenses)	349	261	-	-	(261)	(100.0)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$15,977)</b>	<b>(\$13,730)</b>	<b>(\$14,054)</b>	<b>(\$10,072)</b>	<b>\$3,658</b>	<b>26.6%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>(\$12,219)</b>	<b>(\$10,696)</b>	<b>(\$10,562)</b>	<b>(\$7,229)</b>	<b>\$3,467</b>	<b>32.4</b>
<b>Beginning Reserve</b>	<b>\$30,271</b>	<b>\$18,052</b>	<b>\$18,052</b>	<b>\$7,490</b>	<b>(\$10,562)</b>	<b>(0.6)</b>
<b>Ending Reserve</b>	<b>\$18,052</b>	<b>\$7,356</b>	<b>\$7,490</b>	<b>\$261</b>	<b>(\$7,095)</b>	<b>(96.5%)</b>
<b>Target Reserve</b>	<b>\$3,348</b>	<b>\$3,606</b>	<b>\$3,486</b>	<b>\$3,867</b>	<b>\$261</b>	<b>7.2%</b>

## Revenues

### Operating Revenues

**\$12,387,000**



**REPLENISHMENT CHARGES** comprise 63.9% of the revenue. The replenishment charge budget is based on the amount of water expected to be pumped from the aquifer (well production), multiplied by the RAC rate. The RAC rate for fiscal 2021 will remain at the fiscal 2020 rate of \$66 per af. Replenishment charge revenues are budgeted at \$7.9 million for fiscal 2021, a decrease of 2.2% from fiscal 2020 due to decreased budgeted production.

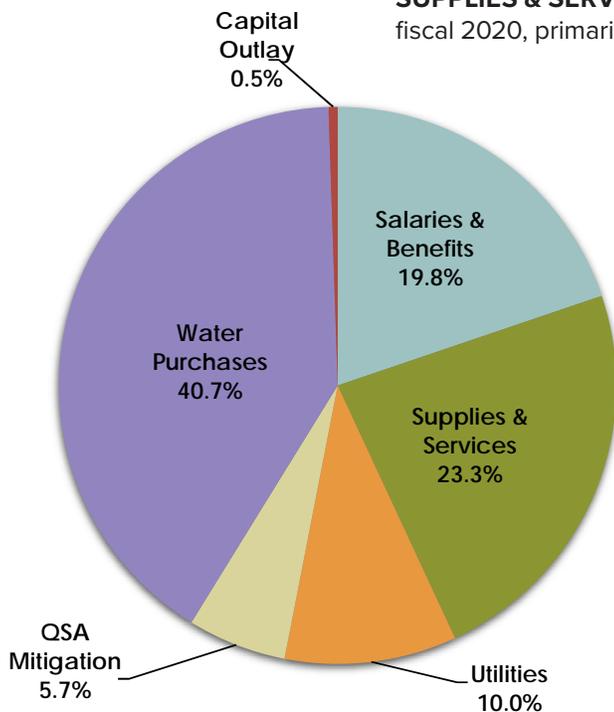
**PROPERTY TAX – GENERAL** revenues make up 34.7% of the revenues of the fund. These property taxes are part of the District’s general discretionary tax revenue and may be allocated as determined by the Board of Directors.

**INVESTMENT INCOME** is budgeted at \$169,000. Investment income is based on the cash balance in the fund and is generated by the combined investments of the District.

## Expenses

### Operating Expenses

**\$9,544,000**



**SALARIES & BENEFITS** amount to \$1.9 million, an increase of \$315,000 compared to fiscal 2020. This increase reflects the impacts of labor contracts, increases in CalPERS contributions.

**SUPPLIES & SERVICES** are budgeted at \$2.2 million, an increase of \$465,000 over fiscal 2020, primarily due to increased legal fees and professional services.

**WATER PURCHASES** are budgeted at \$3.9 million. This is the same as fiscal 2020 due to the same rates being charged for the Canal water. The Fund purchases its water from the Canal Water Fund at the nonagricultural rate, which consists of the Class 1 rate, plus the Water Supply Surcharge, plus Quagga Mussel surcharge. The cost of water purchased from the Canal Fund remained at \$104.90 per acre-foot. The Canal rates can be found in the Canal Water Fund section of this chapter.

**UTILITIES** are budgeted at \$1 million, a decrease of \$97,000 from fiscal 2020.

**CAPITAL OUTLAY** is budgeted at \$51,000 for fiscal 2021, a decrease of \$283,000 primarily due to the District’s budget objectives of reducing discretionary supplemental costs.

**QSA MITIGATION** costs are budgeted at \$548,000, a decrease of \$532,000. The QSA Mitigation costs are based on the amount of QSA water purchased from the Canal Fund. The table on the following page depicts the full contract payment schedule.

**QSA MITIGATION PAYMENT SCHEDULE**

CALENDAR YEAR	ORIGINAL FUNDING SCHEDULE	REVISED FUNDING SCHEDULE (2007)	FY 2020 ADVANCE	ADJUSTMENT FOR ADVANCES	TOTAL CALENDAR YEAR PAYMENTS
2019	\$745,350	\$745,350	\$1,000,000		\$1,745,350
2020	\$738,869	\$738,869			\$738,869
2021	\$2,697,555	\$2,697,555			\$2,697,555
2022	\$2,706,745	\$2,706,745			\$2,706,745
2023	\$6,953,711	\$6,953,711		(\$4,220,705)	\$2,733,006
2024	\$2,748,523	\$2,748,523		(\$2,596,647)	\$151,876
2025	\$1,446,565	\$1,446,565		(\$881,435)	\$565,130

**Capital Improvements**

The Capital Improvement Budget amounts to \$835,000. Included in the fiscal 2021 CIP budget is \$500,000 for design work on Phase 2 of the Oasis In-lieu Recharge project, \$200,000 for design work on the connection of two golf courses to the canal system, along with \$135,000 for the Fund’s share of General District projects. More details are located in the Capital Improvement chapter.

**Debt Service**

Debt service is the payment on the 15-year Interfund loan from the Domestic Water Fund. It is budgeted at \$9.3 million in fiscal 2021, a decrease of \$4 million due to re-amortizing the loan.

**Five-Year Forecast**

Replenishment revenues (RAC) are projected to increase significantly over the five-year budget period due to rate increases. RAC increases are necessary to fund increasing water costs and to fund CIP projects. Approximately \$52.7 million in capital improvements are included in the five-year forecast, offset by projected debt proceeds of \$45 million.

The main capital improvement project is the construction of the Oasis In-Lieu Recharge Project. This project is the expansion of the irrigation distribution system to landowners in the southeastern part of the Coachella Valley who do not currently have access to canal water for irrigation purposes. More information on the project can be found in the Capital Improvement chapter. The Fund will utilize the District’s line of credit with the Bank of the West in the initial construction period and then procure long-term financing when the project is complete.

The interfund loan with the Domestic Water Fund is currently scheduled to be paid off in fiscal 2023.

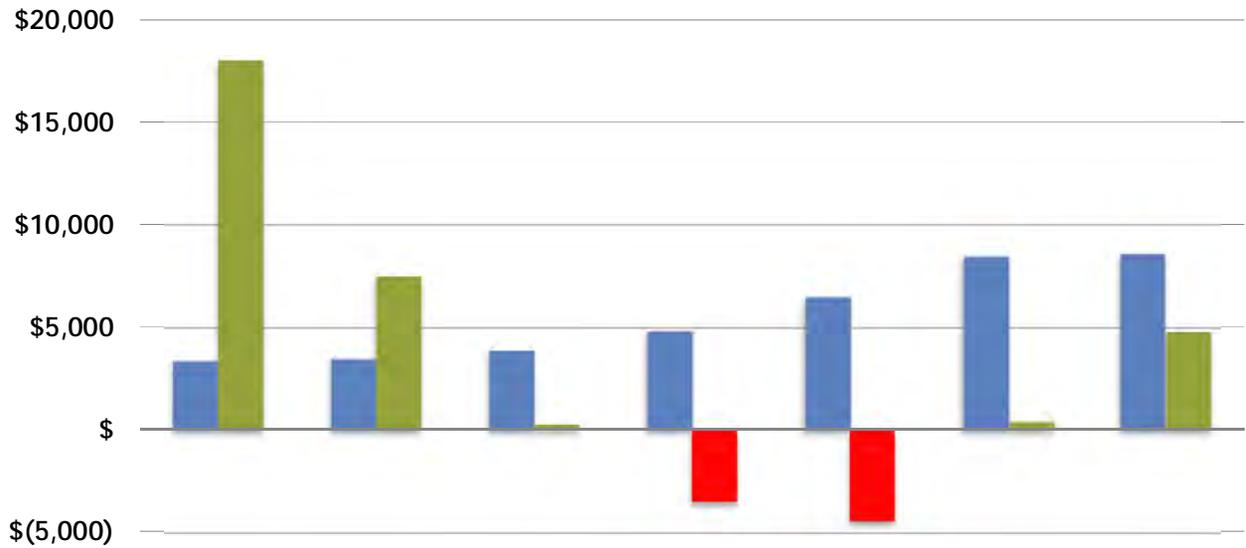
Reserves will be under funded throughout the five-year period. Once the Oasis project is completed the Fund will see a significant reduction in production, and revenue, as landowners discontinue pumping water from the aquifer and begin using canal water. The Fund will be under significant pressure to increase the RAC rate to offset continued declines in production.

The District has contracted with an outside firm to provide a COSS for the East Whitewater Fund. The study will review existing rate structures, allocate revenue requirements to the various customer classes, evaluate the adequacy of projected revenues under existing rates, make recommendations for potential revenue adjustments, and develop a sound financial plan for a ten-year period.

**EAST WHITEWATER REPLENISHMENT FUND  
FIVE-YEAR FORECAST (000s)**

	Budget	Projected			
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>Revenues</b>					
Replenishment Charges	\$7,920	\$10,560	\$13,200	\$15,840	\$15,840
Property Taxes - General	4,298	4,289	5,602	7,243	7,261
Investment Income	169	6	-	-	9
<b>Total Revenues</b>	<b>\$12,387</b>	<b>\$14,855</b>	<b>\$18,802</b>	<b>\$23,083</b>	<b>\$23,110</b>
<b>% Change From Prior Year</b>	<b>(2.5%)</b>	<b>19.9%</b>	<b>26.6%</b>	<b>22.8%</b>	<b>0.1%</b>
<b>Expenses</b>					
Salaries & Benefits (net of capitalized labor)	\$1,889	\$2,004	\$2,128	\$2,264	\$2,411
Supplies & Services	2,223	2,267	2,323	2,380	2,439
Utilities	952	982	1,011	1,041	1,072
Water Purchases	3,881	6,407	6,838	7,046	7,253
QSA Mitigation Payments	548	2,085	2,148	2,169	99
Capital Outlay	51	51	51	51	51
<b>Total Expenses</b>	<b>\$9,544</b>	<b>\$13,796</b>	<b>\$14,499</b>	<b>\$14,951</b>	<b>\$13,325</b>
<b>% Change From Prior Year</b>	<b>(1.4%)</b>	<b>44.6%</b>	<b>5.1%</b>	<b>3.1%</b>	<b>(10.9%)</b>
<b>Operating Income (Loss)</b>	<b>\$2,843</b>	<b>\$1,059</b>	<b>\$4,303</b>	<b>\$8,132</b>	<b>\$9,785</b>
<b>% Change From Prior Year</b>	<b>(6.3%)</b>	<b>(62.8%)</b>	<b>306.3%</b>	<b>89.0%</b>	<b>20.3%</b>
<b>Nonoperating Revenues (Expenses)</b>					
Debt Service - Interfund Loan	(\$9,278)	(\$2,104)	(\$2,184)	(\$102)	\$ -
Debt Service	-	-	(1,300)	(2,925)	(2,925)
Loan Proceeds	-	-	-	45,000	-
Bank of the West Draws	-	15,000	15,000	(30,000)	-
Capital Improvement Budget	(835)	(17,703)	(16,660)	(15,150)	(2,400)
Contribution to Motorpool CIP	(9)	(52)	(116)	(111)	(74)
Grant Revenue	50	50	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$10,072)</b>	<b>(\$4,809)</b>	<b>(\$5,260)</b>	<b>(\$3,288)</b>	<b>(\$5,399)</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>(\$7,229)</b>	<b>(\$3,750)</b>	<b>(\$957)</b>	<b>\$4,844</b>	<b>\$4,386</b>
<b>Beginning Reserve</b>	<b>\$7,490</b>	<b>\$261</b>	<b>(\$3,489)</b>	<b>(\$4,446)</b>	<b>\$398</b>
<b>Ending Reserve</b>	<b>\$261</b>	<b>(\$3,489)</b>	<b>(\$4,446)</b>	<b>\$398</b>	<b>\$4,784</b>
<b>% Change From Prior Year</b>	<b>(96.5%)</b>	<b>(1436.8%)</b>	<b>(27.4%)</b>	<b>109.0%</b>	<b>1102.0%</b>
<b>Target Reserve</b>	<b>\$3,867</b>	<b>\$4,846</b>	<b>\$6,478</b>	<b>\$8,484</b>	<b>\$8,601</b>

EAST WHITEWATER REPLENISHMENT FUND RESERVE (000s)



	Act 2019	Proj 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Target Reserve	\$3,348	\$3,486	\$3,867	\$4,846	\$6,478	\$8,484	\$8,601
Actual Reserve	\$18,052	\$7,490	\$261	(\$3,489)	(\$4,446)	\$398	\$4,784

# *INTERNAL SERVICE FUNDS*



# INTERNAL SERVICE FUNDS — FISCAL 2020 - 21 BUDGET

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or funds of the District. Internal Service Funds are expressly designed to function as cost-reimbursement devices. These funds accumulate costs related to an activity on an accrual basis, so that the costs can subsequently be allocated to the benefitting funds or departments in the form of fees and charges. Internal Service Funds are appropriate when the intent is to recover the full cost of providing the activity.

CVWD operates three funds in this manner: Motorpool Fund, Workers' Compensation Self-Insurance Fund, and Dental Self-Insurance Fund.

MOTORPOOL INTERNAL SERVICE FUND						
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RESERVE (000s)						
	Actual FY 2019	Budget FY 2020	Projected FY 2020	Budget FY 2021	Budget Change	% Change
<b>Revenues</b>						
Charges for Services	\$4,905	\$4,463	\$4,835	\$5,089	\$626	14.0
Investment Income	32	56	8	38	(18)	(32.1)
Other Revenue	30	-	-	-	-	-
<b>Total Revenues</b>	<b>\$4,967</b>	<b>\$4,519</b>	<b>\$4,843</b>	<b>\$5,127</b>	<b>\$608</b>	<b>13.5%</b>
<b>Expenses</b>						
Salaries & Benefits (net of capitalized labor)	\$2,503	\$2,988	\$2,846	\$3,202	\$214	7.2
Supplies & Services	1,714	2,228	1,943	1,881	(347)	(15.6)
Utilities	3	3	4	3	-	-
Capital Outlay	11	1	2	1	-	-
<b>Total Expenses</b>	<b>\$4,231</b>	<b>\$5,220</b>	<b>\$4,795</b>	<b>\$5,087</b>	<b>(\$133)</b>	<b>(2.5%)</b>
<b>Operating Income (Loss)</b>	<b>\$736</b>	<b>(\$701)</b>	<b>\$48</b>	<b>\$40</b>	<b>\$741</b>	<b>105.7%</b>
<b>Nonoperating Revenues (Expenses)</b>						
Capital Improvement Budget	(\$4,067)	(\$3,870)	(\$3,849)	(\$2,426)	\$1,444	37.3
CIP Contributions from Other Funds	1,824	3,458	3,458	2,379	(1,079)	(31.2)
Capital Improvement Reimbursements	-	-	16	-	-	-
CalPERS Liability Buy-down	(691)	-	-	-	-	-
Other Revenue (Expenses)	324	-	200	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(\$2,610)</b>	<b>(\$412)</b>	<b>(\$175)</b>	<b>(\$47)</b>	<b>\$365</b>	<b>88.6%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>(\$1,874)</b>	<b>(\$1,113)</b>	<b>(\$127)</b>	<b>(\$7)</b>	<b>\$1,106</b>	<b>99.4</b>
<b>Beginning Reserve</b>	<b>\$3,646</b>	<b>\$1,772</b>	<b>\$1,772</b>	<b>\$1,645</b>	<b>(\$127)</b>	<b>(7.2)</b>
<b>Ending Reserve</b>	<b>\$1,772</b>	<b>\$659</b>	<b>\$1,645</b>	<b>\$1,638</b>	<b>\$979</b>	<b>148.6%</b>

## MOTORPOOL

### Background

The Motorpool Fund is used to account for repairs, maintenance, fuel, and services to all District vehicles and equipment. The Motorpool division of the Facilities & Maintenance Department is responsible for management of the District's entire fleet. Services provided by this division include:

- South Coast Air Quality Management District (SCAQMD) compliance
- Vehicle and equipment rental
- Vehicle and equipment maintenance
- Preventative maintenance program
- Unscheduled repairs
- Fuel and parts inventory control
- Vehicle and equipment specifications preparation
- Vehicle and equipment acquisition

### Budget Summary

The fiscal 2021 budget shows reserves increasing by 148.6% or \$979,000, compared to the fiscal 2020 budget. This is mainly due to an increase in charges for service and a reduction in supplies and service and the capital improvement program.

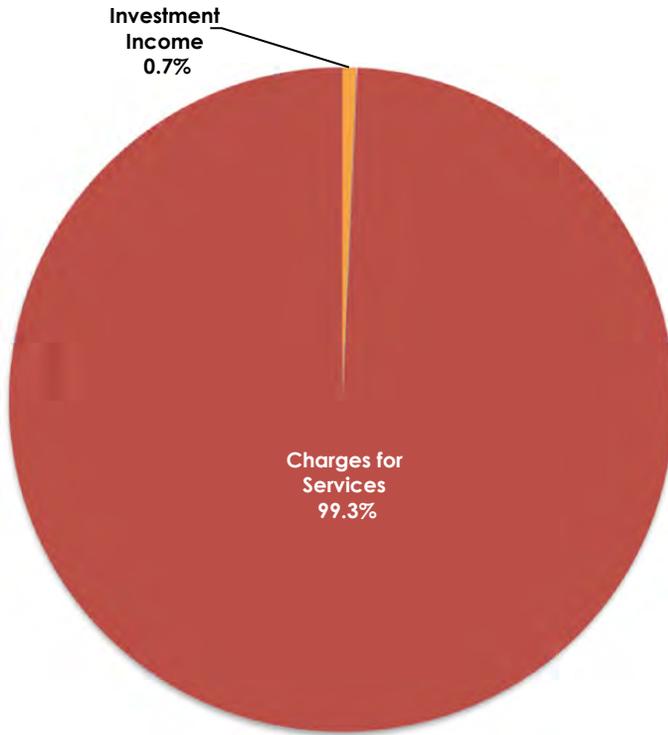
The Motorpool Fund includes capital expenses for vehicle replacements. However, all replacements are actually funded by the appropriate enterprise fund. Instead of accumulating reserves in the Motorpool Fund, each enterprise fund established a designated reserve for vehicle replacements or additions. In fiscal 2021, approximately \$2.4 million is being transferred to the Motorpool Fund to reimburse the fund for capital purchases. Motorpool's proportionate share of the Districtwide Capital Improvement Program is \$47,000.



CVWD Trucks at 100th Anniversary Celebration

**Revenues**

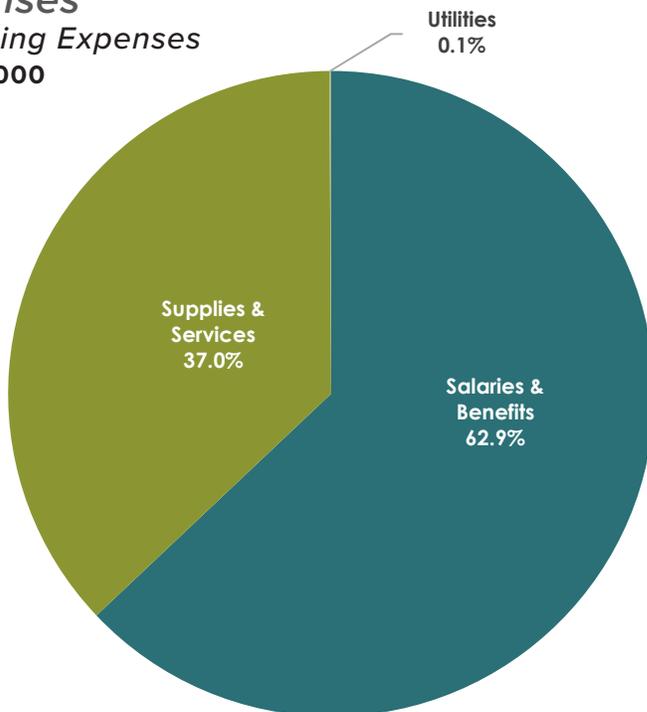
Operating Revenues  
\$5,127,000



**CHARGES FOR SERVICES** amount to \$5.1 million in fiscal 2021. This amount includes operation and maintenance (O&M) and insurance costs, which are charged to user departments. In addition, there is \$38,000 in investment income.

**Expenses**

Operating Expenses  
\$5,087,000



**OPERATING EXPENSES** total \$5.1 million in fiscal 2021.

**SUPPLIES & SERVICES** decreased \$347,000, discretionary spending costs were reduced where possible as part of the District's fiscal 2021 budget objectives.

In addition, there are \$2.4 million in capital improvements budgeted in fiscal 2021. Additional details regarding vehicle equipment replacements are located in the Capital Improvements chapter.

## WORKERS' COMPENSATION SELF-INSURANCE FUND

### Background

This fund accounts for all expenses associated with self-insuring the District's Workers' Compensation program. Rates are assessed against gross salaries as a means of providing revenue to cover workers' compensation claims and administrative costs.

WORKERS' COMPENSATION SELF-INSURANCE INTERNAL SERVICE FUND STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RESERVE (000s)						
	Actual FY 2019	Budget FY 2020	Projected FY 2020	Budget FY 2021	Budget Change	% Change
<b>Revenues</b>						
Charges for Services	\$624	\$1,067	\$1,165	\$1,494	\$427	40.0
Investment Income	17	2	9	14	12	600.0
Other	50	-	-	-	-	-
<b>Total Revenues</b>	<b>\$691</b>	<b>\$1,069</b>	<b>\$1,174</b>	<b>\$1,508</b>	<b>\$439</b>	<b>41.1%</b>
<b>Expenses</b>						
Salaries & Benefits (net of capitalized labor)	\$152	\$136	\$136	\$229	\$93	68.4
Supplies & Services	466	1,021	971	1,253	232	22.7
<b>Total Expenses</b>	<b>\$618</b>	<b>\$1,157</b>	<b>\$1,107</b>	<b>\$1,482</b>	<b>\$325</b>	<b>28.1%</b>
<b>Operating Income (Loss)</b>	<b>\$73</b>	<b>(\$88)</b>	<b>\$67</b>	<b>\$26</b>	<b>\$114</b>	<b>129.5%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>\$42</b>	<b>(\$88)</b>	<b>\$67</b>	<b>\$26</b>	<b>\$114</b>	<b>129.5</b>
<b>Beginning Reserve</b>	<b>\$503</b>	<b>\$545</b>	<b>\$545</b>	<b>\$612</b>	<b>\$67</b>	<b>12.3</b>
<b>Ending Reserve</b>	<b>\$545</b>	<b>\$457</b>	<b>\$612</b>	<b>\$638</b>	<b>\$181</b>	<b>39.6%</b>

### Budget Summary

The budget for workers' compensation rates was derived from an actuarial analysis conducted in 2020. Estimated outstanding liabilities, including allocated loss adjustment expenses (ALAE), as of June 30, 2020, totals \$1.6 million. The outstanding liabilities represent the estimated cost of unpaid claims.

Estimated outstanding liabilities include: case reserves, development of known claims, and incurred, but not reported claims. ALAE are direct expenses for settling specific claims. These amounts are limited to the self-insured retention. Case reserves are an estimate of unpaid amounts established by claims adjusters, for which particular claims will ultimately be settled or adjudicated.

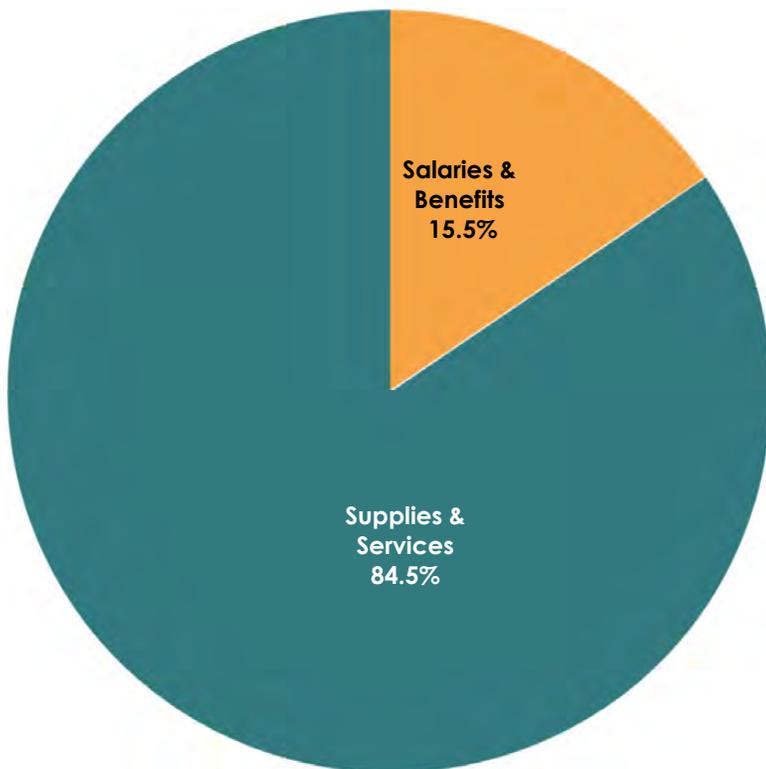
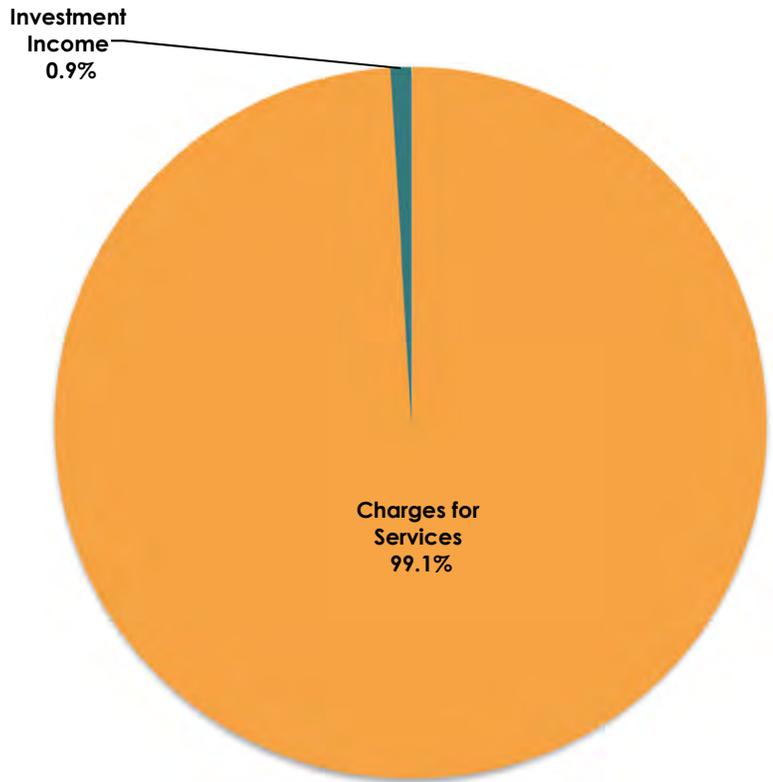
The Workers' Compensation Fund does not require a reserve. The District books an accrued workers' compensation actuarial liability equal to projected losses, hence eliminating the need for a reserve. Based upon the updated actuarial estimated combined outstanding liabilities plus the unallocated loss adjustment expenses (ULAE) as of June 30, 2020, accrued short term and long term liabilities amount to \$1.7 million.

**Revenues**

*Operating Revenues*  
**\$1,508,000**

**CHARGES FOR SERVICES** total \$1.5 million in fiscal 2021. This revenue represents an expense to each of the departments based upon salaries of employees and type of work performed. Adjusting the experience modification factor used to calculate workers' compensation, along with the rate associated classification impact revenues in the Workers' Compensation Fund. Revenues were kept artificially low in previous years in order to reduce excess reserves. With the elimination of reserves, revenues needed to be increased in order to cover operating expenses. This increase in revenue, will in turn increase the workers' compensation expense in each of the departments, and is adjusted to cover changes in actuarial projected losses.

**INVESTMENT INCOME** is \$14,000.



**Expenses**

*Operating Expenses*  
**\$1,482,000**

Overall budgeted expenses for fiscal 2021 are projected to increase by \$325,000 from fiscal 2020. This increase reflects the impact of increases in employee salaries, a modest increase in the CalPERS rate, and an increased allocation to the Workers' Compensation Self-Insured Fund.

**DENTAL SELF-INSURANCE FUND**

<b>DENTAL SELF-INSURANCE INTERNAL SERVICE FUND</b>						
<b>STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RESERVE (000s)</b>						
	Actual FY 2019	Budget FY 2020	Projected FY 2020	Budget FY 2021	Budget Change	% Change
<b>Revenues</b>						
Charges for Services	\$425	\$488	\$568	\$586	\$98	20.1
Investment Income	1	1	1	2	1	100.0
<b>Total Revenues</b>	<b>\$426</b>	<b>\$489</b>	<b>\$569</b>	<b>\$588</b>	<b>\$99</b>	<b>20.2%</b>
<b>Expenses</b>						
Salaries & Benefits (net of capitalized labor)	\$1	\$3	\$2	\$2	(\$1)	(33.3)
Supplies & Services	439	518	495	522	4	0.8
<b>Total Expenses</b>	<b>\$440</b>	<b>\$521</b>	<b>\$497</b>	<b>\$524</b>	<b>\$3</b>	<b>0.6%</b>
<b>Operating Income (Loss)</b>	<b>(\$14)</b>	<b>(\$32)</b>	<b>\$72</b>	<b>\$64</b>	<b>\$96</b>	<b>300.0%</b>
<b>Increase (Decrease) in Cash Flow</b>	<b>(\$14)</b>	<b>(\$32)</b>	<b>\$72</b>	<b>\$64</b>	<b>\$96</b>	<b>300.0</b>
<b>Beginning Reserve</b>	<b>\$47</b>	<b>\$33</b>	<b>\$33</b>	<b>\$105</b>	<b>\$72</b>	<b>218.2</b>
<b>Ending Reserve</b>	<b>\$33</b>	<b>\$1</b>	<b>\$105</b>	<b>\$169</b>	<b>\$168</b>	<b>16800.0%</b>

**Background**

The Dental Self-Insurance Fund accounts for the costs of the self-insured dental plan for active employees, retirees, and those eligible for Consolidated Omnibus Budget Reconciliation Act (COBRA). The plan for active employees is a cost-sharing plan where the employees pay either 20% or 25% and the District pays 75% or 80% of the monthly premiums, based upon the each bargaining agreement. Costs associated with the plan for retirees and COBRA participants are projected to be covered by billed premiums.

**Budget Summary**

Fiscal 2021 revenues are based on the average number of active employees, and the average number of retirees, and COBRA participants participating in the plan, multiplied by the annual premium.

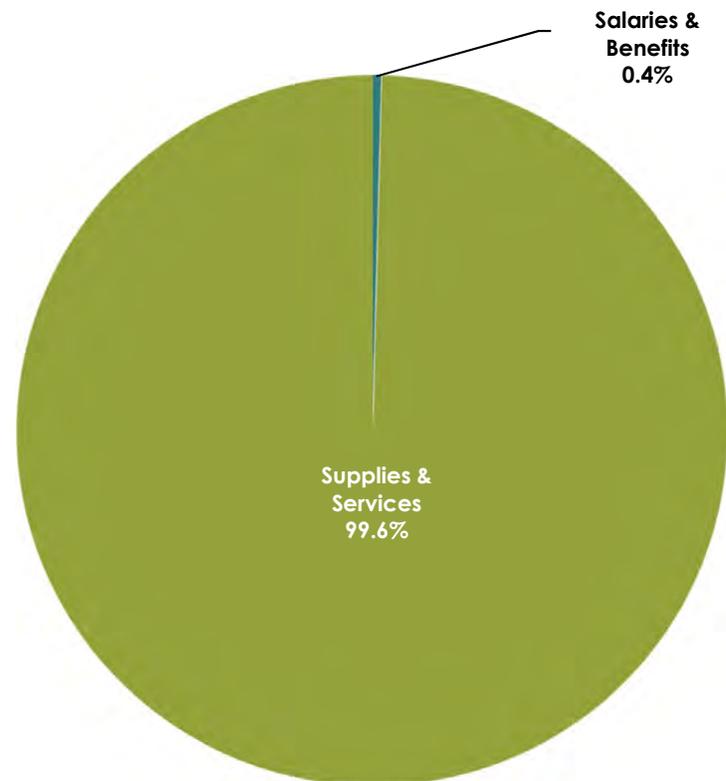
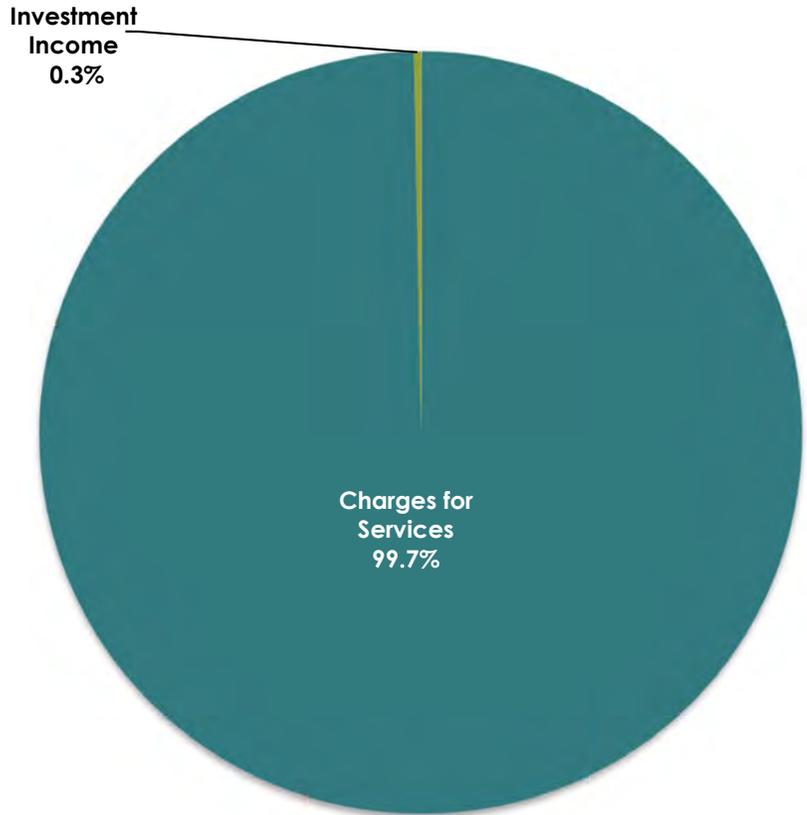
The expense budget is projected actual costs, based on the cost of administering the program and the District's average claims history.

This fund was established in January 2016, without any required reserves. When the District's Reserve Policy was updated in May 2018, and again in December 2019, it was decided not to require reserves for the Dental Self-Insurance Fund as rates are adjusted to cover any deficits.

### Revenues

Operating Revenues  
\$588,000

**CHARGES FOR SERVICES** total \$586,000 in fiscal 2021. This revenue represents an expense to each of the departments based upon the number of active employees and the benefit coverage level selected: Employee only, Employee + one, or Employee + Family, etc. In addition, this revenue includes the average number of retirees and COBRA participants participating in the plan, multiplied by the annual premium.



### Expenses

Operating Expenses  
\$524,000

Budgeted expenses for fiscal 2021 are projected to increase \$4,000. This increase is a result of rising dental costs.



# *BUDGET BY DEPARTMENT*



## CVWD MISSION STATEMENT

To meet the water-related needs of the people through dedicated employees, providing high quality water at a reasonable cost.

## DEPARTMENT DESCRIPTION

Each department is an organizational unit of the District, which provides distinct and different services. Included for each department is an organization chart, a detailed description of the function of each division, applicable workload measures and metrics, fiscal 2020 accomplishments, and fiscal 2021 goals. Where applicable, Strategic Plan goals for fiscal 2021 and accomplishments for fiscal 2020 are listed. Also included is a three-year financial trend summarizing the department's expenses by object, division, and fund.

Operating expenses are controlled at the department level and should not exceed appropriations. Budget transfers within a department may be made administratively, if the transfer is within the same fund; transfers between departments within the same fund require approval by both departments.

Administration, Operations, and Facilities & Maintenance are responsible for large expenses that are unique to certain funds, including water purchases, replenishment charges, and QSA Mitigation payments. In order to avoid distorting the overall performance of the department, these costs have been segregated as separate line items in the Budget by Department table below.

Human Resources is responsible for the self-insured workers' compensation program and the self-insured dental program, which are accounted for in internal service funds.

BUDGET BY DEPARTMENT						
EXPENSES BY DEPARTMENT (000s)	Actual FY 2019	Budget FY 2020	Projected FY 2020	Budget FY 2021	Budget Change	% Change
Administration	\$ 8,091	\$ 9,422	\$ 8,315	\$ 10,042	\$ 619	6.6
CommunicationS & Conservation	7,123	8,409	7,501	8,462	53	0.6
Engineering	10,008	12,925	9,893	12,823	(102)	(0.8)
Environmental Services	7,780	8,485	7,905	9,954	1,469	17.3
Facilities & Maintenance	36,350	40,807	36,717	35,497	(5,310)	(13.0)
Finance	6,359	5,827	6,136	6,067	240	4.1
Human Resources	6,474	8,471	7,333	8,645	174	2.1
Information Systems	5,375	6,041	5,642	6,251	210	3.5
Operations	51,252	53,044	53,370	53,250	206	0.4
Service	8,098	9,060	8,243	9,418	358	4.0
Dental Self-Insurance	440	521	497	524	3	0.6
QSA Mitigation Payments	9,232	1,745	1,745	739	(1,006)	(57.7)
Replenishment Charges	11,836	12,520	11,636	12,520	-	-
Water Purchases	71,006	98,896	90,032	93,422	(5,474)	(5.5)
Workers' Compensation	618	1,157	1,107	1,482	325	28.1
Capitalized Labor	-	(2,995)	-	(2,832)	163	(5.4)
<b>Sub-Total</b>	<b>\$ 240,042</b>	<b>\$ 274,335</b>	<b>\$ 256,072</b>	<b>\$ 266,264</b>	<b>\$ (8,071)</b>	<b>(2.9%)</b>
Debt Service - Interfund	9,238	15,167	14,673	10,478	(4,689)	(30.9)
<b>Total Expenses by Department</b>	<b>\$ 249,280</b>	<b>\$ 289,502</b>	<b>\$ 270,745</b>	<b>\$ 276,742</b>	<b>\$ (12,759)</b>	<b>4.4%</b>

## BASE BUDGET

At the start of the budget process, each department is given a base budget. A base budget is the previous year’s appropriation less any nonrecurring supplementals from the previous year. The base budget enables the department to operate at current levels. Anything a department requires in addition to that base budget, is considered a supplemental request. All nonrecurring amounts will be removed to establish the next fiscal year’s base budget.

## COST ALLOCATION

Coachella Valley Water District (CVWD, District) is a multifaceted entity, with eight different enterprise funds or business units, which share a common workforce. With the exception of Operations, each department performs services that benefit all enterprise funds.

A cost allocation methodology has been developed that systematically charges costs to the appropriate funds. Maintaining an internal cost allocation structure is a detailed and involved activity. In preparation for the budget, each department estimates time spent in each enterprise or activity to determine an appropriate allocation of salaries & benefits. Estimates are usually based on work order history, help desk tickets, or some other quantitative method when the data is available. In addition, each department examines the remaining expenses for each division and determines an appropriate allocation for those expenses. In the event a particular expense or activity is directly attributable to just one enterprise, those expenses are budgeted and expensed directly to the enterprise fund receiving benefit and not based upon the allocation.

As an example, the Domestic Operation Maintenance Division in Operations only performs services for the Domestic Water Fund; therefore, all of its expenses are charged directly to that fund. On the other hand, the Safety Division of Human Resources performs services for all of the enterprise funds; therefore, expenses for Safety are distributed to all of the funds based upon the average distribution of the entire workforce.

The expenses for each department are allocated to the funds, based on the services each department provides. The following table illustrates how department expenses are allocated to each fund.

INTERFUND ALLOCATION BY DEPARTMENT							
Department	Stormwater	Canal Water	Domestic Water	Replenishment	Sanitation	Motorpool	Self Insurance
Administration	X	X	X	X	X		
Communications & Conservation	X	X	X	X	X		
Engineering	X	X	X	X	X		
Environmental Services	X	X	X	X	X		
Facilities & Maintenance	X	X	X	X	X	X	
Finance	X	X	X	X	X	X	X
Human Resources	X	X	X	X	X	X	X
Information Systems	X	X	X	X	X	X	
Operations			X	X	X		
Service	X	X	X	X	X		

## SALARIES & BENEFITS

The personnel budget for fiscal 2021 reflects 569 full-time equivalent (FTE) positions. There were no additional positions added for fiscal 2021. Total payroll and related costs net of capitalized labor are budgeted at \$85.3 million, an increase of \$5.2 million or 6.5%, as compared to fiscal 2020.

The following table depicts a five-year history of the budgeted number of positions by Department for fiscal 2017 through fiscal 2021.

PERSONNEL SUMMARY					
Department	Budget FY 2017	Budget FY 2018	Budget FY 2019	Budget FY 2020	Budget FY 2021
Administration	16	17	17	18	18
Communications & Conservation	25	25	25.5	26	26
Engineering	48	47	48	54	54
Environmental Services	27	28.5	28.5	28.5	28.5
Facilities & Maintenance* **	132	124	124	142	142
Finance	28	28	28	29	29
Human Resources	10	10.5	10.5	10.5	11.5
Information Systems	15	15	16	17	17
Operations* **	162	176	179	188	188
Service**	85	85	85	56	55
<b>Total</b>	<b>548</b>	<b>556</b>	<b>561.5</b>	<b>569</b>	<b>569</b>

\* Mechanical Division established as a part of Operations FY 2018, previously in Facilities & Maintenance

\*\* Zanjeros Division established as a part of Facilities & Maintenance FY 2019, and Control Division established as a part of Operations FY 2019, previously in Service

The District has three bargaining units, each with a separate multiyear Memorandum of Understanding (MOU): Coachella Valley Water District Employees Association (CVWDEA), Association of Supervisory Support Evaluation Team (ASSET), and Association of Coachella Valley Water District Managers (ACVWDM).

ASSET's MOU expires on December 31, 2020, ACVWDM's MOU expires December 31, 2021, and CVWDEA's MOU expires on December 31, 2022. Negotiations for ASSET are expected to begin in August.

ACVWDM's and CVWDEA's MOUs provide for a COLA based upon Riverside, San Bernardino, Ontario Consumer Price Index-U from September 2019 - 2020 effective January 4, 2021 with a minimum of two (2%) and maximum of five (5%) percent.

The District offers four medical plans to eligible employees. There are two health maintenance organizations (HMOs), one preferred provider organization (PPO), and one High Deductible Health Plan (HDHP) with a Health Savings Account (HSA). All employee medical plans are cost-sharing plans. Employee contribution is based on each bargaining unit's MOU.

The adjacent table depicts, by bargaining unit, both the employer and employee contributions. Medical and vision plans are fully insured plans, while dental is a self-insured plan.

MEDICAL/VISION/DENTAL PREMIUM CONTRIBUTION SPLIT		
BARGAINING UNIT	EMPLOYER	EMPLOYEE
ACVWDM	75%	25%
ASSET	75%	25%
CVWDEA	80%	20%

**CALIFORNIA PUBLIC EMPLOYEE RETIREMENT SYSTEM (CALPERS)**

The District contributes to CalPERS, a multiple-employer defined benefit pension plan. Effective fiscal 2008, the District contracted the retirement formula of 2.5% @ 55. All employees hired before 01/01/13 are covered under this retirement formula, and are referred to as Classic Members. The Public Employees’ Pension Reform Act (PEPRA) went into effect 01/01/13, with a retirement formula of 2% @ 62. All employees hired after 12/31/12 and not a prior Classic Member of CalPERS, are covered under this retirement formula.

The following table depicts employer and employee contributions based on the participant’s hire date. Participants are required to contribute up to 8% of their annual covered salary. In fiscal 2018, CalPERS started collecting the employer contributions toward the plan’s unfunded liability as dollar amounts instead of percentage of payroll. This is being done to avoid any possible funding issues that could arise from a declining payroll or reduction in the number of active members in the plan. The plan’s normal contribution continues to be collected as a percentage of payroll. The unfunded accrued liability (UAL) is billed at the beginning of the fiscal year, with the option of prepayment at a discounted rate or monthly payments. The District’s UAL payment was \$13.1 million for fiscal 2021. The District opted to go with the prepayment option of \$12.7 million, saving \$437,000, offset by \$140,000 in anticipated loss interest, for an estimated savings of \$297,000.

CALPERS CONTRIBUTION SPLIT						
MEMBER TYPE	HIRE DATE	RETIREMENT FORMULA	EMPLOYER NORMAL CONTRIBUTION	EMPLOYER UNFUNDED LIABILITY CONTRIBUTION	EMPLOYEE CONTRIBUTION	COMBINED CONTRIBUTION
Classic	Before 01/01/13	2.5% @ 55	9.770%	28.057%	8.000%	45.827%
PEPRA	After 12/31/12*	2% @ 62	9.770%	28.057%	6.750%	44.577%

\*Not previous members of CalPERS

**WORKERS’ COMPENSATION**

On May 18, 1992, the District implemented a self-insurance program for workers’ compensation. In order to limit the District’s loss exposure to \$250,000 per injury, the District purchases excess insurance coverage through a commercial insurer. This program is accounted for in the Workers’ Compensation Self-Insurance Fund.

The rate is reviewed annually as a part of the budget process and is assessed on gross salaries as a means of providing revenue to pay current claims and an established accrued liability to cover any outstanding claims. The District conducted an actuarial analysis on the workers’ compensation program in 2020. The new actuarial reflected a reduction in estimated outstanding losses, and a reduction in claims being received. As a result of the actuarial in fiscal 2020, along with lower than budgeted revenues in fiscal 2020, the rate assessed on gross salaries was adjusted for fiscal 2021.

## RETIREE BENEFITS/OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The District offers post-employment medical benefits. Benefits and employee/employer contributions are based on years of service, hire date, and date of retirement.

Historically, these benefits were funded on a pay-as-you-go basis. In fiscal 2014, the District established an OPEB Trust Fund to reduce the actuarial accrued OPEB liability, and deposited \$10 million. An additional \$10 million was deposited in fiscal 2015 and \$500,000 in fiscal 2020. As a part of the annual budget process, the District reviews the actuarial liability to determine future trust payments. In fiscal 2021, there is a budgeted payment of \$500,000.

Annual OPEB costs are calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45.

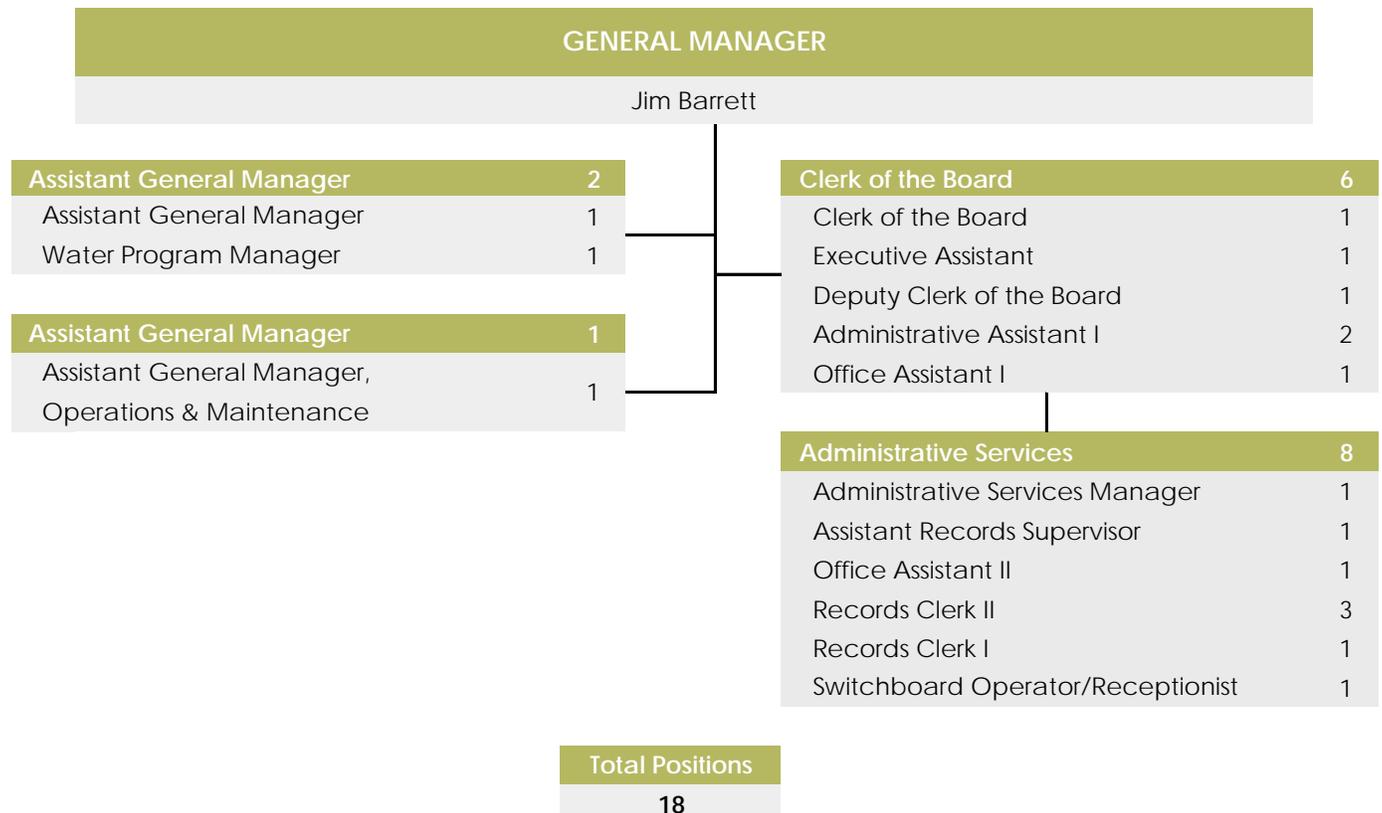
ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal expenses each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years. In 2016, the District updated its GASB 45 Actuarial Valuation.



*Canal Maintenance Supervisor Rod Nason Celebrates 35 Years Working at CVWD*

# ADMINISTRATION





## DEPARTMENT DESCRIPTION

Administration is responsible for adhering to and implementing policies of the elected five-member Board of Directors (Board). Administration is made up of three divisions: Executive Staff, Clerk of the Board, and Administrative Services.

### Mission

To ensure that CVWD’s adopted mission statement and Board directions and policies are followed in a consistent manner throughout the organization.

## DIVISION DESCRIPTIONS

### Executive Staff

This division consists of five full-time positions: the General Manager, who is selected by and reports directly to the Board of Directors (Board), an Assistant General Manager, an Assistant General Manager, Operations & Maintenance, and the Clerk of the Board who all report to the General Manager. In addition, a Water Program Manager reports directly to the Assistant General Manager.

The position of Assistant General Manager, Operations & Maintenance was added in fiscal 2020. This position is responsible for overseeing the Operations Department and the Facilities & Maintenance Department.

Executive Staff is responsible for maintaining effective and timely communications between the Board and the District’s departments, with particular focus on the following functions and activities:

### *General Manager*

Provides daily oversight, direction, leadership, and management to District personnel in regards to:

- Policies
- Strategic initiatives
- Assets and resources
- Administrative, operational, and functional activities of CVWD
- Adheres to and implements policies of the elected five-member Board of Directors
- Prioritizes items that require Board authorization and approval
- Assists staff in the development and conduct of consistent practices

Integrates the Strategic Plan

Monitoring performance efforts and decision making processes

Creates accountability and transparency within the District

### *Assistant General Manager*

Principal representative in all matters related to the District’s sources of imported water, which is used directly for irrigation and groundwater replenishment purposes, and is critical to the overall stability and sustainability of the District

Manages the District’s sources of imported water

Sources include: State Water Project Water, contracted through the State of California, and Colorado River Water, contracted through the federal government.

Additional responsibilities also include implementing, overseeing, and monitoring the District’s annual Strategic Plan, which:

- Helps define and prioritize critical issues to the District’s success
- Was created through collaborative efforts between the CVWD Board and staff
- Guides the direction of the District by providing a framework for decisions, action plans, and initiatives

### *Assistant General Manager, Operations & Maintenance*

Provides global oversight in all matters related to the operations, maintenance and repair to seven of CVWD’s enterprise funds including Domestic Water, Sanitation, Stormwater, Canal Water, West Replenishment, Mission Creek Replenishment, and East Replenishment. Explores opportunities to optimize resource allocation more effectively and efficiently while striving for continuous improvement in performance and levels of service.

Additional responsibilities also include:

- Managing the development and implementation of a comprehensive Asset Management Program
- Developing and executing operational plans in accordance with fiscal budgets and strategic initiatives
- Procuring and managing contractors, suppliers, and consultants to support CVWD’s multi-layered operations
- Developing and implementing preventive maintenance programs, departmental reports, and training programs

## *Clerk of the Board*

This division consists of six full-time positions: the Clerk of the Board (Clerk), who reports directly to the General Manager, an Executive Assistant, a Deputy Clerk of the Board, two Administrative Assistants, and an Office Assistant, who report to the Clerk.

The Clerk's Office is responsible for supporting the Board of Directors, ensuring adherence to established policies and procedures; and serves as a liaison with other District staff, outside agencies, and the general public.

In addition, the Clerk of the Board:

- Prepares, publishes, and distributes the Board of Directors' Meeting agenda and back-up materials in accordance with legal requirements for public meetings (Govt. Code Section 54950-54962)
- Prepares and maintains records of Board actions including: meeting minutes, resolutions, and ordinances
- Processes all requests for information and public records act requests on behalf of the District
- Provides administrative support to the Board of Directors, General Manager, and Assistant General Manager
- Supports and coordinates general District elections in accordance with state and local election and campaign financing laws; and administers oath of office to newly elected directors
- Coordinates the filing of: Conflict of Interest Statements, Annual Campaign Disclosure Statements, Statement of Facts, and election materials for Board of Director candidates and other filings
- Coordinates all travel arrangements for Board members and District personnel
- Greets and receives visitors in Palm Desert, ensures that they are signed in, and escorts visitors to their destination

## *Administrative Services*

Administrative Services' mission is to create an open, inclusive work environment that is built on respect, communication, integrity, and collaborative teamwork. Our core values are: we are one team, respect for the individual, quality, integrity, teamwork, and master the fundamentals. This division consists of eight full-time employees, made up of three divisions: reprographics, records management, and switchboard/front office reception.

### **REPROGRAPHICS**

Provides high volume photocopy services to District staff

Receives, sorts, date stamps, opens, processes, and electronically distributes incoming correspondence throughout the District

Processes all outgoing correspondence

Receives, sorts, and distributes interoffice mail from the Palm Desert offices

### **RECORDS MANAGEMENT**

Manages the various types of District records using an enterprise content management solution

Classifies, prioritizes, stores, secures, archives, preserves, retrieves, tracks, and destroys District records in compliance with government retention requirements and in accordance with the Records Retention Schedule adopted by the Board of Directors in fiscal 2015

### **SWITCHBOARD/FRONT OFFICE RECEPTION**

Answers the main incoming switchboard for the District

Greets and receives visitors in Coachella

Signs in, assigns visitors badge, and calls a staff person to escort visitors to their destination

**Administration Metrics**

ADMINISTRATION WORKLOAD MEASURES					
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Clerk of the Board</b>					
District Documents Recorded	197	209	289	184	152
Board/Special Meeting Minutes Compiled	29	31	22	32	23
General Manager's Report of Activities	12	12	12	12	12
Secretary's Report of Documents Recorded	12	12	12	12	12
General Manager's Report of Authorizations/Executions	12	12	12	12	12
District Travel Requests Processed	445	410	634	462	170
Administration/Board Travel Requests Processed	110	94	131	100	83
Documents Notarized	345	284	302	223	216
Incoming Mail Processed	1,516	91	3,937	17,275	12,706
Outgoing Mail Processed	59,499	12,241	11,700	15,740	11,683
Documents Scanned for FileNet Entry	284	2,209	2,450	2,170	2,057
Visitors Badges Issued at Reception Counter	2,515	1,985	3,136	1,601	1,539
Public Records Act Requests	76	141	84	256	323
<b>Records Management</b>					
Calls Answered	72,112	63,383	89,584	71,605	69,205
Incoming Mail Processed	38,308	24,599	29,560	18,027	17,252
Outgoing Mail Processed	158,120	122,202	122,393	22,399	20,457
Documents Processed for FileNet	22,246	19,973	11,288	11,079	10,754
Boxes Destroyed in Accordance with Records Retention	3,328	941	634	1,730	1,000
In Full Compliance with Records Retention Schedule	No	No	No	No	No

**FISCAL 2019 – 20 ACCOMPLISHMENTS**

**Administration**

Completed a package of Board-approved long-term water exchange agreements (expiring in 2035) with the Metropolitan Water District of Southern California and Desert Water Agency to update and provide certainty for deliveries to the Coachella Valley

Received the Association of Metropolitan Water Agencies Platinum Award for Utility Excellence, based on CVWD’s progress in its strategic planning process

Advanced CVWD’s efforts of securing its imported supply by actively participating in new water supply planning projects, including the Delta Conveyance Program and Sites Reservoir Project, through workshops with the Board of Directors on key decisions

Restarted Strategic Planning Process between CVWD Board and staff to set priorities for fiscal 2021

**Operations & Maintenance**

Completed Phase II of the Asset Management Program, including the collection, condition assessment, valuation, and remaining useful life of more than 300,000 CVWD assets

Completed the Preliminary Asset Management Training and E-Learning Platform

Completed the Facilities Security and Safety Assessment Report

## *Clerk of the Board*

Implemented online portal for Conflict of Interest Filing – Form 700s for District officials, staff and external filers

Issued RFP to secure services of an Information Governance and Records Management Consultant to update CVWD's current records management system

## *Administrative Services*

Destroyed 1,022 archive boxes in accordance with the Records Retention Schedule

Staff cross-trained on processing Incoming Correspondence and complex archiving of documents

The American Water Works Association survey was completed and submitted

The annual update to the Records Retention Schedule was completed and submitted

## **FISCAL 2020 – 21 GOALS**

### *Administration*

Obtain necessary Board approvals, as appropriate; to continue CVWD's participation in Delta Conveyance Program (Agreement in Principle) and the Sites Reservoir Project (amended Phase 2 Agreement) in order to secure CVWD's imported water supplies

Participate in renegotiations of Colorado River operating agreement (2007 Interim Guidelines), to ensure security of CVWD's Colorado River water supply

### *Operations & Maintenance*

Develop and implement a comprehensive Operations Management Report to provide a baseline assessment and recommendations for operational improvements through the optimization of resource allocation, with a focus on funding, staffing, and technology

Complete the Computerized Maintenance and Management System Integration and Implementation Plan

Complete a Comprehensive Preventative Maintenance Program for Operations and Facilities & Maintenance

### *Clerk of the Board*

Issue a request for proposal (RFP) and implement a new agenda management platform and update Board chambers equipment

Issue a request for proposal and implement an online system for processing and automation of Public Records Act requests

Develop a facilities use policy, including fee schedule for use of CVWD rooms by external agencies

Implement online ethics training and tracking module for District officials

**Administrative Services**

Destroy 1,000 archive boxes in accordance with the Records Retention Schedule by 06/30/2021

Purge and organize Coachella Vaults of unnecessary documents in accordance with the Records Retention Schedule by 06/30/2021

Organize the Archive File Room in Coachella eliminating box number gaps on shelving by 06/30/2021

Coordinate the annual update to the Records Retention Schedule by 06/30/2021

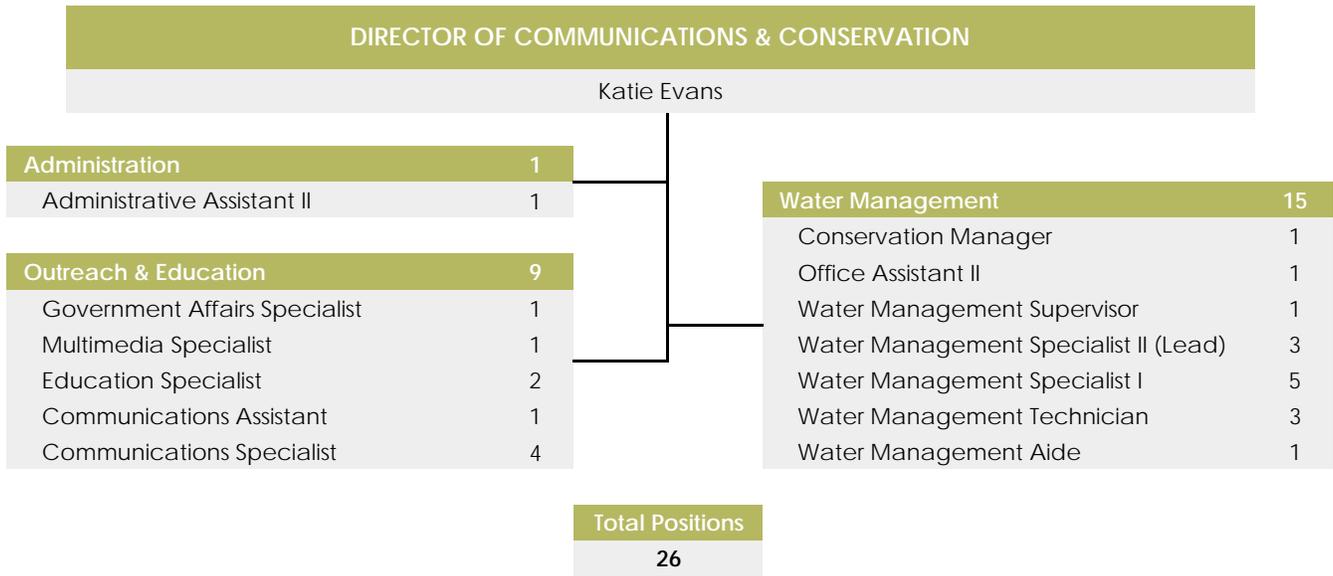
DEPARTMENT FINANCIAL TREND - ADMINISTRATION						
	Actual 2019	Budget 2020	Projected 2020	Budget 2021	Budget Change	% Change
<b>Expenses by Object</b>						
Salaries & Benefits	\$ 3,023,000	\$ 3,038,000	\$ 3,484,000	\$ 3,654,000	\$ 616,000	20.3
Outside Labor	4,000	-	1,000	-	-	-
Professional Development	930,000	1,178,000	1,123,000	1,124,000	(54,000)	(4.6)
Professional Services	3,037,000	3,754,000	2,492,000	3,613,000	(141,000)	(3.8)
Advertising and Media	4,000	20,000	8,000	17,000	(3,000)	(15.0)
Election Costs	147,000	-	1,000	175,000	175,000	-
Utilities	5,000	8,000	7,000	10,000	2,000	25.0
Materials & Supplies	141,000	153,000	115,000	118,000	(35,000)	(22.9)
Motorpool	9,000	30,000	11,000	44,000	14,000	46.7
Contract Services	23,000	35,000	39,000	31,000	(4,000)	(11.4)
Miscellaneous Expense	758,000	1,006,000	1,034,000	1,006,000	-	-
Capital Expenditure	10,000	200,000	-	250,000	50,000	25.0
<b>Total</b>	<b>\$ 8,091,000</b>	<b>\$ 9,422,000</b>	<b>\$ 8,315,000</b>	<b>\$ 10,042,000</b>	<b>\$ 620,000</b>	<b>6.6%</b>
<b>Expenses by Division</b>						
Administration	\$ 4,469,000	\$ 5,406,000	\$ 4,515,000	\$ 5,661,000	\$ 255,000	4.7
Board of Directors	358,000	355,000	327,000	228,000	(127,000)	(35.8)
Board Secretary	862,000	985,000	787,000	1,454,000	469,000	47.6
Colorado River & Other Water	1,138,000	1,491,000	1,512,000	1,549,000	58,000	3.9
State Water Project & Other Water	192,000	-	100,000	-	-	-
Records Management	903,000	994,000	930,000	994,000	-	-
Reprographics	169,000	191,000	144,000	156,000	(35,000)	(18.3)
<b>Total</b>	<b>\$ 8,091,000</b>	<b>\$ 9,422,000</b>	<b>\$ 8,315,000</b>	<b>\$ 10,042,000</b>	<b>\$ 620,000</b>	<b>6.6%</b>
<b>Expenses by Fund</b>						
Domestic	\$ 1,176,000	\$ 1,379,000	\$ 1,245,000	\$ 1,398,000	\$ 19,000	1.4
Canal	2,549,000	3,410,000	3,061,000	3,321,000	(89,000)	(2.6)
Sanitation	660,000	754,000	753,000	862,000	108,000	14.3
Stormwater	386,000	443,000	397,000	451,000	8,000	1.8
Nonpotable Water	59,000	-	-	-	-	-
West Whitewater Replenishment	2,889,000	2,852,000	2,376,000	3,083,000	231,000	8.1
Mission Creek Replenishment	193,000	201,000	243,000	77,000	(124,000)	(61.7)
East Whitewater Replenishment	179,000	383,000	234,000	840,000	457,000	119.3
Motorpool	-	-	6,000	10,000	10,000	-
<b>Total</b>	<b>\$ 8,091,000</b>	<b>\$ 9,422,000</b>	<b>\$ 8,315,000</b>	<b>\$ 10,042,000</b>	<b>\$ 620,000</b>	<b>6.6%</b>

WATER RELATED COST VARIANCES

Account Description	FY 2020 Budget	FY 2021 Budget	Variance
<b>Purchase Water</b>			
IID CVWD QSA Water	\$6,219,000	\$7,041,000	\$822,000
MWD 35000 AF Non-SWP Water	5,151,000	4,060,000	(1,091,000)
Rosedale-Rio Bravo	10,658,000	6,270,000	(4,388,000)
<b>Purchase Water Total</b>	<b>\$22,028,000</b>	<b>\$17,371,000</b>	<b>(\$4,657,000)</b>
<b>State Water Project Water</b>			
Delta Charge Capital (V)	\$3,773,000	\$4,603,000	\$830,000
Transportation Capital (F)	11,707,000	11,860,000	153,000
Delta Water OMPR (V)	6,821,000	6,686,000	(135,000)
Transportation OMPR (F)	15,061,000	16,708,000	1,647,000
Water Sys Bond Surcharge (F)	2,632,000	2,360,000	(272,000)
E. Branch Bond P&I (F)	5,566,000	5,532,000	(34,000)
Off-Aqueduct Maint. (V)	242,000	264,000	22,000
Transportation OMPR (V)	14,689,000	7,691,000	(6,998,000)
Tehachapi 2ndDebtSvc (F)	59,000	45,000	(14,000)
MWD 35000 AF SWP Water	6,510,000	6,685,000	175,000
Yuba Dry Year	528,000	535,000	7,000
Article 21	80,000	82,000	2,000
Sites Reservoir	-	1,000,000	1,000,000
Delta Conveyance Project	2,475,000	4,000,000	1,525,000
East Branch Reallocation	-	406,000	406,000
<b>State Water Project Water Total</b>	<b>\$70,143,000</b>	<b>\$68,457,000</b>	<b>(\$1,686,000)</b>
<b>Other Water Related Costs</b>			
Canal Interfund Water Sales	\$6,275,000	\$6,275,000	\$ -
QSA Mitigation Costs	1,745,000	739,000	(1,006,000)
Lake Perris Seepage Recovery	-	538,000	538,000
Oroville Dam Emergency Recovery	-	250,000	250,000
Other Water Costs	450,000	531,000	81,000
<b>Other Water Related Costs Total</b>	<b>\$8,470,000</b>	<b>\$8,333,000</b>	<b>(\$137,000)</b>
<b>Total Water Related Costs</b>	<b>\$100,641,000</b>	<b>\$94,161,000</b>	<b>(\$6,480,000)</b>

# COMMUNICATIONS & CONSERVATION





## DEPARTMENT DESCRIPTION

The Communications & Conservation Department is comprised of two divisions: Outreach & Education and Water Management. Outreach & Education is responsible for internal communication, public outreach, education, government affairs and media relations. Water Management is responsible for the District’s conservation programs, along with assisting customers in improving water use efficiency.

### Mission

The mission of the Communications & Conservation Department is to inform, educate, and promote the value of water efficiency and sustainability, through a collaborative and proactive approach while demonstrating integrity, professionalism, and innovation.



Education Specialist Maureen Perry Photographs Storm Water.

## DIVISION DESCRIPTIONS

Communications & Conservation is responsible for public outreach and education, along with the District's conservation efforts, with particular focus on the following functions and activities:

**NOTE: COVID-19 required we modify some of these activities in fiscal 2020**

### Outreach & Education

Provides relevant information to customers and stakeholders by various means, including:

- Conducting public tours
- Distributing press releases, conducting media interviews and attending editorial board meetings
- Hosting or attending public events
- Hosting or attending ribbon cuttings and ground breakings
- Managing the District's website, email notifications and social media
- Organizing presentations to civic and community organizations
- Producing and distributing the annual review, bill inserts, brochures, fact sheets, newsletters and other District publications
- Utilizing paid advertising including: newspaper and magazine platforms, billboards, etc.

Provides internal communication to employees, including:

- Producing and distributing bi-weekly Water Drop newsletter and quarterly CVWD Connect magazine
- Managing digital information monitors that display District news and information, events, policy changes, etc.

Documents District events using photos, videos, drone footage and audio recordings

Works to establish strong relationships with customers and stakeholders to establish a positive perspective of the District

Analyzes draft legislation and regulations at the state and federal levels and engages with policy makers and elected officials to ensure the District's best interests are considered through position letters, comment letters, hearing testimony and meeting with administrative agencies, legislative staff, and elected officials

Serves as the primary contact for the District's contract advocates in Sacramento and Washington, D.C.

Delivers classroom presentations and tours of District facilities to students in private and public schools in grades preschool through college. Credentialed teachers present the programs that are based on state academic standards. Topics include:

- History of Water and Development of the Coachella Valley
- Native Cultures
- The Power of Water
- Other water - focused natural and social science topics

## Water Management

Helps customers improve water use efficiency through a number of conservation programs, including:

- Rebates for large landscape smart controllers
- Rebates for desert landscaping
- Rebates for irrigation upgrades
- Rebates for high efficiency toilets
- Rebates for residential high efficiency washing machines
- Rebates for residential hot water recirculating pumps
- Free installation of residential smart irrigation controllers
- Free indoor conservation kits for homeowners
- Free water brooms and pre-rinse nozzles for restaurants and Homeowner Associations (HOAs)

Provides technical assistance, including on-site conservation reviews or audits, to evaluate water use and offer suggestions to improve water use efficiency, and meet assigned water budgets

Provides special audit program to offer technical assistance to targeted customers with exceptionally high and inefficient water use

Investigates and enforces local and state water use restrictions and helps violators comply

Reviews development plans of new and rehabilitated landscapes for compliance with the District's Landscape Ordinance

Calculates the water needs for all District customers using a variety of methods to ensure the accuracy of water budgets for Budget Based Tiered Rates

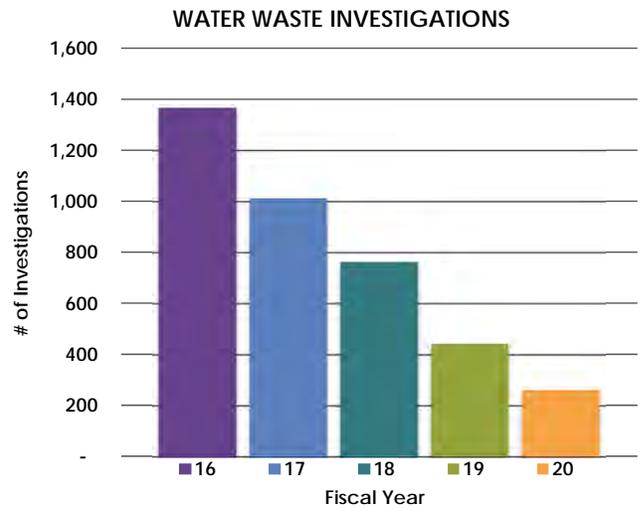
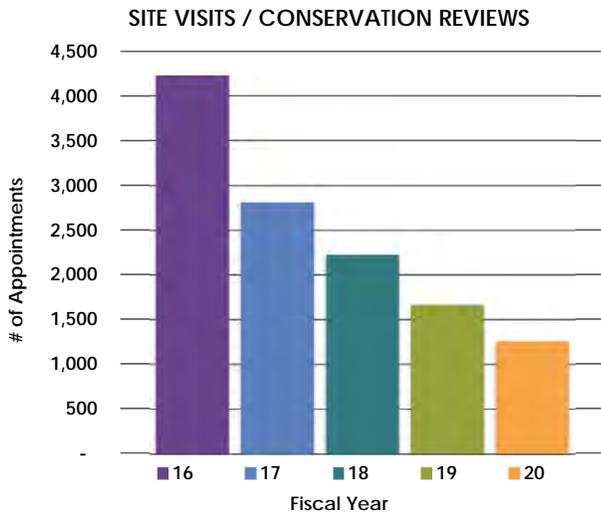
Reviews customer appeals regarding their water budget



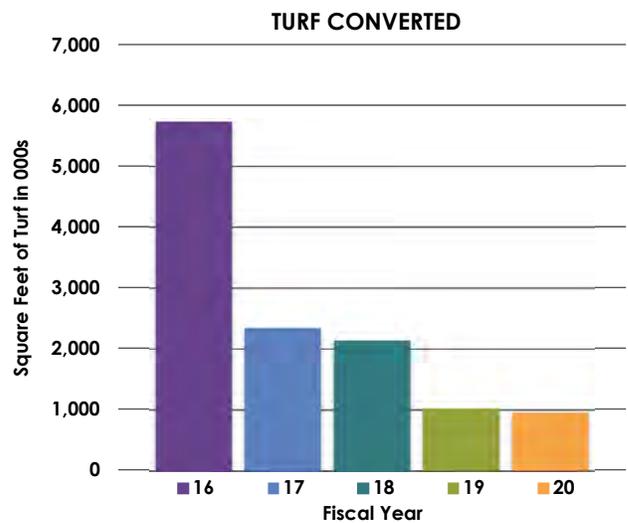
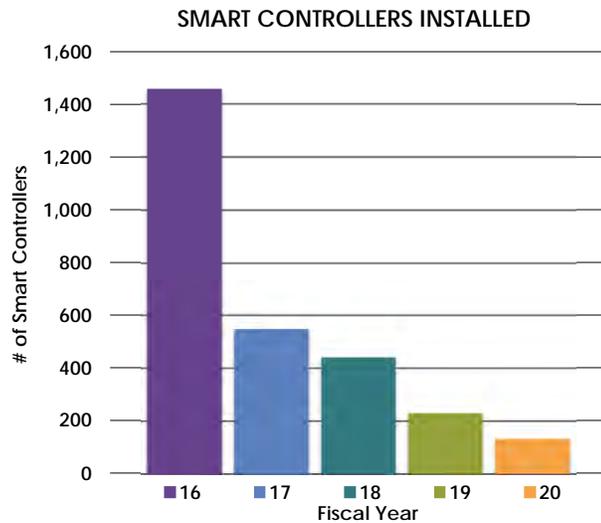
*Water Management Specialist Stephanie Nunimaker is Ready to Investigate Water Waste*

## Communications & Conservation Metrics

The first graph reflects a five-year history of site visits/conservation reviews completed by Water Management. The second graph reflects a five-year history of water waste investigations. Both graphs reflect a sharp increase in fiscal 2016 as a result of the statewide mandate to conserve water and a decrease in 2020 as a result of the COVID-19 pandemic.



The graphs below reflect a five-year history of the number of residential and large landscape smart controllers installed and a five-year history of the total square feet of turf that has been converted to desert friendly landscape.



## COMMUNICATIONS & CONSERVATION WORKLOAD MEASURES

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Outreach &amp; Education</b>					
Media Stories (newspaper, TV, radio, etc.) Concerning CVWD Per Year	338	329	98	231	125
Students Receiving Educational Presentations	16,963	10,968	6,171	7,996	5,174
News Releases	49	48	21	35	39
Tours Provided	53	55	49	52	56
Informative Presentations to Community Groups	65	65	17	10	15
Informational Booths Staffed at Community Events	57	30	36	25	13
Informational & Educational Workshops Hosted or Presented	16	6	9	15	8
Number of Active Contacts with Stakeholders in Key Areas (e.g., from local government, business, education, nongovernmental groups)	24	51	26	43	24
Number of Topic Letters Submitted in Regards to Legislation Affecting the District	48	31	10	14	14
<b>Water Management</b>					
Residential Smart Controllers Installed	929	419	334	211	117
Large Landscape Smart Controllers Installed	527	129	106	19	16
Rebates Issued to Homeowners for Landscape Conversion	1,816	528	268	226	160
Square Feet of Grass Replaced with Desert-Friendly Landscape - Homeowners	2,406,312	641,284	377,197	378,125	203,327
Rebates Issued to Large Landscape Customers for Landscape Conversion	343	178	170	108	64
Square Feet of Grass Replaced with Desert-Friendly Landscape - Large Landscape Customers	3,323,508	1,704,194	1,761,876	643,591	634,044
Rebates Issued Toilet Replacement Program	702	484	721	869	1,411
Rebates Issued Residential Hot Water Recirculating Pump Program	N/A	N/A	N/A	N/A	16
Rebates Issued High Efficiency Washing Machine Rebate Program	N/A	N/A	N/A	N/A	25
Water Waste Investigations	1,367	1,013	763	444	262
Nozzles Replaced	62,204	5,728	673	1,628	651
Plan Checks	288	278	332	402	264
Appeals	1,246	273	1,645	1,197	456



CVWD 100 Year Anniversary Celebration at the Living Desert Zoo & Gardens

## FISCAL 2019 – 20 ACCOMPLISHMENTS

### Outreach & Education

- Conducted strategic and useful outreach related to the Sun City Pipeline Replacement Program
- Created a CVWD Blog that aligns with “Your Water is Our Promise” Campaign
- Organized Open House and ribbon cutting ceremony for Critical Support Services Building
- Organized, managed on-site Training Day for CVWD employees
- Organized, hosted Project WET (Water Education for Teachers) education seminar for teachers
- Redesigned CVWD Water News newsletter
- Redesigned the District’s website

### Water Management

- Created a checklist for all appeals, and a procedure for appeals with residential impact
- Updated exam required for landscape contractors obtaining or renewing their business license
- Researched the potential for pilot rebate programs for items such as pool covers, irrigation system infrastructure upgrades, pressure regulator installation, and invasive plant species eradication
- Implemented pilot rebate programs: hot water recirculating pumps and high efficiency washing machines
- Updated internal policy/procedure for the plan check and inspection process
- Researched and recommended alternative technologies for logging and tracking plans
- Organized a water audit training with the intent to implement an audit program for commercial properties



*CVWD Communications & Conservation Department Offers Public Tours and Educational Outreach*

## FISCAL 2020 – 21 GOALS

### Outreach & Education

- Conduct internal and external outreach to celebrate Water Professionals Week (May 2-8, 2021)
- Create a behind-the-scenes video series that aligns with the “Your Water is Our Promise” campaign
- Design and publish an agricultural annual report
- Generate a style guide
- Organize a tour for public officials who represent the Coachella Valley

### Water Management

- Update the “Ask the Expert” demonstration videos to reflect present day technologies and methods
- Implement the commercial property audit program
- Develop a Request for Proposal for the design portion of a demonstration garden at the Palm Desert campus
- Research the potential for a high efficiency dishwasher rebate program
- Create and update internal procedures for existing and new rebate programs
- Develop a department budget-tracking tool to track expenditures at the individual item level
- Update the Water Management SharePoint page
- Develop an irrigation clock recycling program



Vice President Cástulo Estrada Speaks at the CVWD Public Open House in 2019

## DEPARTMENT FINANCIAL TREND - COMMUNICATIONS & CONSERVATION

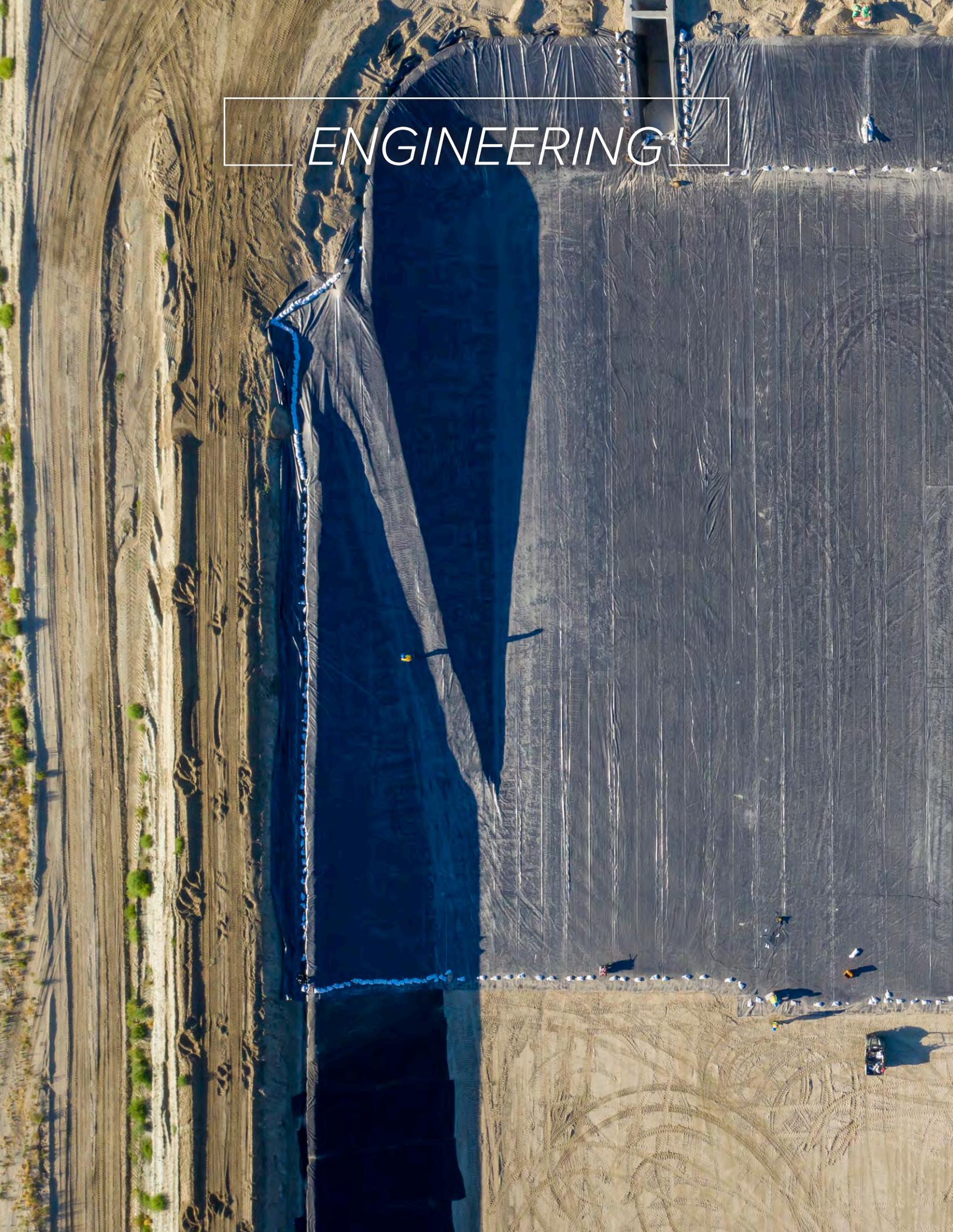
	Actual 2019	Budget 2020	Projected 2020	Budget 2021	Budget Change	% Change
<b>Expenses by Object</b>						
Salaries & Benefits	\$ 3,980,000	\$ 4,202,000	\$ 4,142,000	\$ 4,508,000	\$ 306,000	7.3
Professional Development	83,000	161,000	108,000	151,000	(10,000)	(6.2)
Professional Services	218,000	225,000	193,000	225,000	-	-
Advertising & Media	148,000	215,000	189,000	191,000	(24,000)	(11.2)
Utilities	13,000	11,000	14,000	11,000	-	-
Materials & Supplies	161,000	191,000	133,000	162,000	(29,000)	(15.2)
Motorpool	68,000	54,000	64,000	54,000	-	-
Contract Services	306,000	260,000	228,000	232,000	(28,000)	(10.8)
Miscellaneous Expense	2,146,000	3,090,000	2,430,000	2,928,000	(162,000)	(5.2)
<b>Total</b>	<b>\$ 7,123,000</b>	<b>\$ 8,409,000</b>	<b>\$ 7,501,000</b>	<b>\$ 8,462,000</b>	<b>\$ 53,000</b>	<b>0.6%</b>
<b>Expenses by Division</b>						
Outreach & Education	\$ 2,520,000	\$ 2,647,000	\$ 2,492,000	\$ 2,699,000	\$ 52,000	2.0
Water Management	4,603,000	5,762,000	5,009,000	5,763,000	1,000	-
<b>Total</b>	<b>\$ 7,123,000</b>	<b>\$ 8,409,000</b>	<b>\$ 7,501,000</b>	<b>\$ 8,462,000</b>	<b>\$ 53,000</b>	<b>0.6%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 5,807,000	\$ 7,267,000	\$ 6,344,000	\$ 7,154,000	\$ (113,000)	(1.6)
Canal Water	636,000	604,000	616,000	616,000	12,000	2.0
Sanitation	151,000	148,000	151,000	222,000	74,000	50.0
Stormwater	135,000	126,000	130,000	152,000	26,000	20.6
Nonpotable Water	102,000	-	-	-	-	-
West Whitewater Replenishment	114,000	191,000	190,000	189,000	(2,000)	(1.0)
East Whitewater Replenishment	178,000	73,000	70,000	129,000	56,000	76.7
<b>Total</b>	<b>\$ 7,123,000</b>	<b>\$ 8,409,000</b>	<b>\$ 7,501,000</b>	<b>\$ 8,462,000</b>	<b>\$ 53,000</b>	<b>0.6%</b>



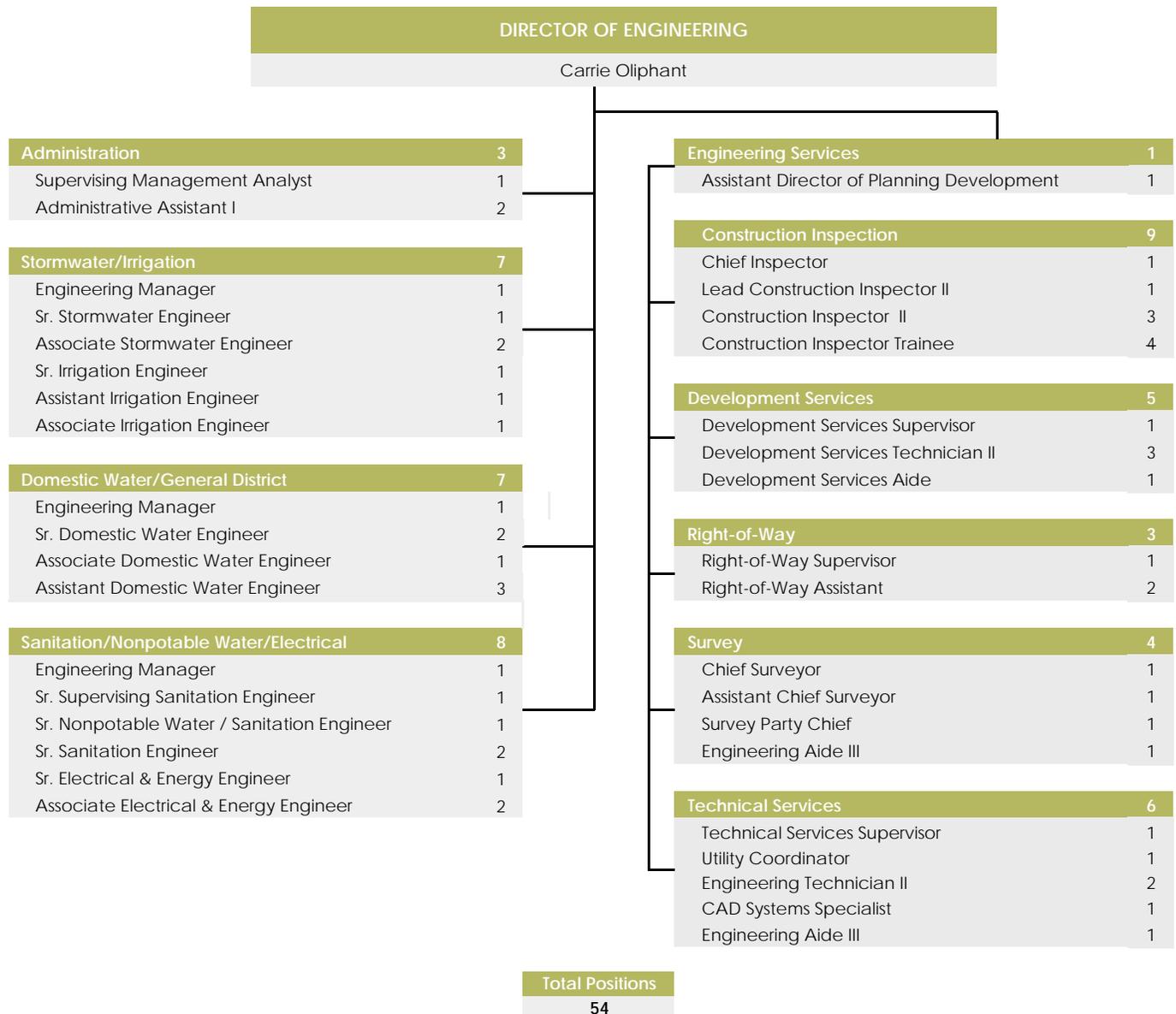
Employee Cross Training Day – Palm Desert



CVWD Water Awareness Tours



# ENGINEERING



## DEPARTMENT DESCRIPTION

The Engineering Department consists of five divisions: Administration, Stormwater/Irrigation, Domestic Water/General District, Sanitation/Nonpotable Water/Electrical, and Engineering Services (Construction Inspection, Development Services, Right-of-Way, Survey, and Technical Services).

### Mission

Provide professional engineering and technical services that ensure long-term comprehensive planning, reliable project design, and quality construction management to meet the water related needs of the Coachella Valley.

**Core Values**

- Exceptional customer service
- Fair and efficient business practices
- Cost effective, sustainable, and reliable solutions
- Collaboration
- Comprehensive communication
- Commitment
- Accountability
- Integrity

**DIVISION DESCRIPTIONS**

Each division’s primary focus is on the following functions and activities:

**Administration**

Provides overall management support and leadership to ensure the Engineering Department’s mission and goals are accomplished

**Stormwater/Irrigation**

Responsible for planning, design, and construction of the District’s Irrigation/Drainage and Stormwater facilities

Performs planning and engineering studies regarding the condition and/or capacity of existing infrastructure

Administers Riverside County’s Ordinance 458 as a part of the FEMA’s National Flood Insurance Program (NFIP)

In coordination with the other CVWD departments, meets with developers and outside engineers to discuss concepts and general requirements for new projects and developments

Reviews proposed subdivisions to determine compliance with CVWD’s Development Design Manual and planned expansions

Coordinates design, construction, and operation & maintenance activities with the United States Bureau of Reclamation (USBR)

**Domestic Water/General District**

Responsible for the planning, design, and construction of the District’s Domestic Water and General District facilities

Performs planning and engineering studies regarding the condition and/or capacity of existing infrastructure

Provides project management, engineering, and grant support for the consolidation of private Disadvantaged Community water systems

In coordination with the other CVWD departments, meets with developers and outside engineers to discuss concepts and general requirements for new projects and developments

Prepares hydraulic model studies to assist developers with sizing infrastructure for planned development

Reviews proposed subdivisions to determine compliance with CVWD’s Development Design Manual and planned expansions

Develops and implements developer connection fees, including the Water System Backup Facilities Charge (WSBFC)

### *Sanitation/Nonpotable Water/Electrical*

- Oversees planning, design, and construction of sanitation, nonpotable water, and electrical facilities
- Develops and implements CVWD's Nonpotable Water and Sanitation System Master Plans
- In coordination with the other CVWD departments, meets with developers and outside engineers to discuss concepts and general requirements for new projects and developments
- Reviews proposed subdivisions to determine compliance with CVWD's Development Design Manual and planned expansions
- Supports Environmental & Water Quality Division regarding California Environmental Quality Act (CEQA), National Environmental Policy Act (NEPA) and permitting issues to ensure compliance with the Safe Drinking Water Act, Clean Water Act, National Pollution Discharge Elimination System permits, and others
- Prepares hydraulic model studies to assist developers with sizing infrastructure for planned development
- Develops and implements developer connection fees, including the Sanitation Capacity Charge (SCC)
- Leads and conducts studies in automation and instrumentation control of water reclamation plant processes and initiates treatment performance tests for telemetry systems, electrical systems, process control, and instrumentation components
- Prepares control descriptions, outlining operation, control, and telemetry of treatment processes
- Performs as a lead project manager and construction manager for expansions/renovations of sanitation and nonpotable water facilities, including water reclamation plants, pump stations, pipelines, lift stations, and water treatment facilities, through conceptual scope development, preliminary engineering, design construction, and start-up

### *Engineering Services*

Provides overall management support and leadership to the following:

#### **CONSTRUCTION INSPECTION**

- Inspects all Capital Improvement Projects
- Inspects all water/sewer installations for developer projects in the District's service area

#### **DEVELOPMENT SERVICES**

- Tracks all new development within the District service area (8 cities, 2 counties)
- Prepares development review letters and developer agreements
- Coordinates developer meetings
- Establishes new customer accounts
- Tracks infrastructure plan submittals
- Processes developer fees

#### **RIGHT-OF-WAY**

- Monitors, reviews, and approves activities related to the District's fee-owned land and easements (managing over 7,000 acres of land and over 3,500 easements)
- Manages and researches District and United States Bureau of Reclamation right-of-way
- Conveys and acquires right-of-way
- Processes encroachment permits, noninterference review letters, and leases
- Supports Development Services and Survey in review of development packages

**SURVEY**

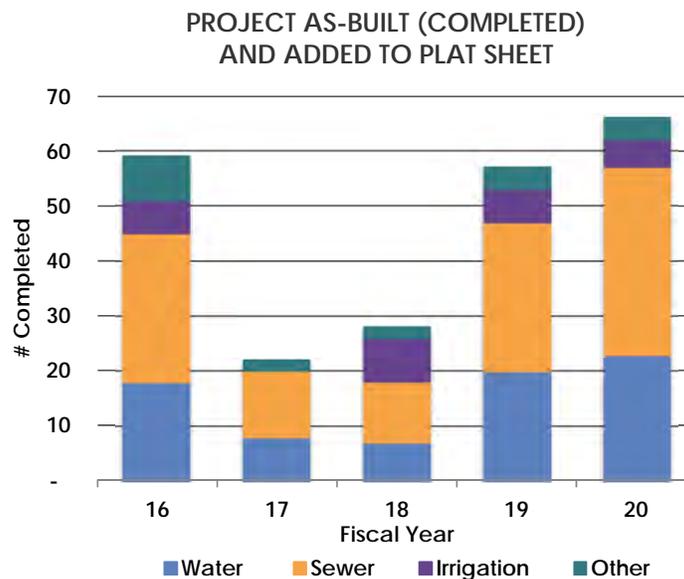
- Provides office and field survey support to all District departments
- Stakes existing utilities and easements
- Performs topographic and boundary surveys
- Reviews tract and parcel maps
- Reviews and prepares legal descriptions and plat depictions
- Prepares record of surveys

**TECHNICAL SERVICES**

- Provides utility coordination and planning, including management of valve and manhole adjustment contract
- Prepares exhibits and plans using AutoCAD/Civil 3D and Geographic Information System (GIS)
- Responsible for Infrastructure mapping of District facilities with plat sheet maintenance and record drawing management
- Performs development plan check and review

*Engineering Metrics*

CAPITAL PROJECTS BUDGET VS. SPEND (000s)						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Amended Budget	\$81,487	\$115,101	\$115,056	\$104,734	\$127,404	\$127,250
Actual Spend	\$54,127	\$46,336	\$58,420	\$73,913	\$117,773	\$114,511
% of Budget	66.4%	40.3%	50.8%	70.6%	92.4%	90.0%



ENGINEERING WORKLOAD MEASURES			
	FY 2018	FY 2019	FY 2020
<b>Administration</b>			
Engineering Letters Processed	1,002	774	807
Environmental Services Letters Processed	527	173	147
Bids Processed	33	30	22
Progress Payments Routed	80	96	116
<b>Stormwater/Irrigation</b>			
Achieved a minimum of 70% CIP Execution Rate	N/A	Yes	Yes
Processed a minimum 90% of development review letters within 2 weeks	N/A	Yes	Yes
Processed a minimum 90% of hydraulics and hydrology requests within 4 weeks	N/A	Yes	Yes
Elevation Certificates Processed	62	129	104
Flood Management Reviews Processed	42	30	60
Development Review Letters Processed	167	154	158
Meetings for Developer Funded Projects	100	77	68
Meetings for all Developer Initiated Projects	71	69	73
Number of Installation Agreements	14	9	10
Encroachment Permits/Noninterference Review Letters (NIRLs) reviewed	73	79	76
Change Orders	8	18	18
Customer phone calls	466	431	510
<b>Domestic Water/General District</b>			
Achieved a minimum of 70% CIP Execution Rate	N/A	Yes	Yes
Processed a minimum 90% of development review letters within 2 weeks	N/A	Yes	Yes
Processed a minimum 90% of water meter sizing requests within 1 week	N/A	Yes	Yes
Change Orders	49	66	67
Customer Phone Calls	403	231	284
Development Review Letters	84	71	55
Hydraulic Models, Trench Calculations, Water Meter Sizing	637	567	865
Developer Meetings	122	38	67
Support Meetings with Other Departments	172	148	118
Other Meetings Attended	809	215	228
Board Action Items	34	14	21
<b>Sanitation/Nonpotable Water/Electrical</b>			
Achieved a minimum of 70% CIP Execution Rate	N/A	Yes	Yes
Processed a minimum 90% of development review letters within 2 weeks	N/A	Yes	Yes
Developer Plan Reviews Received	23	16	43
Developer Meetings Attended	58	9	37
Right-of-Way Reviews	53	14	66
Hydraulic Models Assigned	29	34	21
Trench Calculations Assigned	23	4	29
Sanitation - Submittals Received	431	634	529
Sanitation - Requests for Information	151	211	232
Sanitation - Change Orders	46	71	82
Nonpotable Water - Submittals Received	855	133	12
Nonpotable Water - Requests for Information	290	78	8
Nonpotable Water - Change Orders	88	27	5
Electrical - Sanitation/Nonpotable Water Submittals Reviewed	153	230	194
Electrical - Domestic Water Submittals Reviewed	51	74	40
Electrical - Stormwater/Irrigation Submittals Reviewed	28	12	17
Electrical - General District Submittals Reviewed	39	45	3
Electrical - Sanitation/Nonpotable Water Inspections	90	53	139
Electrical - Domestic Water Inspections	-	35	37
Electrical - Stormwater/Irrigation Inspections	-	3	139
Electrical - General District Inspections	-	63	1
Electrical - Requests for Information - Sanitation/Nonpotable Water	100	78	126
Electrical - Requests for Information - Domestic Water	39	25	27
Electrical - Requests for Information - Stormwater/Irrigation/Canal	17	6	2
Electrical - Requests for Information - General District	15	22	2
Electrical - Utility Coordination	-	145	197

ENGINEERING WORKLOAD MEASURES			
	FY 2018	FY 2019	FY 2020
<b>Engineering Services</b>			
<b>Construction Inspection</b>			
Customer contacts walk-ins/phone calls/emails	N/A	12,182	14,483
Pre Cons Attended	N/A	68	78
Tract Inspections	N/A	101	110
CIP Inspections	N/A	39	53
Existing Facilites Inspections	N/A	30	46
Single Sewer Laterals Inspections & Sewer Video Tract Inspections	N/A	34	32
<b>Development Services</b>			
Produce a Minimum 90% of Cost Notification for Service Invoices within 10 Business Days of Receipt	N/A	Yes	Yes
Approved a minimum 90% of landscape plans within 7 – 10 business days	N/A	Yes	Yes
Process Development Review Letters within 7-10 business days	N/A	Yes	Yes
Landscape Plans approved	177	325	124
Additional Water Meters Installed	774	1,028	755
Domestic and Sanitation Cost Notifications	1,144	2,013	966
Plans Released	41	75	18
Customer Contacts Phone Calls/Emails	40,727	67,348	25,792
Customers at Counter	2,430	3,991	1,327
Development Meetings	172	298	85
Development Security Deposit Processed	103	137	21
<b>Right-of-Way (ROW)</b>			
Percent of Right-of-Way Permit requests Processed Within 30 Days of Receipt of a Complete Submittal	100	100	100
Walk-in Customers	121	101	49
Research Requests/Initial Inquiries	1,151	2,478	4,284
Issuance of ROW Numbers for ROW Docs	112	197	484
Issuance of ROW Numbers for Others	95	197	192
New Permits/Noninterference Review Letters (NIRLs)	114	82	95
Permit Extensions	42	86	71
CIB Projects	29	60	53
Developer Meetings Attended	60	79	83
Developer Acquisitions/Conveyances	33	36	33
Encroachments	8	8	4
Leases Researched	15	11	23
Bureau of Land Management/Bureau of Indian Affairs Rights	1	6	5
United States Bureau of Reclamation (USBR) Processes	22	21	14
ROW Acquisitions/Conveyances	36	18	39
Land Sale Requests	10	26	11
Tax Default Parcels Researched	7	8	7
<b>Survey</b>			
Percent of requests for Field Survey Processed within 3 Days of Receipt	100	100	100
Completed Reviews of Maps/Easements	95	41	38
Legal and Plats Reviewed	114	19	221
Exhibit A Legals Written	48	76	112
Staking Plans/Survey Processing Projects	339	375	405
Plotting Requests	28	7	13
Records of Survey in Process	39	4	-
Internal Easement Legal and Plats Completed	49	49	65
Meetings/Training Sessions Attended	198	228	237
Requests for Information/Research/Material	141	197	304
Preliminary Title Reports Reviewed	-	24	93
<b>Technical Services</b>			
CIP Computer-Aided Design (CAD) Hours	644	501	401
Phone Calls	1,170	1,402	1,360
Customer Contact	2,800	2,923	2,979
Correspondence	2,119	4,029	5,006
Drawings/Docs Scanned/Prepared	17,670	11,955	11,042
Board Agenda Item Maps	232	158	176
Plat Updates	395	378	336
Process Plat Update Requests within 5 Business Days	N/A	Yes	781
Sungard Work Orders	754	740	462
Plan Checks (1st, 2nd, 3rd checks)	371	587	114

## FISCAL 2019 – 20 ACCOMPLISHMENTS

### Administration

Implemented a Project Management Information System for Non-Capital Improvement Projects

Processed a minimum 90% of tasks orders within 5 business days

### Stormwater/Irrigation

Achieved a minimum 75% CIP execution rate

Achieved an average 5% or less for Change Orders as a % of Project Total

Achieved a turnaround time of 2 weeks or less for a minimum 90% of development review letters

Achieved an average formal response time of 2 weeks for Irrigation Water Availability Assessment (IWAA) removal requests

Achieved a turnaround time of 2 weeks or less for a minimum 90% of new irrigation water service requests

Maintained an average turnaround time of 3 weeks or less for a minimum 90% of Riverside County Flood Management Reviews

Achieved an average turnaround time of 3 weeks or less for a minimum 90% of Developer Plan Reviews

Completed the Check Structure at MP 120.8 Replacement Project, Phase 1

Completed the Irrigation Lateral 123.45-1.3-2.2 Replacement Project

Completed the Avenue 59 Drain Pipeline Replacement and Irrigation Lateral 101.3/Avenue 55 - Fillmore Drain Improvement Project

Completed the La Quinta Irrigation Distribution Improvements Project

Completed the Irrigation Lateral 123.45-6.0 Replacement Project

Completed the L-4 Pump Station Bypass – Silver Rock Tie-In Coordination Project

Completed the Wasteway Channels Improvements Project

Completed the Thomas E. Levy Groundwater Replenishment Facility Groundwater Monitoring Wells Project

Completed 100% design of the Avenue 62 Drain Pipeline Replacement Project

Completed 100% design of the Irrigation Lateral 119.64-7.5 Replacement Project

Completed 100% design of the Irrigation Lateral 123.45-1.3-2.2 Replacement Project, Phase 2

Completed 100% design of the Irrigation Lateral 123.45-1.3 and 123.45-1.3-2.2 Division Box Replacement Project

### Domestic Water/General District

Achieved a minimum 75% CIP execution rate

Achieved an average 5% or less for Change Orders as a % of Project Total

Maintained a turnaround time of 2 weeks or less for a minimum 90% of development review letters

Achieved a turnaround time of 4 weeks or less for 90% of Hydraulic Model requests

Achieved a turnaround time of 2 weeks or less for a minimum 90% of Fire Flow Analysis requests

Maintained a turnaround time of 2 weeks or less for a minimum 90% of Trench Review requests

Continued to process a minimum 90% of water meter sizing requests within 1 week

Completed the Booster Station 03501 Construction Project

Completed the Infrastructure Improvements - Sky Mountain Pressure Zone Project

Completed the Talavera Water Main Replacement, Phase 2 Project

Completed the Jefferson Street Emergency Water Main Replacement Project

Completed the Reservoir 5643-1 & 2 Rehabilitation

Completed the Reservoir Safety Upgrades (57 Reservoirs), Phase 2

Completed the Reservoir 1092-1 Rehabilitation, Phase 2

Completed the Rehabilitation of Wells 5624-1, 7803-1, 7991-1 and Service Well 5673-1

Completed the Salton City Water Main Replacement Phase 1 Project

Completed the Highway 86 Transmission Main, Phase 2 Project

Completed the Palm Desert Critical Support Services Building

Completed the Palm Desert Auto Shop Building Expansion

Completed 100% design of the Booster Station 05611 Rehabilitation and Upgrade

Completed 100% design of the Reservoir 4602-2 Design and Construction Project

Completed 100% design of the Reservoir 7101-2 Design and Construction Project

Completed 100% design of the Reservoir 4605-2 Design and Construction Project

Completed 100% design of the Reservoir 4606-2 Design and Construction Project

Completed 100% design of the Sun City Water Main Replacement, Phase 2 Project

Completed 100% design of the Tri-Palm Water Main Replacements Phase 1

Completed 100% design of the Adams Street Water Main Replacement Project Phase 1

### *Sanitation/Nonpotable Water/Electrical*

Achieved a minimum 75% CIP execution rate

Achieved an average 5% or less for Change Orders as a % of Project Total

Maintained a turnaround time of 2 weeks or less for a minimum 90% of development review letters

Achieved a turnaround time of 4 weeks or less for 90% of Hydraulic Model requests

Achieved a turnaround time of 3 weeks or less for a minimum 90% of Trench Review requests

Completed the San Antonio Del Desierto Sewer Pipeline and Lift Station Project

Completed the Palm Desert Groundwater Replenishment Facility Monitoring Wells Project

Completed the WRP 10 – Monitoring Wells Project

Completed the North Shore Beach Water WRP 2 - Plant Improvements Project

Completed the WRP 7 - Programmable Logic Controller Upgrade

- Completed the WRP 10 - Plant B and C Improvements Project
- Completed the Lift Station 81-03 Capacity Upgrade (Burr Street)
- Completed the Lift Station 81-01 Upgrade (Washington Street)
- Completed the Sewer Pipeline Rehabilitation Project - Avenida Juarez
- Completed 100% design of the Sewer Pipeline Rehabilitation Project - Fred Waring Drive
- Completed 100% design of the First Tee Junction Box and Manhole Rehabilitation
- Completed 100% design of the T1 Pump Station Replacement Project

## *Engineering Services (Construction Inspection, Development Services, Right-of-Way, Survey, Technical Services)*

- Processed Development Review Letters within 7-10 business days
- Approved Landscape Plans within 7-10 business days
- Produced Cost Notification for Service invoices within 10 business days of receipt
- Processed Right-of-Way permit requests within 30 days from receipt of a complete submittal
- Processed requests for Field Survey within 3 days of receipt
- Attained a 5-day processing time for Plat Update requests

## **FISCAL 2020 – 21 GOALS**

### *Strategic Plan*

- SG 3.6** Evaluate and design mid-canal storage
- SG 3.8** Initiate construction of the Oasis Phase 2 In-Lieu Recharge project
- SG 3.9** Complete 75% design of the nonpotable water expansion for WRP 7
- SG 4.11** Take delivery of generators for installation at well sites
- SG 4.12** Implement Phase 1 of surge tank protection
- SG 4.13** Implement Risk & Resilience Assessment recommendations, Phase 1

### *Stormwater/Irrigation*

- Achieve a minimum 75% CIP execution rate
- Achieve an average 5% or less for change orders as a % of project total
- Achieve a turnaround time of 2 weeks or less for a minimum of 90% of development review letters
- Achieve an average formal response time of 2 weeks for IWAA removal requests

Achieve a turnaround time of 2 weeks or less for a minimum of 90% of new irrigation water service requests

Maintain an average turnaround time of 3 weeks or less for a minimum of 90% of Riverside County flood management reviews

Achieve an average turnaround time of 3 weeks or less for a minimum of 90% of developer plan reviews

### ***Domestic Water/General District***

Achieve a minimum 75% CIP execution rate

Achieve an average 5% or less for change orders as a % of project total

Maintain a turnaround time of 2 weeks or less for a minimum of 90% of development review letters

Achieve a turnaround time of 4 weeks or less for 90% of hydraulic model requests

Achieve a turnaround time of 2 weeks or less for a minimum of 90% of fire flow analysis requests

Maintain a turnaround time of 2 weeks or less for a minimum of 90% of trench review requests

Continue to process a minimum 90% of water meter sizing requests within 1 week

### ***Sanitation/Nonpotable Water/Electrical***

Achieve a minimum 75% CIP execution rate

Achieve an average 5% or less for change orders as a % of project total

Maintain a turnaround time of 2 weeks or less for a minimum of 90% of development review letters

Achieve a turnaround time of 4 weeks or less for 90% of hydraulic model requests

Achieve a turnaround time of 3 weeks or less for a minimum of 90% of trench review requests

### ***Engineering Services (Construction Inspection, Development Services, Right-of-Way, Survey, Technical Services)***

Process all development review letters within 7-10 business days

Approve landscape plans within 7-10 business days

Produce cost notification for service invoices within 10 business days of receipt

Process right-of-way permit requests within 30 days from receipt of a complete submittal

Process requests for field survey within 3 days of receipt

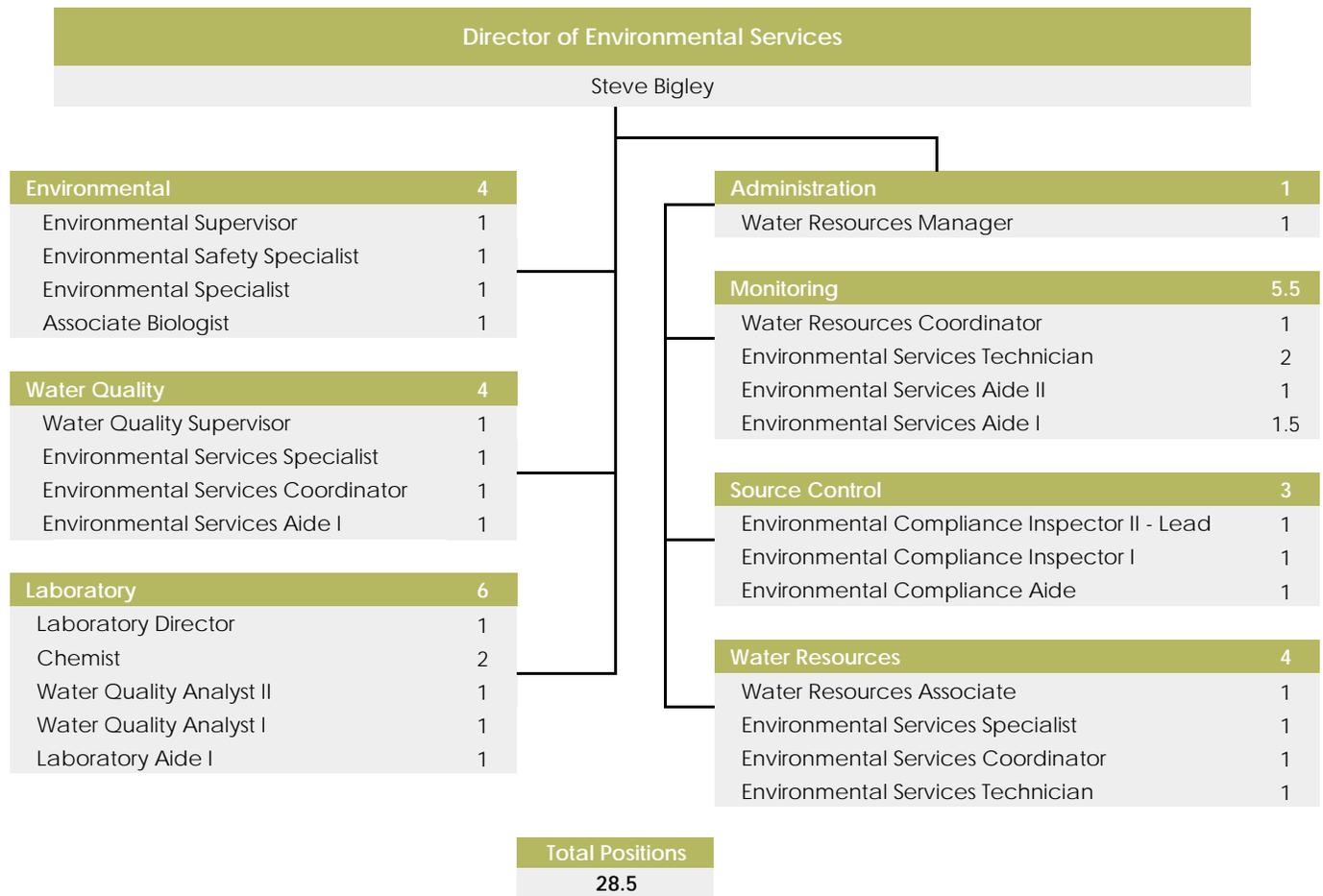
Attain a 5-day processing time for plat update requests

## DEPARTMENT FINANCIAL TREND - ENGINEERING

	Actual 2019	Budget 2020	Projected 2020	Budget 2021	Budget Change	% Change
<b>Expenses by Object</b>						
Salaries & Benefits	\$ 5,802,000	\$ 9,937,000	\$ 7,119,000	\$ 10,672,000	\$ 735,000	7.4
Professional Development	47,000	70,000	22,000	68,000	(2,000)	(2.9)
Professional Services	2,995,000	1,990,000	1,759,000	1,370,000	(620,000)	(31.2)
Utilities	22,000	26,000	35,000	24,000	(2,000)	(7.7)
Materials & Supplies	37,000	72,000	44,000	60,000	(12,000)	(16.7)
Motorpool	115,000	102,000	125,000	138,000	36,000	35.3
Contract Services	708,000	326,000	390,000	436,000	110,000	33.7
Safety	2,000	3,000	3,000	3,000	-	-
Miscellaneous Expense	34,000	154,000	132,000	52,000	(102,000)	(66.2)
Capital Outlay	246,000	245,000	264,000	-	(245,000)	(100.0)
<b>Total</b>	<b>\$ 10,008,000</b>	<b>\$ 12,925,000</b>	<b>\$ 9,893,000</b>	<b>\$ 12,823,000</b>	<b>\$ (102,000)</b>	<b>(0.8%)</b>
<b>Expenses by Division</b>						
<i>Engineering</i>						
Administration	\$ 2,134,000	\$ 1,890,000	\$ 1,611,000	\$ 1,949,000	\$ 59,000	3.1
Stormwater	733,000	1,309,000	1,017,000	785,000	(524,000)	(40.0)
Irrigation - Canal Water	556,000	957,000	587,000	1,059,000	102,000	10.7
Domestic Water	841,000	1,791,000	1,176,000	1,889,000	98,000	5.5
Sanitation	1,858,000	1,428,000	951,000	1,441,000	13,000	0.9
Electrical Energy	161,000	600,000	288,000	652,000	52,000	8.7
<i>Engineering Services</i>						
Construction Inspection	893,000	1,617,000	1,015,000	1,494,000	(123,000)	(7.6)
Development Services	797,000	820,000	843,000	869,000	49,000	6.0
Right of Way	419,000	547,000	462,000	492,000	(55,000)	(10.1)
Survey	623,000	703,000	705,000	759,000	56,000	8.0
Technical Services	993,000	1,263,000	1,238,000	1,434,000	171,000	13.5
<b>Total</b>	<b>\$ 10,008,000</b>	<b>\$ 12,925,000</b>	<b>\$ 9,893,000</b>	<b>\$ 12,823,000</b>	<b>\$ (102,000)</b>	<b>(0.8%)</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 2,751,000	\$ 4,316,000	\$ 3,386,000	\$ 3,814,000	\$ (502,000)	(11.6)
Canal Water	1,172,000	1,655,000	1,179,000	1,806,000	151,000	9.1
Sanitation	3,625,000	3,708,000	2,858,000	3,912,000	204,000	5.5
Stormwater	1,616,000	2,201,000	1,784,000	2,314,000	113,000	5.1
Nonpotable Water	125,000	-	-	-	-	-
West Whitewater Replenishment	540,000	814,000	506,000	759,000	(55,000)	(6.8)
Mission Creek Replenishment	61,000	75,000	60,000	65,000	(10,000)	(13.3)
East Whitewater Replenishment	107,000	156,000	118,000	153,000	(3,000)	(1.9)
Motorpool	11,000	-	2,000	-	-	-
<b>Total</b>	<b>\$ 10,008,000</b>	<b>\$ 12,925,000</b>	<b>\$ 9,893,000</b>	<b>\$ 12,823,000</b>	<b>\$ (102,000)</b>	<b>(0.8%)</b>



# *ENVIRONMENTAL SERVICES*



## DEPARTMENT DESCRIPTION

The Environmental Services Department is organized into seven divisions that develop and implement programs to comply with local, state, and federal regulations protecting water quality and environmental resources.

### Mission

Providing professional environmental services that protect water quality and availability, achieves sustainable groundwater supplies, provides sound environmental compliance and natural resources protection.

### Core Values

- Exceptional customer service
- Efficient business practices
- Cost effective, sustainable, reliable solutions
- Collaboration
- Comprehensive communication
- Commitment
- Accountability
- Integrity

## ***DIVISION DESCRIPTIONS***

Environmental Services' primary responsibilities include: water quality, groundwater replenishment monitoring and reporting, biological resource management, environmental assessments and permitting, water management planning, and advocating for water quality and environmental regulations based on good science, with particular focus on the following functions and activities:

### ***Environmental***

Ensures District projects and activities are evaluated and comply with local, state, and federal environmental protection requirements such as National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA), the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP), and other applicable regulations and guidelines

Oversees the biological and cultural resources surveys used in the assessment of project impacts

Analyzes CVWD projects for avoidance, minimization, and mitigation of environmental impacts

Develops and implements compliance plans and mitigation monitoring plans for CVWD projects

Coordinates mitigation requirements and compliance work for project habitat conservation and monitoring plans

Ensures CVWD facilities, equipment, and operations are permitted according to State guidelines including:

- Backup power generators (air quality)
- CVWD staff training and employee safety (environmental safety)
- Materials storage, disposal, and risk management (hazardous waste)
- Storm Channel maintenance (biological / hydrological)

Works with regulatory agency staff to obtain and satisfy Clean Water Act permits for District facilities and covered activities

Participates in environmental and biological workgroups and committees focusing on regional environmental challenges (i.e. Salton Sea, Dos Palmas)

### ***Water Quality***

Develops water quality monitoring programs for the District's domestic water, wastewater, recycled water, irrigation/drainage, and regional stormwater protection services and implements reporting programs for the same

Evaluates proposed regulations

Surveys and tests new water treatment technologies

Works with regulators and the regulated water community to develop reasonable, beneficial, and cost-effective water quality regulations

Provides customer service related to water quality including customer requests for information and assistance

## Laboratory

Maintains a state-certified laboratory to perform timely and high quality sample analysis and reporting needed to determine compliance with water quality regulations

Implements a Laboratory Information Management System (LIMS) needed to meet state and federal electronic reporting requirements and provide an effective data storage system for performing water quality evaluations

Trains District staff to perform sample collection and water quality analyses

## Administration

Oversees and directs activities of the following divisions: monitoring, source control, and water resources

### MONITORING

Implements water-quality monitoring programs for District domestic water, wastewater, recycled water, irrigation/drainage, and regional stormwater protection services

Performs sample collection services supporting water replenishment

Performs field sampling and analysis at District facilities, including: domestic water and wastewater treatment plants

Provides customer service in the field related to water quality, including: visiting customer residences, providing assistance and information

Monitors water levels in wells throughout the Coachella Valley to produce reports needed to evaluate water supply conditions and make water management decisions

### SOURCE CONTROL

Evaluates, inspects, and permits commercial use of District wastewater collection and treatment facilities

Develops and implements programs that enforce sanitation regulations protecting District wastewater collection and treatment facilities

Evaluates proposed wastewater discharges and supports the assessment of Sanitation Capacity Charges (SCC)

### WATER RESOURCES

Responsible for water resource planning, including:

- Indio Subbasin Sustainable Groundwater Management Act Alternative Plan
- Mission Subbasin Sustainable Groundwater Management Act Alternative Plan
- Regional Urban Water Management Plan
- Integrated Regional Water Management/Stormwater Resources (IRWM / SWR) Plan
- Other water resources planning activities involving coordination with other stakeholders

Develops, implements, monitors, and reports District groundwater replenishment and water rights programs

Works with private well operators to locate and inventory water wells to measure and report groundwater production

Administers Artesian Well Rebate Program and State Well Numbering Program

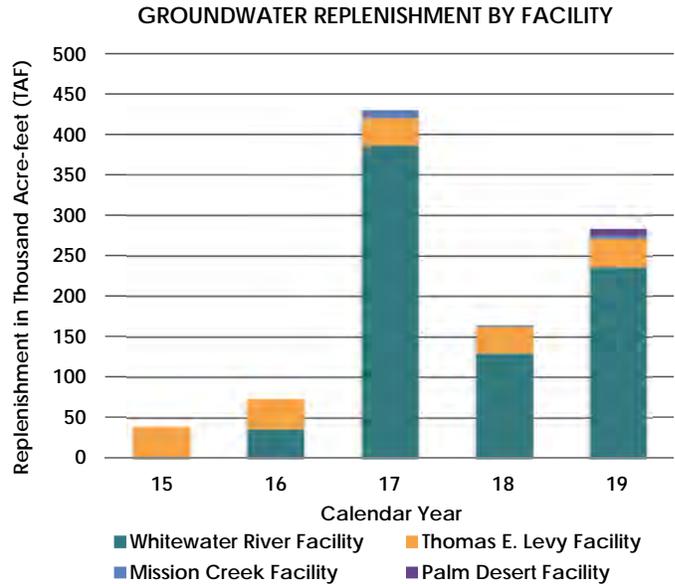
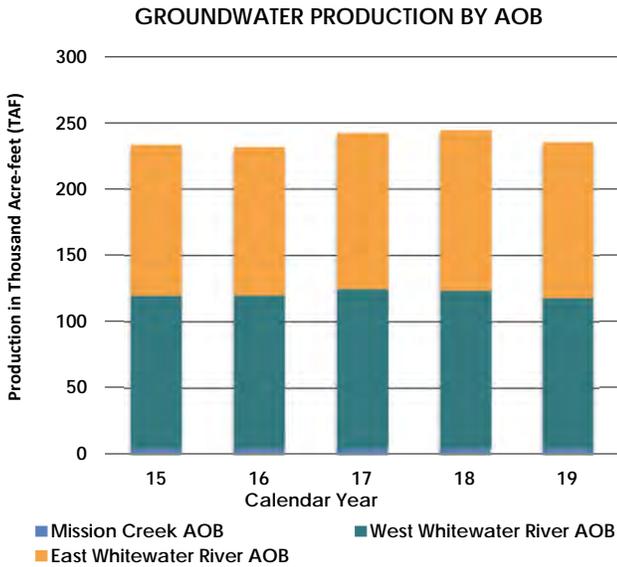
Leads the District's compliance with the Coachella Valley Agriculture Irrigate Lands Program Conditional Waiver and input on the General Order that will be adopted by December 2020

Coordinates the District's compliance with the State's Sustainable Groundwater Management Act (SGMA)

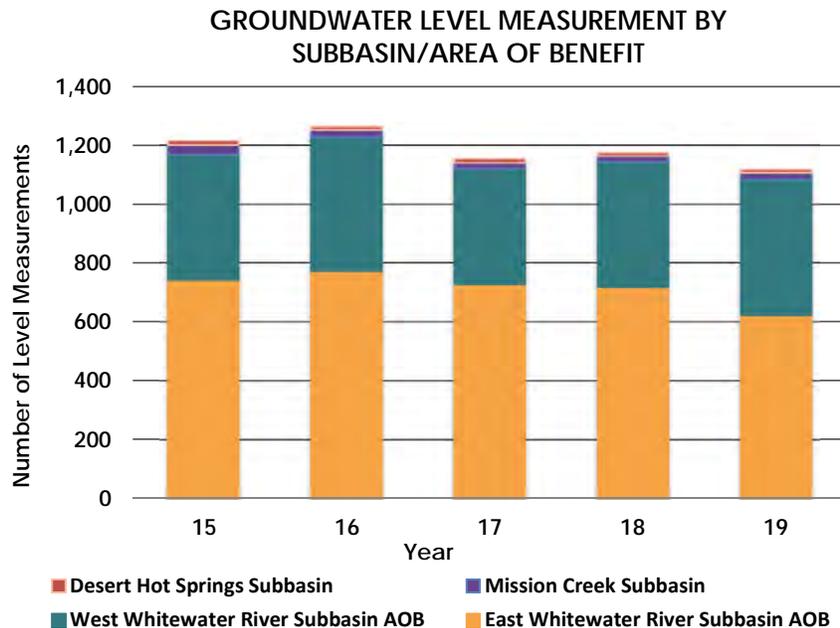
Manages the District's evaluation of expanding groundwater replenishment activities in the mid and east portions of the Coachella Valley

## Environmental Services Metrics

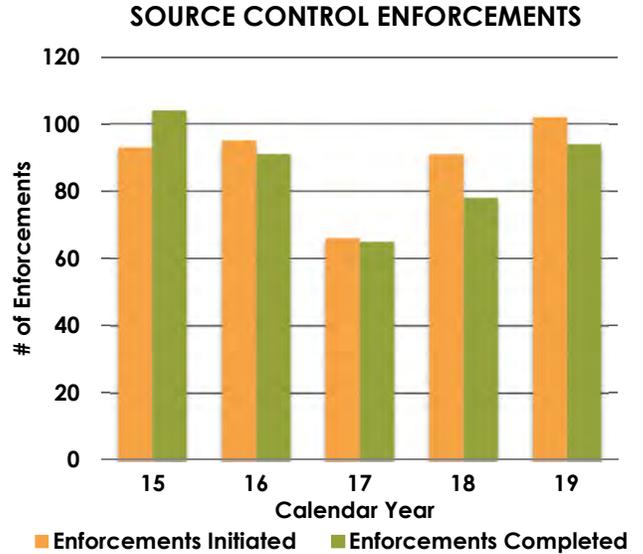
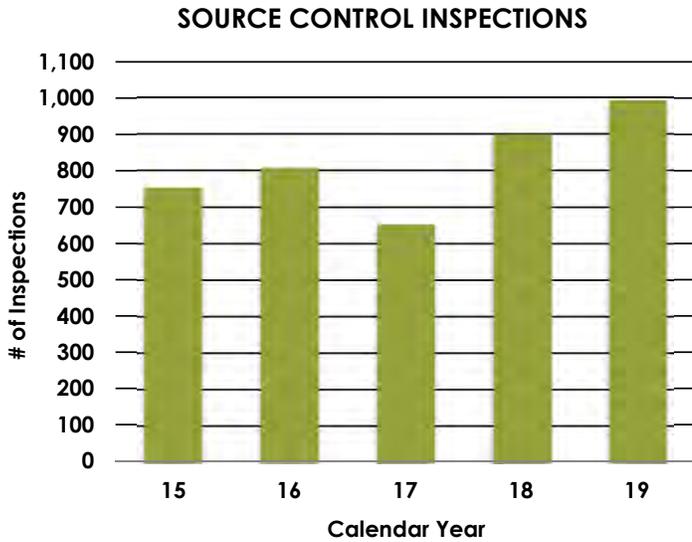
Environmental Services' metrics are reflected in calendar year (CY) versus fiscal year (fiscal), because of existing reporting requirements. The first graph shows the last five years of groundwater production for the three CVWD Areas of Benefit (AOB), while the second graph depicts water delivered to each replenishment facility.



The following graph shows measurements for each subbasin over the last five calendar years.



Source Control metrics for inspections and enforcements for the past five calendar years are reflected in the following graphs.



ENVIRONMENTAL SERVICES WORKLOAD MEASURES						
	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019
<b>Environmental</b>						
Greenhouse Gas Emissions (metric tons)	97,386	89,818	88,019	96,180	94,516	95,775
<b>Water Quality</b>						
Taste/Odor Complaints	17	15	46	24	35	15
Appearance Complaints	27	33	44	15	6	27
Health Concern Complaints	5	6	14	10	10	3
Total Complaints	49	54	104	49	51	45
Drinking Water Compliance Rate - Days in Compliance	100%	100%	100%	100%	100%	100%
<b>Laboratory</b>						
Proficiency Testing Performance	100%	100%	100%	97%	100%	100%
# Analysis Completed	11,858	11,235	11,743	10,660	14,141	10,583
<b>Source Control</b>						
Commercial Sites Inspected	866	686	767	803	899	993
% of Sites Out of Compliance	20%	14%	12%	8%	10%	10%
% of Sites Returned to Compliance	100%	100%	97%	100%	86%	92%
<b>Water Resource</b>						
Short-Term Water Supply Adequacy	100%	100%	100%	100%	100%	100%
Long-Term Water Supply Adequacy	100%	100%	100%	100%	100%	100%
<b>Monitoring</b>						
Total Coliform Rule Samples Collected	N/A	N/A	N/A	N/A	N/A	2,279
Title 22 Bacteriological Well Samples Collected	N/A	N/A	N/A	N/A	N/A	378
Water Level Readings Performed	N/A	N/A	N/A	N/A	N/A	1,119

## FISCAL 2019 – 20 ACCOMPLISHMENTS

### Strategic Plan

Continued sponsoring activities to develop a work plan for improving agriculture drain measurements

### Environmental

Maintained applicable permitting for air quality compliance on CVWD facilities and equipment

Maintained applicable permitting for hazardous materials compliance on CVWD facilities

Updated CVWD's guidelines for implementing the California Environmental Quality Act

Completed the Environmental Review for the Coachella Valley Stormwater Channel (CVSC) Ave 52-54 Improvement Project

Continued environmental coordination efforts to complete mitigation for the Coachella Canal Lining Project

Implemented capital project Habitat Mitigation Monitoring Plans and Nesting Bird Management Plans

Attended Habitat Plan Resource Management Unit Committee and Biological Workgroup meetings

Coordinated activities needed to satisfy the new State dredge and fill permit requirements

Completed the Environmental Review for the Coachella Valley Stormwater Channel (CVSC) Ave 62-64 Improvement Project

Completed the Environmental Review for the East Side Dike Improvement Project

### Water Quality

Completed public hearing for 2019 Public Health Goal (PHG) Report

Completed 2019 annual report of systems and consumer confidence report

Completed annual Environmental Protection Agency Sludge Report

Completed annual Municipal Separate Storm Sewer System (MS4) Stormwater Report

Completed comments for next round of revisions to statewide toxicity provisions

Completed job safety analysis for tasks performed by Water Quality staff

### Laboratory

Completed training of new Laboratory Aide and recently promoted Water Quality Analyst

Evaluated implementing metals digestion for samples with high turbidity and all wastewater samples at CVWD water quality laboratory

Continued working with Environmental Laboratory Technical Advisory Committee (ELTAC), Coalition of Accredited Laboratories (CAL), and the State on the new regulations and changes that affect laboratory operations such as fee increases, proficiency testing review process, and onsite assessment process

Completed training of Water Quality and Laboratory staff to serve as back up Laboratory Information Management System (LIMS) administrators

## Monitoring

Completed lead and copper monitoring for ID 8 and ID 11 Public Water Systems

Completed first round of monitoring for Unregulated Contaminant Monitoring Rule 4 (UCMR4)

Completed required monitoring for perfluoroalkyl and polyfluoroalkyl substances (PFAS) in select wells in Cove and ID 11 Public Water Systems

## Source Control

Continued transition to paperless record-keeping

Completed permitting of existing cooling tower dischargers and began process for improving data collection from dischargers

Developed a program to ensure cannabis industry businesses comply with CVWD regulations governing sanitation service

Contacted select local agencies conducting plan check activity for facilities within CVWD sanitation service area to help integrate CVWD concerns into the process (define terminology, set boundaries, and define expectations)

## Water Resources

Participated in the Coachella Valley Regional Water Management Group to secure grant funding for projects and programs that benefit the Coachella Valley Integrated Regional Water Management Region

Administered contracts, and coordinated and collaborated with other groundwater management agencies to complete tasks needed for compliance with the Sustainable Groundwater Management Act in the Indio and Mission Creek Subbasins including annual reports and required plan updates

Completed the annual Water Supply and Replenishment Assessment Report for Areas of Benefit

Coordinated and collaborated with other water agencies to initiate the development of a Regional Urban Water Management Plan for the Coachella Valley

Completed monitoring and reporting for the Coachella Valley Agriculture Discharge Waiver Compliance Plan

Completed pending and new groundwater production audits within the groundwater management areas

Participated on CVWD's Grant Oversight Committee to integrate committee functions with Water Resources Management objectives

## FISCAL 2020 – 21 GOALS

### Strategic Plan

**SG 2.2** Execute contract services to produce CVWD's first Climate Action Plan

**SG 2.3** Develop a research proposal for obtain collaborative Water Research Foundation funds to study water quality benefits from recycled water irrigation

**SG 3.5** Implement in-house monitoring improvements for identified agriculture drains and obtain approval to execute a work plan to construct facilities needed to improve monitoring at the remaining drains

### *Environmental*

- Complete Environmental Review for the Nonpotable Water Master Plan
- Complete Environmental Review for the Sanitation Master Plan
- Complete Environmental Review for the Thousand Palms Flood Control Project
- Complete Environmental review for the North Cathedral City Improvements Project
- Complete Environmental review for Reservoirs 4711-3 and 4711- 4
- Obtain Clean Water Act permits for the construction of the Palm Desert Groundwater Replenishment Facility - Phase 2
- Establish project design for created habitat projects for CVWD's permittee responsibility in the Coachella Valley Multiple Species Habitat Conservation Plan
- Maintain applicable permitting for air quality compliance on CVWD facilities and equipment
- Maintain applicable permitting for hazardous materials compliance on CVWD facilities
- Update CVWD's guidelines for implementing the California Environmental Quality Act
- Implement capital project Habitat Mitigation Monitoring Plans and Nesting Bird Management Plans
- Attend Habitat Plan Resource Management Unit Committee and Biological Workgroup meetings
- Develop and implement a Climate Action Plan guidance document

### *Water Quality*

- Complete 2020 annual report of systems and consumer confidence report
- Complete annual Environmental Protection Agency Sludge Report
- Complete annual Municipal Separate Storm Sewer System (MS4) Stormwater Report
- Complete comments for proposed changes to MS4 National Pollutant Discharge Elimination System (NPDES) permit
- Complete Long-Term Safe Drinking Water Quality Master Plan
- Complete Unregulated Contaminate Monitoring Rule 4 Reporting
- Complete 10 Standard Operating Procedures for water quality staff

### *Laboratory*

- Complete training of new Chemist, Water Quality Analyst II, Water Quality Analyst I, and Laboratory Aide
- Implement metals digestion for samples with high turbidity and all wastewater samples at CVWD water quality laboratory
- Continue working with Environmental Laboratory Technical Advisory Committee (ELTAC), Coalition of Accredited Laboratories (CAL), and the State of California on new regulations and changes that affect laboratory operations such as fee increases, proficiency testing review process and onsite assessment process
- Complete training of laboratory staff to serve as Laboratory Information Management System (LIMs) administrators

### *Monitoring*

- Complete Water Reclamation Plant 10 study monitoring for Regional Water Quality Control Board Order R7-2018-0001 Special Provisions Section F.1
- Complete second round of monitoring for Unregulated Contaminant Monitoring Rule 4 (UCMR4)
- Initiate lead and copper monitoring for Cove Public Water System
- Complete trimester water level monitoring in wells throughout the Coachella Valley
- Collect all required samples to maintain compliance with CVWD Domestic and Sanitation permits

### *Source Control*

- Continue transition to paperless record keeping
- Continue process for ensuring compliance with data reporting requirements for cooling tower dischargers
- Continue working with Desert Water Agency (DWA) to ensure that their program requirements for cannabis industry businesses and cooling towers within the area flowing to Water Reclamation Plant 10 complies with CVWD regulations governing sanitation service
- Assist Regional Water Quality Control Board with Dental Amalgam Rule compliance within CVWD's sanitation service area
- Continue contacting selected local agencies conducting plan check activity for facilities within CVWD sanitation service area and integrate CVWD concerns into the process (define terminology, set boundaries, and define expectations)

### *Water Resources*

- Participate in the Coachella Valley Regional Water Management Group to secure grant funding for projects and programs that benefit the Coachella Valley Integrated Regional Water Management Region
- Administer contracts, and coordinate and collaborate with other groundwater management agencies to complete tasks needed for compliance with the Sustainable Groundwater Management Act in the Indio and Mission Creek Subbasins including annual reports, basin boundary modifications, and any required plan updates
- Complete the annual Water Supply and Replenishment Assessment Report for Areas of Benefit
- Coordinate and collaborate with other water agencies for the development of a Regional Urban Water Management Plan for the Coachella Valley
- Complete pending and new groundwater production audits within the groundwater management areas
- Participate on CVWD's Grant Oversight Committee to integrate committee functions with Water Resources Management objectives
- Coordinate and collaborate with other water and wastewater agencies for the development of a Salt and Nutrient Management Plan (SNMP) Development Work Plan

DEPARTMENT FINANCIAL TREND - ENVIRONMENTAL SERVICES

	Actual 2019	Budget 2020	Projected 2020	Budget 2021	Budget Change	% Change
<b>Expenses by Object</b>						
Salaries & Benefits	\$ 4,088,000	\$ 4,302,000	\$ 4,240,000	\$ 4,399,000	\$ 97,000	2.3
Professional Development	88,000	110,000	111,000	107,000	(3,000)	(2.7)
Professional Services	1,037,000	1,530,000	854,000	3,023,000	1,493,000	97.6
Utilities	14,000	18,000	15,000	13,000	(5,000)	(27.8)
Materials & Supplies	158,000	147,000	140,000	147,000	-	-
Motorpool	115,000	83,000	83,000	74,000	(9,000)	(10.8)
Contract Services	348,000	482,000	329,000	463,000	(19,000)	(3.9)
Safety	6,000	5,000	6,000	5,000	-	-
Miscellaneous Expense	1,926,000	1,772,000	2,085,000	1,723,000	(49,000)	(2.8)
Capital Outlay	-	36,000	42,000	-	(36,000)	(100.0)
<b>Total</b>	<b>\$ 7,780,000</b>	<b>\$ 8,485,000</b>	<b>\$ 7,905,000</b>	<b>\$ 9,954,000</b>	<b>\$ 1,469,000</b>	<b>17.3%</b>
<b>Expenses by Division</b>						
Administration	\$ 1,397,000	\$ 1,363,000	\$ 1,592,000	\$ 1,639,000	\$ 276,000	20.2
Environmental	1,201,000	1,131,000	875,000	1,013,000	(118,000)	(10.4)
Laboratory	985,000	1,096,000	1,011,000	1,116,000	20,000	1.8
Source Control	544,000	560,000	555,000	559,000	(1,000)	(0.2)
Monitoring	-	605,000	688,000	748,000	143,000	23.6
Water Quality	1,939,000	1,564,000	1,474,000	1,378,000	(186,000)	(11.9)
Water Resources	1,714,000	2,166,000	1,710,000	3,501,000	1,335,000	61.6
<b>Total</b>	<b>\$ 7,780,000</b>	<b>\$ 8,485,000</b>	<b>\$ 7,905,000</b>	<b>\$ 9,954,000</b>	<b>\$ 1,469,000</b>	<b>17.3%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 2,344,000	\$ 2,279,000	\$ 2,362,000	\$ 2,923,000	\$ 644,000	28.3
Canal Water	1,315,000	1,434,000	1,388,000	1,694,000	260,000	18.1
Sanitation	2,000,000	1,833,000	1,917,000	2,223,000	390,000	21.3
Stormwater	789,000	647,000	512,000	653,000	6,000	0.9
Nonpotable Water	66,000	-	-	-	-	-
West Whitewater Replenishment	497,000	1,170,000	833,000	1,175,000	5,000	0.4
Mission Creek Replenishment	196,000	319,000	283,000	388,000	69,000	21.6
East Whitewater Replenishment	570,000	799,000	606,000	894,000	95,000	11.9
Motorpool	3,000	4,000	4,000	4,000	-	-
<b>Total</b>	<b>\$ 7,780,000</b>	<b>\$ 8,485,000</b>	<b>\$ 7,905,000</b>	<b>\$ 9,954,000</b>	<b>\$ 1,469,000</b>	<b>17.3%</b>



CVWD Water Quality Lab in Palm Desert

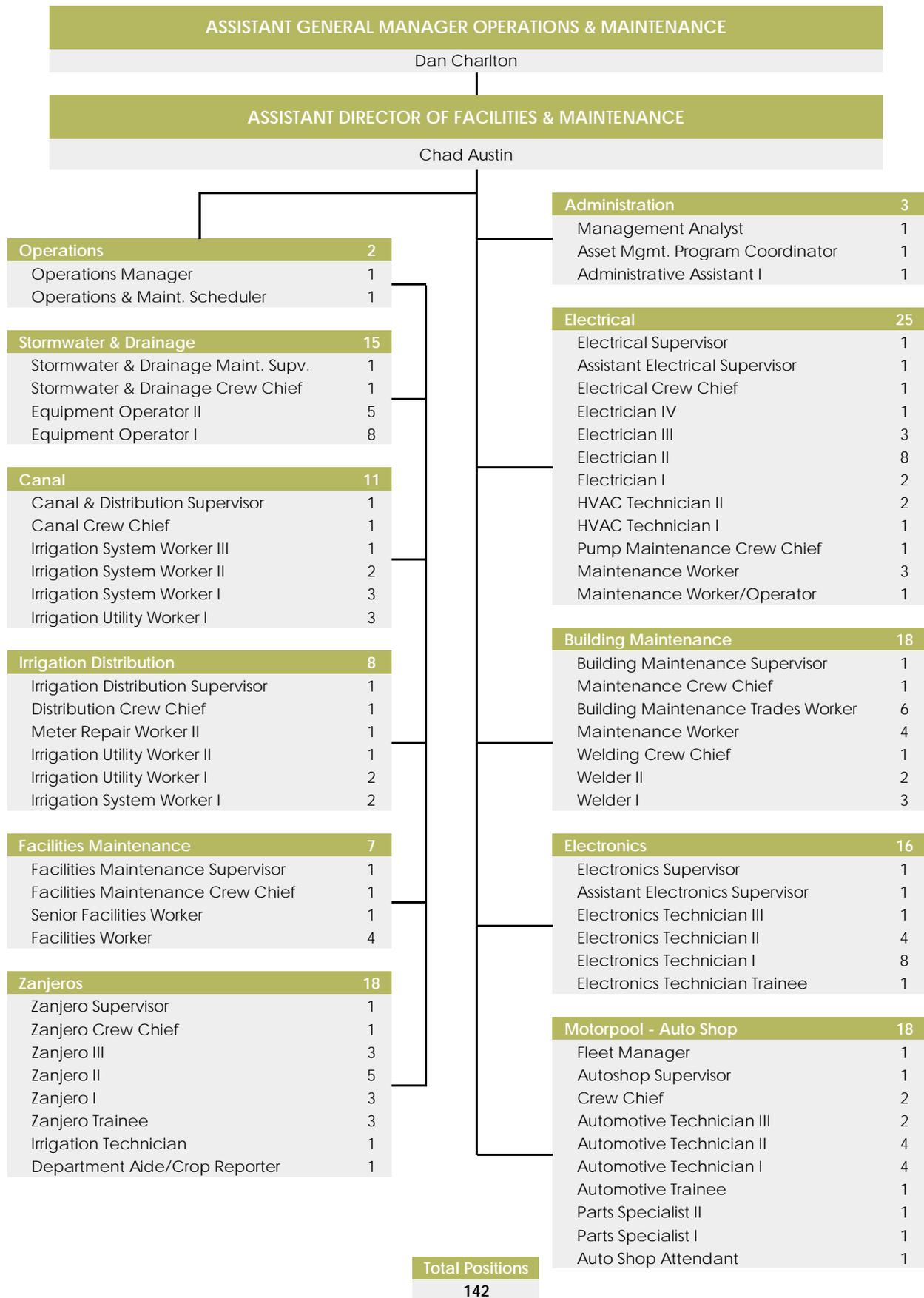


*Whitewater Replenishment Improvement Project*

FACILITIES &

MAINTENANCE





## *DEPARTMENT DESCRIPTION*

Facilities & Maintenance consists of nine divisions that contribute a variety of specialized skills and trades. These divisions include Stormwater & Drainage, Canal, Irrigation Distribution, Facilities Maintenance, and Zanjeros, which report directly to the Operations Manager. The department also includes Administration, Electrical (which includes heating, ventilating, and air conditioning (HVAC) maintenance and pump maintenance), Building Maintenance, Electronics, and Motorpool - Auto Shop which report directly to the Assistant Director of Facilities & Maintenance.

### *Mission*

The Facilities & Maintenance Department is dedicated to providing proactive, courteous, and professional services to our internal and external customers by developing and deploying a staff of skilled technicians, operators, and craftsmen who are committed to providing superior workmanship and outstanding service. We strive to exceed the expectations of our fellow departments by providing our customers with exceptional service while furthering the mission of the CVWD.

### *Core Values*

- Integrity
- Accountability
- Teamwork
- Loyalty



*Distribution Operator Garrett Boyd Performs Hydrant Flow Test*

## ***DIVISION DESCRIPTIONS***

Facilities & Maintenance performs a wide range of technical and support services including the following:

### ***Administration***

Supports the various divisions within the Facilities & Maintenance Department in an effort to provide proactive, courteous, and professional services to internal and external customers

Develops and implements CVWD's Asset Management Program

### ***Stormwater & Drainage***

Maintains the Whitewater River and Coachella Valley Stormwater Channels, their tributaries, the drainage system, and protective dikes

Operates and maintains the Whitewater Groundwater Replenishment Facility

Provides large equipment support services throughout CVWD

### ***Canal***

Maintains the Coachella Canal, including canal access roads, slopes, and lateral turnouts

Operates and maintains the Quagga Mussel Treatment Facility

### ***Irrigation Distribution***

Maintains the Irrigation Distribution System, including 485 miles of pipeline and over 1,200 irrigation meters

Performs valve replacement, pipe repair, replacement of distribution laterals through coordinated outages

### ***Facilities Maintenance***

Maintains the landscaping for all CVWD campuses

Manages on-call maintenance contracts for well sites and undeveloped CVWD properties

### ***Zanjeros***

Delivers canal water to the farming community and golf courses through the irrigation delivery system and Mid-Valley pipeline

Conveys canal water to the Water Reclamation Plants (WRPs) 7 and 10 for blending purposes, and to the Palm Desert and the Thomas E. Levy Groundwater Replenishment Facility.

### *Electrical*

Maintains all electrical equipment for all of CVWD facilities

Provides electrical design review for capital improvement projects

#### **HVAC MAINTENANCE**

Maintains all HVAC equipment for all of CVWD facilities

Maintains CVWD's new Climatec software program to ensure optimization of heating/cooling of facilities

#### **PUMP MAINTENANCE**

Maintains all domestic, irrigation, drainage, and recharge pumps and motors

Responsible for deep-well video recording and analysis, as well as pump troubleshooting and vibration analysis

### *Building Maintenance*

Maintains all of CVWD Campuses and provides support services for all Departments

Performs all steel design and fabrications, concrete work, and special coatings/sealants for all of CVWD's infrastructure

### *Electronics*

Provides electronic and instrumentation design review for capital improvement projects

Maintains all programmable logic control systems and related instrumentation for all domestic, sanitation, irrigation, and nonpotable facilities

### *Motorpool – Auto Shop*

Maintains and services all 971 vehicles and equipment within CVWD's fleet

Manages all of CVWD vehicles and equipment, including procurement and disposal



*Coachella Canal Near Silver Rock Resort*

## Facilities & Maintenance Metrics

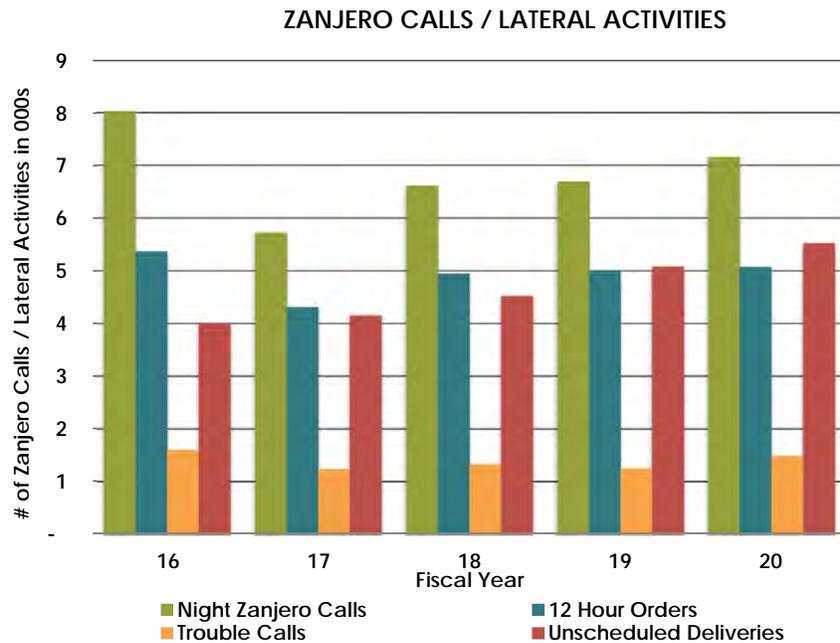
FACILITIES & MAINTENANCE WORKLOAD MEASURES					
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Stormwater &amp; Drainage</b>					
Vegetation Maintenance of Stormwater Channel (Linear Feet)	462,070	390,847	288,535	313,760	453,666
Percolation Ponds Ripped	28	27	22	9	20
Percolation Pond Sediment Excavation (Cubic Yards)	142,541	132,990	178,551	103,509	142,910
Maintenance of Service Roads (Miles)	32	44	115	119	70
<b>Canal</b>					
Concrete Panel Replacement	30	60	35	-	-
Maintenance of Radial Gates	1	2	2	4	2
Maintenance of Canal Service Roads (Miles)	126	118	132	142	235
<b>Distribution</b>					
Replacement of Distribution Valves	46	39	30	25	25
Repair of Distribution Valves	63	62	69	80	72
Distribution Leak Repairs	93	68	58	89	69
Replacement of Distribution Laterals (Linear Feet)	2,278	1,910	1,222	533	1,093
<b>Facilities Maintenance</b>					
Maintenance of District Facilities	755	775	815	812	705
Inspection of District Facilities	3,027	3,289	3,698	2,768	1,825
Weed Abatement of Facilities	140	259	532	253	219
<b>Electronics</b>					
Plant Instrumentation Calibrations	N/A	73	696	671	471
Preventative Maintenance of Communication Systems	455	458	116	135	68
Maintenance of Weather Stations	47	51	46	31	39
<b>Electrical</b>					
Electrical Site Maintenance	81	183	270	213	140
<b>HVAC Maintenance</b>					
Maintenance of HVAC Systems	76	426	1,241	2,254	2,202
<b>Pump Maintenance</b>					
Pump Maintenance	51	118	1,433	1,460	1,320
Preventative Maintenance of Pump Generators	205	1,711	748	303	301
<b>Building Maintenance</b>					
Graffiti Removal	31	57	44	40	27
Replacement of Domestic Water Meter Boxes	34	12	43	37	19
Irrigation Meter Can Locking Devices	68	61	82	88	86
Extension of Irrigation Valve Stems	105	85	79	72	65
<b>Zanjeros</b>					
Valves Exercised Annually - Goal 1,000	1,013	1,086	1,052	1,032	1,230
Average Minutes per Meter	4:19	4:19	4:21	4:25	4:20
Acre-feet Recharged at TEL	37,471	37,860	28,290	30,485	36,075
Irrigable Acres (Calendar Year)	76,477	77,101	76,364	77,103	N/A
<b>Motorpool - Auto Shop</b>					
Fleet Capital Improvement Projects Completed	77%	97%	74%	100%	100%
Vehicle Out of Service Percentage - Goal 8% or less	N/A	N/A	N/A	4.9%	3.7%

The following tables reflect the percentage of costs incurred on recurring and nonrecurring expenses for maintenance activities, along with the percentage of man-hours worked on recurring and nonrecurring activities by division, for the past five years.

FACILITIES & MAINTENANCE O&M COST RATIOS											
	FY 2016		FY 2017		FY 2018		FY 2019		FY 2020		
	Recurring	Nonrecurring									
<b>Stormwater &amp; Drainage</b>											
Stormwater & Drainage	82%	18%	76%	24%	83%	17%	57%	43%	19%	81%	
<b>Canal &amp; Distribution System Maintenance</b>											
Canal Distribution Maintenance	10%	90%	7%	93%	22%	78%	14%	86%	6%	94%	
Canal Maintenance	75%	25%	76%	24%	70%	30%	76%	24%	84%	16%	
<b>Facilities Maintenance</b>											
Carpenter Shop	2%	98%	4%	96%	3%	97%	5%	95%	6%	94%	
Welding Shop	4%	96%	4%	96%	4%	96%	0%	100%	14%	86%	
Facilities Maintenance	82%	18%	85%	15%	86%	14%	87%	13%	80%	20%	
<b>Electronics</b>											
Electronic Technicians	5%	95%	9%	91%	11%	89%	8%	92%	5%	95%	
<b>Electrical</b>											
Electricians	13%	87%	14%	86%	17%	83%	21%	79%	19%	81%	
Air Conditioners	65%	35%	65%	35%	53%	47%	51%	49%	58%	42%	
<b>Pump Maintenance</b>											
Pump Maintenance	30%	70%	22%	78%	26%	74%	15%	85%	30%	70%	
<b>Combined Ratio Facilities &amp; Maintenance</b>	<b>43%</b>	<b>57%</b>	<b>41%</b>	<b>59%</b>	<b>45%</b>	<b>55%</b>	<b>39%</b>	<b>61%</b>	<b>43%</b>	<b>57%</b>	

FACILITIES & MAINTENANCE O&M LABOR HOUR RATIOS											
	FY 2016		FY 2017		FY 2018		FY 2019		FY 2020		
	Recurring	Nonrecurring									
<b>Stormwater &amp; Drainage</b>											
Stormwater & Drainage	72%	28%	65%	35%	67%	33%	53%	47%	37%	63%	
<b>Canal &amp; Distribution System Maintenance</b>											
Canal Distribution Maintenance	12%	88%	8%	92%	26%	74%	19%	81%	9%	91%	
Canal Maintenance	66%	34%	76%	24%	60%	40%	61%	39%	67%	33%	
<b>Facilities Maintenance</b>											
Carpenter Shop	3%	97%	5%	95%	4%	96%	8%	92%	6%	94%	
Welding Shop	2%	98%	3%	97%	3%	97%	0%	100%	14%	86%	
Facilities Maintenance	83%	17%	82%	18%	86%	14%	87%	13%	80%	20%	
<b>Electrical</b>											
Electricians	12%	88%	15%	85%	19%	81%	19%	81%	18%	82%	
Air Conditioners	70%	30%	74%	26%	54%	46%	56%	44%	59%	41%	
<b>Pump Maintenance</b>											
Pump Maintenance	64%	36%	51%	49%	43%	57%	56%	44%	67%	33%	
<b>Electronics</b>											
Electronic Technicians	4%	96%	11%	89%	8%	92%	8%	92%	4%	96%	
<b>Combined Ratio Facilities &amp; Maintenance</b>	<b>37%</b>	<b>63%</b>	<b>36%</b>	<b>64%</b>	<b>34%</b>	<b>66%</b>	<b>35%</b>	<b>65%</b>	<b>42%</b>	<b>58%</b>	

The following graph depicts the various Zanjero calls and lateral activities that are responded to annually.



## FISCAL 2019 – 20 ACCOMPLISHMENTS

### Strategic Plan

Completed asset collection, valuation and impact index for Domestic, Stormwater, Canal, and General District (Asset Management Program, Phase 2 - Part 3)

Completed the Project Work Plan for the Constructed Habitat Project and submitted to the Coachella Valley Conservation Commission for review and approval

### Administration

Continued the development of the Departmental Preventative Maintenance Plan

Completed the preliminary development of the Asset Management Integration Plan

Completed the Facility Security and Safety Assessment

Commenced the assimilation of the Facilities & Maintenance and Operations Department

### Stormwater & Drainage

Completed the Stormwater Preventative Maintenance Plan, Phase 3

Prepared the replenishment at the Whitewater Groundwater Replenishment Facility for maximum future water deliveries

Completed the Emergency Storm Restoration Project

### *Canal*

- Completed the Canal Preventative Maintenance Plan, Phase 3
- Restocked the canal with 1,000 Triploid Grass Carp (various locations)
- Rehabilitated the Radial Gate at Milepost 120.9

### *Irrigation Distribution*

- Completed the Irrigation Distribution Preventative Maintenance Plan, Phase 3
- Finalized the collection, valuation, and asset impact for all irrigation distribution assets
- Managed the irrigation distribution On-Call contractor, and identified synergies to optimize irrigation lateral shutdowns

### *Facilities Maintenance*

- Completed the Facilities Maintenance Preventative Maintenance Plan, Phase 3
- Finalized the Operations and Maintenance Production Tracking Program
- Completed the Landscape Improvement Project at the Coachella Campus

### *Zanjeros*

- Identified encroachments affecting canal and irrigation distribution facilities, Phase 1
- Maximized replenishment at the Thomas E. Levy Replenishment Facility
- Developed and implemented a Colorado River water ordering protocol to reduce water ordered but not diverted

### *Electrical*

- Completed the Coachella Administration Building HVAC System Upgrade Project
- Implemented the Heat Pump Replacement Project, Phase 1 at the Palm Desert Operations Building
- Completed the Transfer Switch Upgrade Project at Lift Station 80-16

### *Building Maintenance*

- Completed the Palm Desert Auto Shop Office Expansion
- Completed the Crack Sealing and Slurry Coat Project in Coachella and Palm Desert
- Completed the Well Site Gate Locking Device Upgrade Project, Phase 1

### *Electronics*

- Provided support services for the WRP-7 GE PLC Upgrade Project
- Managed the completion of the Aviat Microwave Radio Replacement Project, Phase 1
- Managed the Motorola P25 Trunked Radio Replacement Project

## *Motorpool – Auto Shop*

- Completed auto technician assessments
- Completed the Palm Desert auto shop office expansion
- Developed standardized vehicle specifications by division

## **FISCAL 2020 – 21 GOALS**

### *Strategic Plan*

- SG 4.10** Conduct the Potable Telemetry Pilot Upgrade Study
- SG 5.15** Implement the Computerized Maintenance Management System

### *Administration*

- Finalize asset collection and upload collected assets into the Computerized Maintenance Management System (CMMS) program
- Develop and implement the CMMS Certification Training Program
- Complete the Preventative Maintenance Program in conjunction with Operations

### *Stormwater & Drainage*

- Complete the Whitewater River/Coachella Valley Stormwater Channel Mulching Project, Phase 1
- Remove the CVWD Open Agricultural Channels and Drains Vegetation Project, Phase 1
- Complete the Whitewater Groundwater Replenishment Facility Ripping Project to increase the percolation rate for future State Water Project allocations

### *Canal*

- Rehabilitate Radial Gate No. 1 at Canal Milepost 90.6
- Rehabilitate Radial Gate at Milepost 88.6
- Complete the Coachella Canal Panel Maintenance/Replacement Project, Phase 1

### *Irrigation Distribution*

- Manage the irrigation distribution On-Call contractor and identify synergies to optimize Irrigation lateral shutdowns
- Finalize Irrigation Distribution Asset Upload into the CMMS
- Complete the Irrigation Distribution Valve Replacement Program, Phase 2

### *Facilities Maintenance*

- Complete the Irrigation Landscape Upgrade Project, Phase 1
- Complete the Palm Desert (CSSB) Landscape Improvement Project
- Develop and implement the Qualified Applicators License Training Program

### *Zanjeros*

- Develop and implement a comprehensive Zanjero Training program
- Develop a flow meter testing and replacement program for irrigation flow meters
- Maximize the replenishment at the Thomas E. Levy Replenishment Facility

### *Electrical*

- Assist with the implementation of the new Communication Towers installation at WRP4 and West Shores Facilities
- Provide support services for the WRP 4, WRP 7, and WRP 10 Chemical Safety Upgrade Project
- Complete the TEL Replenishment Facility Pump Replacement Project

### *Building Maintenance*

- Design and construct the Coachella Restroom Upgrade Project, Phase 2
- Complete the Concrete Driveway and Curb Replacement Project, Phase 1
- Complete the Well Site Gate Locking Device Upgrade Project, Phase 2

### *Electronics*

- Develop a replacement program for the fire alarm control panels in the Coachella warehouse
- Complete the evaluation of 4.9 GHz remote Ethernet radios that will replace the existing remote radios
- Complete the installation of the WRP-10 A-Plant Ammonia Control System

### *Motorpool – Auto Shop*

- Complete the vehicle/equipment procurement and capital replacement program for fiscal 2021
- Reduce new vehicle/equipment preparation time to internal customers
- Complete the Auto Shop Preventative Maintenance Plan

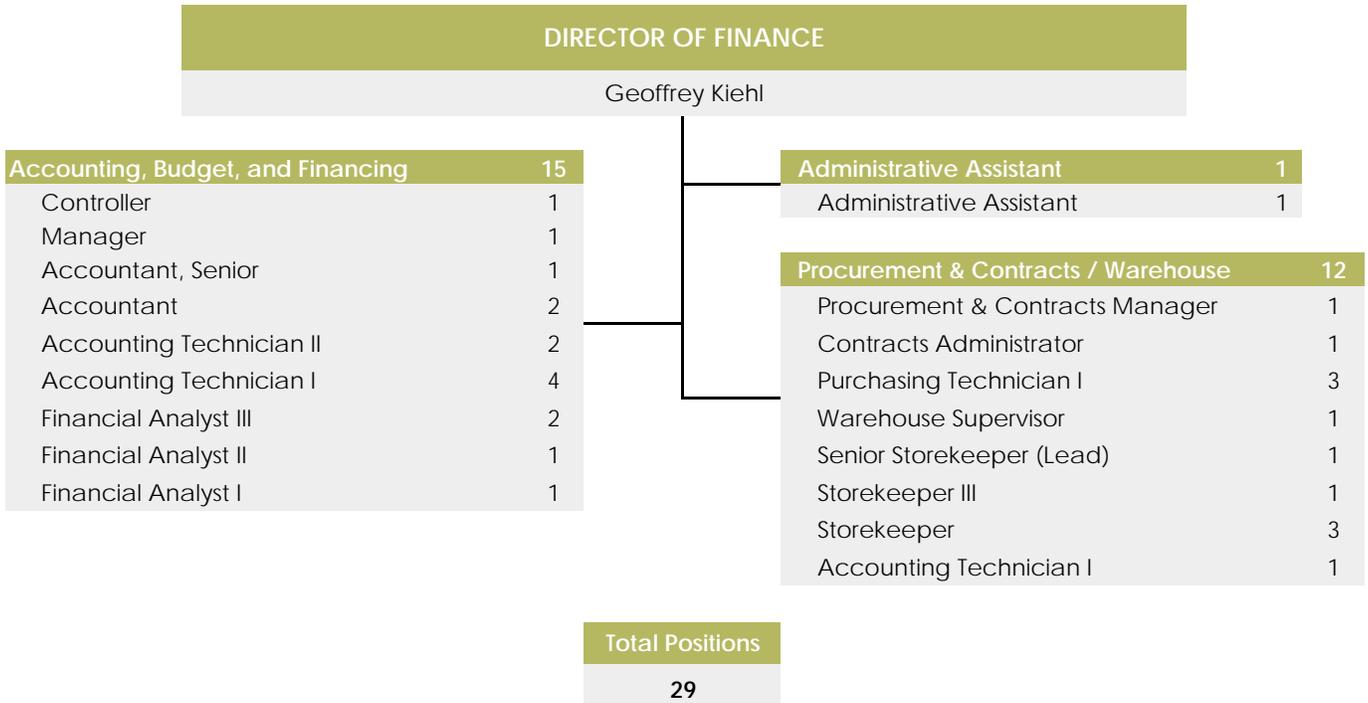
# FACILITIES & MAINTENANCE — FISCAL 2020 – 21 BUDGET

## DEPARTMENT FINANCIAL TREND - FACILITIES & MAINTENANCE

	Actual 2019	Budget 2020	Projected 2020	Budget 2021	Budget Change	% Change
<b>Expenses by Object</b>						
Salaries & Benefits	\$ 17,308,000	\$ 19,651,000	\$ 18,368,000	\$ 20,687,000	\$ 1,036,000	5.3
Professional Development	147,000	177,000	108,000	105,000	(72,000)	(40.7)
Professional Services	2,393,000	1,488,000	1,167,000	427,000	(1,061,000)	(71.3)
Insurance Costs	211,000	230,000	202,000	235,000	5,000	2.2
Utilities	2,340,000	2,529,000	2,184,000	2,236,000	(293,000)	(11.6)
Materials & Supplies	4,871,000	4,590,000	4,704,000	4,043,000	(547,000)	(11.9)
Motorpool	2,859,000	2,564,000	2,747,000	2,689,000	125,000	4.9
Contract Services	5,337,000	5,763,000	3,631,000	4,527,000	(1,236,000)	(21.4)
Safety	69,000	64,000	76,000	73,000	9,000	14.1
Miscellaneous Expense	496,000	435,000	338,000	336,000	(99,000)	(22.8)
Capital Outlay	319,000	3,316,000	3,192,000	139,000	(3,177,000)	(95.8)
<b>Total</b>	<b>\$ 36,350,000</b>	<b>\$ 40,807,000</b>	<b>\$ 36,717,000</b>	<b>\$ 35,497,000</b>	<b>\$ (5,310,000)</b>	<b>(13.0%)</b>
<b>Expenses by Division</b>						
Administration	\$ 3,750,000	\$ 2,935,000	\$ 2,415,000	\$ 1,764,000	\$ (1,171,000)	(39.9)
Buildings & Facilities	1,550,000	4,471,000	4,246,000	1,409,000	(3,062,000)	(68.5)
<i>Building Trades</i>						
Administration	597,000	588,000	593,000	620,000	32,000	5.4
Carpentry	1,645,000	1,824,000	1,662,000	1,608,000	(216,000)	(11.8)
Welding	769,000	867,000	843,000	858,000	(9,000)	(1.0)
<i>Facilities Maintenance</i>						
Administration	456,000	554,000	532,000	622,000	68,000	12.3
Facilities Maintenance	664,000	648,000	669,000	676,000	28,000	4.3
<i>Electrical</i>						
Administration	727,000	838,000	835,000	826,000	(12,000)	(1.4)
Electricians	2,888,000	3,496,000	2,808,000	3,263,000	(233,000)	(6.7)
Pump Maintenance	1,030,000	1,424,000	1,068,000	1,130,000	(294,000)	(20.6)
Air Conditioning	431,000	543,000	478,000	522,000	(21,000)	(3.9)
<i>Canal Distribution System</i>						
Administration	1,078,000	1,265,000	1,176,000	1,324,000	59,000	4.7
Distribution Maintenance	1,326,000	1,413,000	1,175,000	1,293,000	(120,000)	(8.5)
Canal Maintenance	2,499,000	2,484,000	2,756,000	2,573,000	89,000	3.6
<i>Electronics</i>						
Administration	882,000	919,000	828,000	936,000	17,000	1.8
Electronic Technicians	1,853,000	2,611,000	2,033,000	2,549,000	(62,000)	(2.4)
<i>Stormwater Drainage</i>						
Administration	421,000	470,000	453,000	496,000	26,000	5.5
Stormwater Drainage Crew	6,245,000	5,021,000	4,282,000	4,747,000	(274,000)	(5.5)
<i>Zanjeros</i>						
Administration	395,000	412,000	327,000	426,000	14,000	3.4
Zanjeros	3,384,000	3,852,000	3,654,000	3,799,000	(53,000)	(1.4)
<i>Fleet</i>						
Administration	616,000	702,000	710,000	880,000	178,000	25.4
Autoshop	2,975,000	3,194,000	2,955,000	2,837,000	(357,000)	(11.2)
Service Station	169,000	276,000	219,000	339,000	63,000	22.8
<b>Total</b>	<b>\$ 36,350,000</b>	<b>\$ 40,807,000</b>	<b>\$ 36,717,000</b>	<b>\$ 35,497,000</b>	<b>\$ (5,310,000)</b>	<b>(13.0%)</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 8,801,000	\$ 10,485,000	\$ 8,903,000	\$ 7,848,000	\$ (2,637,000)	(25.2)
Canal Water	9,862,000	11,319,000	10,461,000	10,748,000	(571,000)	(5.0)
Sanitation	5,277,000	6,460,000	5,970,000	5,265,000	(1,195,000)	(18.5)
Stormwater	5,740,000	4,438,000	3,841,000	4,048,000	(390,000)	(8.8)
Nonpotable Water	279,000	-	-	-	-	-
West Whitewater Replenishment	961,000	1,521,000	1,460,000	1,302,000	(219,000)	(14.4)
East Whitewater Replenishment	1,704,000	2,192,000	2,049,000	2,027,000	(165,000)	(7.5)
Motorpool	3,726,000	4,392,000	4,033,000	4,259,000	(133,000)	(3.0)
<b>Total</b>	<b>\$ 36,350,000</b>	<b>\$ 40,807,000</b>	<b>\$ 36,717,000</b>	<b>\$ 35,497,000</b>	<b>\$ (5,310,000)</b>	<b>(13.0%)</b>

# FINANCE





## DEPARTMENT DESCRIPTION

The Finance Department keeps fiscal responsibility at the forefront of all we do, and is committed to managing the financial affairs of the District in accordance with the highest standards of ethical and professional conduct.

### Mission

With integrity, excellence, and dedication, the Finance Department is committed to providing fair, accurate, complete, and timely information to all we serve while adhering to all legal requirements.



CVWD Employee Wellness Fair in Palm Desert

## *DIVISION DESCRIPTIONS*

Each division's primary focus is on the following functions and activities:

### *Accounting, Budgeting, & Financing*

Compiles financial data, economic information, and statistics

Develops financial analysis, revenue forecasts, and rates for the Domestic Water, Canal Water, Sanitation, Stormwater, and Replenishment Funds

Coordinates, develops, and monitors the District's operating and capital improvement budgets, along with preparing and monitoring the five-year forecast

Maintains, reconciles, and reports on Capital Improvement Projects (CIP) and Non-CIP Projects

Develops financial funding plans to support long-term needs

Administers fiscal controls and policies

Produces quarterly financial reports

Compiles and produces the annual operating budget

Receives and tracks developer deposits

Administers grant programs, prepares applications, coordinates compliance with other departments and other agencies, and prepares necessary reports for the grantor

Manages general accounting, financial analysis and reporting, payroll preparation and reporting, accounts payable and receivable functions, grant accounting, along with cash and investments reporting

Ensures that the District meets all Internal Revenue Service and state agency reporting requirements

Maintains the general ledger, including account and subsidiary ledger reconciliations

Oversees special assessment district administration and debt management

Provides internal controls over all financial functions

Prepares monthly and annual financial reports, including the preparation of the Comprehensive Annual Financial Report (CAFR)

### *Procurement, Contracts, & Warehouse*

Assists District personnel in acquiring required goods, services, equipment, and supplies from reliable sources following the District's Procurement Policy

Ensures competitive process by soliciting publicly formal bids and requests for proposal for the District

Receives and inspects goods, equipment, and supplies ordered by District personnel

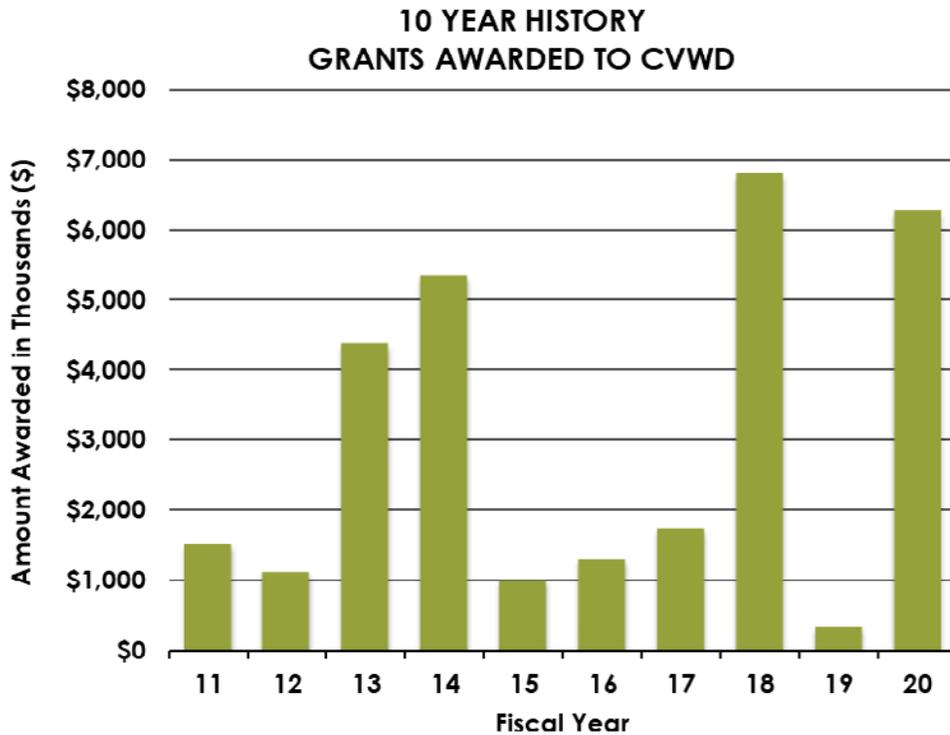
Responsible for inventory controls to ensure supplies are available and ready when needed by District personnel

Provides mail delivery between CVWD offices in Coachella and Palm Desert, records retrieval, inventory, and lab sample delivery

**Finance Metrics**

FINANCE WORKLOAD MEASURES					
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Financial Reporting and Analysis</b>					
Complete Cost of Service Studies	3 of 5	2 of 2	1 of 1	N/A	N/A
Produce Distinguished Budget Document within 90 days of Board Adoption	No	Yes	Yes	Yes	Yes
Produce Budget in Brief Document within 90 days of Board Adoption	N/A	N/A	N/A	Yes	Yes
Produce Comprehensive Annual Financial Report by December 31	Yes	Yes	Yes	Yes	N/A
Have Financial Policies and Procedures Available	No	No	Yes	Yes	Yes
Audit Financial Results and Internal Controls	Yes	Yes	Yes	Yes	Yes
Correct Control Deficiencies and Material Weaknesses from Previous Audits	Yes	Yes	Yes	N/A	N/A
Maintain Rate Stabilization Reserves to Sustain Operations During Revenue Fluctuations, in Addition to 60 or 90 Days of Operating Reserves	Yes	Yes	Yes	Yes	Yes
<b>Developer Deposits Cash/Letter of Credit (LOC)/Certificate of Deposit (CD)</b>					
Total Cash Deposits on Hand	\$ 3,621,690	\$ 3,702,573	\$ 3,987,184	\$ 4,283,978	\$ 3,066,577
Total CDs/LOCs on Hand	\$ 701,731	\$ 701,731	\$ 635,727	\$ 515,696	\$ 515,696
Total CDs/LOCs Released	\$ 468,213	\$ -	\$ 66,004	\$ 61,966	\$ 31,275
Total CDs/LOCs Converted to Cash	\$ 1,810,580	\$ -	\$ -	\$ 67,235	\$ -
Total Cash Deposits Released	\$ 145,660	\$ 341,772	\$ 67,120	\$ 421,554	\$ 1,173,167
<b>Cash Management</b>					
% of Total Cash Invested	99.6%	99.6%	99.3%	97.5%	96.7%
Average Cash on Hand	\$ 1,940,131	\$ 1,795,709	\$ 3,778,728	\$ 11,775,228	\$ 14,139,008
Average TPIF Interest Rate (%)	0.55%	0.82%	1.42%	2.17%	1.82%
Average Rate of Return on Investments (%)	1.11%	1.28%	1.66%	2.32%	2.44%
Average Investment Portfolio	\$ 456,717,379	\$ 499,252,854	\$ 513,288,529	\$ 464,397,191	\$ 417,625,455
<b>Billing, Collections, and Disbursement</b>					
Average Accounts Receivable	\$ 1,105,752	\$ 1,521,172	\$ 2,505,211	\$ 1,721,895	\$ 2,054,669
Payroll	\$ 42,330,951	\$ 45,876,640	\$ 47,684,786	\$ 50,553,927	\$ 53,030,712
Amount Paid Through Accounts Payable	\$ 116,455,970	\$ 108,071,463	\$ 147,207,941	\$ 169,973,249	\$ 191,159,794
Amount Paid Through Wire Transfers	\$ 76,918,263	\$ 105,757,142	\$ 77,977,849	\$ 60,803,390	\$ 112,398,362
Number of Accounts Payable Checks & E-Payables	10,708	7,888	7,295	11,750	5,926
Number of Purchasing Card Transactions	9,637	9,407	10,077	11,053	9,793
<b>Procurement &amp; Contracts</b>					
Amount of Inventory Received	\$ 6,202,910	\$ 6,981,473	\$ 7,080,056	\$ 7,462,983	\$ 7,479,171
Amount of Inventory Issued	\$ 6,370,156	\$ 6,830,341	\$ 6,973,005	\$ 7,344,453	\$ 7,016,099
Incoming Warehouse Transactions	21,449	22,663	21,057	21,379	18,053
Outgoing Warehouse Transactions	97,991	99,565	100,701	97,792	93,636
Number of Competitive Bids and Quotes	367	413	368	371	277
Number of Purchase Orders Issued	3,971	3,938	3,795	3,795	3,249

The following graph depicts grant awards that the District has received over the past ten years.



## ***FISCAL 2019 – 20 ACCOMPLISHMENTS***

### ***Accounting, Budgeting, & Financing***

Created a new Budget in Brief document

Prepared 20-year projection for all major funds

Issued request for proposal for a Cost of Service Study (COSS) for Domestic Water, Replenishment Assessment Charges, and Canal Water Funds

Updated Reserve Policy, the Capital Asset Policy, and the Accounts Payable & Cash Disbursement Policy

Received the GFOA Distinguished Budget Award for fiscal year beginning July 1, 2019

Obtained an Unqualified “Clean” opinion for the fiscal 2019 audit

Received GFOA Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2019

Created an unclaimed check policy

Created a quarterly actual-to-actual variance analysis to improve financial reporting

Revised the monthly financial report to make it readable and improved efficiency by reducing report run time from

Completed Phase 1 of the Internal Control Risk Assessment

Completed a gap analysis and strategic assessment of the Utility Billing System and Enterprise Resource Planning (ERP) system

Reconciled and cleaned-up old outstanding receivables related to tract inspections and planning

Revamped the billing and collection process related to developer work such as tract inspection, planning, and others

Revised and updated several payroll reports to streamline process and reconciliation

***Procurement, Contracts, & Warehouse***

Updated procurement job descriptions

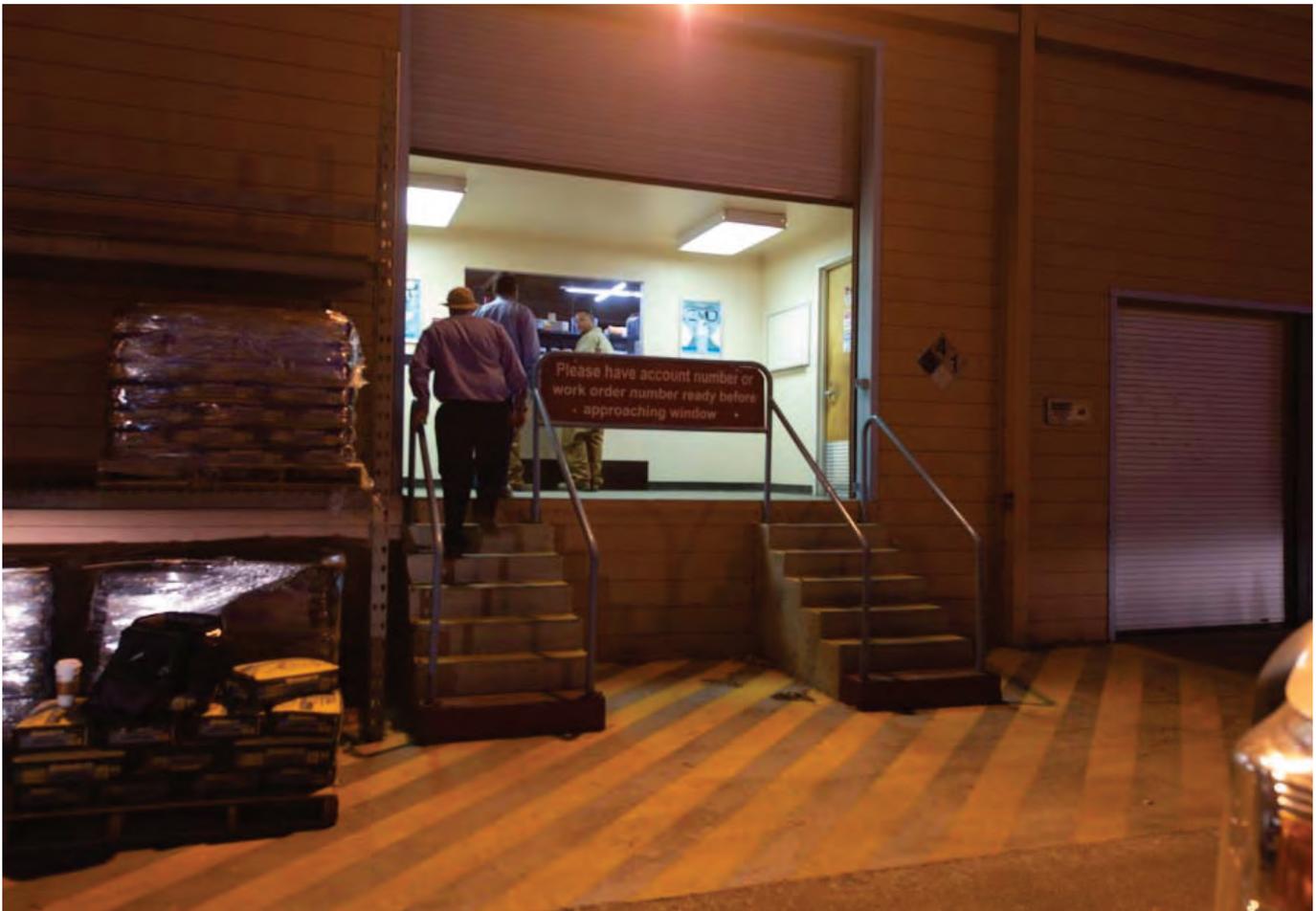
Updated procurement and P-Card Policy

Revised and revamped the Works P-Card program

Updated warehouse job descriptions

Completed cross-training for all positions

Implemented a job shadowing program for warehouse personnel with procurement & contracts



*CVWD Employees Arrive Early in the Morning at the Coachella Warehouse*

## *FISCAL 2020 – 21 GOALS*

### *Strategic Plan*

**SG 6.19** Develop a business plan and scope of work in preparation for a future request of proposal for a new Utility Billing and Enterprise Resource Planning system

### *Accounting, Budgeting, & Financing*

Create a funding plan for CIP including an appropriate mix of grants, loans, pay-go cash, cash reserves, and debt issuance in order to minimize the adverse impact on rates

Present the COSS results to the Board for Proposition 218 rate authorization limit approvals for the Domestic Water, Replenishment Assessment Charges, and Canal Water Rates including the new Oasis Project

Present the Miscellaneous Fees Study results to the Board for approval for implementation between the months of January to July 2021

Complete Phase 2 of the Internal Control Risk Assessment

Create matrix and procedures to ensure compliance with grant accounting requirements

Create a financial funding plan to support the 20-year projection

Revise the monthly general manager financial report to make it more reader friendly

Review and update financial policies as needed, including the grant management and accounts receivable policy

Prepare and publish a Comprehensive Annual Financial Report and receive a GFOA Certificate of Achievement for Excellence in Financial Reporting

Prepare and publish Operating and Capital Budget, including a budget in brief document, and receive a GFOA Distinguished Budget Presentation Award

Prepare and submit the State Controller's Annual Transaction Report and Annual Compensation Report

Prepare and submit required grant reports on a quarterly and semi-annual basis

Compliance and timely filing of reports and all required disclosures related to debt

Review and revamp the billing and collection process related to leases and other non-utility related items

### *Procurement, Contracts, and Warehouse*

Work with management to implement Procurement's effective oversight of the Engineering Bid/RFP Process

Implement a Contract Management Software to assist in tracking on-going contracts

Update the Bid/RFP procedures manual and process

Investigate and possibly implement a pilot program for on-line employee book purchases, replacing current process in place

Implement an employee point-of-purchase website to allow staff to purchase items for personal use

Implement a process to enable Procurement to track and monitor all change orders in the District

Implement a procedure manual and process on receiving all non-inventory items

Implement a procedure process and procedure manual for accountability of all cylinder rentals and reconcile monthly invoices

Complete a full year-end inventory on all seven warehouses

DEPARTMENT FINANCIAL TREND - FINANCE						
	Actual 2019	Budget 2020	Projected 2020	Budget 2021	Budget Change	% Change
<b>Expenses by Object</b>						
Salaries & Benefits	\$ 3,915,000	\$ 4,273,000	\$ 4,362,000	\$ 4,483,000	\$ 210,000	4.9
Outside Labor	1,000	-	45,000	-	-	-
Professional Development	21,000	48,000	38,000	34,000	(14,000)	(29.2)
Professional Services	1,183,000	905,000	971,000	1,105,000	200,000	22.1
Utilities	4,000	3,000	2,000	3,000	-	-
Materials & Supplies	33,000	121,000	78,000	38,000	(83,000)	(68.6)
Motorpool	76,000	77,000	76,000	67,000	(10,000)	(13.0)
Contract Services	82,000	118,000	100,000	116,000	(2,000)	(1.7)
Safety	2,000	2,000	2,000	2,000	-	-
Miscellaneous Expense	263,000	20,000	33,000	19,000	(1,000)	(5.0)
Debt Service	779,000	260,000	429,000	200,000	(60,000)	(23.1)
<b>Total</b>	<b>\$ 6,359,000</b>	<b>\$ 5,827,000</b>	<b>\$ 6,136,000</b>	<b>\$ 6,067,000</b>	<b>\$ 240,000</b>	<b>4.1%</b>
<b>Expenses by Division</b>						
Administration	\$ 2,607,000	\$ 2,096,000	\$ 2,498,000	\$ 1,291,000	\$ (805,000)	(38.4)
Financial Accounting	1,288,000	1,775,000	1,510,000	2,786,000	1,011,000	57.0
Purchasing	710,000	764,000	779,000	839,000	75,000	9.8
Warehouse	893,000	932,000	913,000	951,000	19,000	2.0
Nondepartmental	861,000	260,000	436,000	200,000	(60,000)	(23.1)
<b>Total</b>	<b>\$ 6,359,000</b>	<b>\$ 5,827,000</b>	<b>\$ 6,136,000</b>	<b>\$ 6,067,000</b>	<b>\$ 240,000</b>	<b>4.1%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 2,247,000	\$ 1,932,000	\$ 2,271,000	\$ 2,143,000	\$ 211,000	10.9
Canal Water	870,000	911,000	868,000	979,000	68,000	7.5
Sanitation	1,205,000	1,257,000	1,021,000	1,225,000	(32,000)	(2.5)
Stormwater	983,000	706,000	761,000	630,000	(76,000)	(10.8)
Nonpotable Water	118,000	-	-	-	-	-
West Whitewater Replenishment	400,000	441,000	608,000	456,000	15,000	3.4
Mission Creek Replenishment	51,000	41,000	53,000	47,000	6,000	14.6
East Whitewater Replenishment	286,000	257,000	276,000	280,000	23,000	8.9
Motorpool	199,000	282,000	278,000	307,000	25,000	8.9
<b>Total</b>	<b>\$ 6,359,000</b>	<b>\$ 5,827,000</b>	<b>\$ 6,136,000</b>	<b>\$ 6,067,000</b>	<b>\$ 240,000</b>	<b>4.1%</b>

# HUMAN RESOURCES





## DEPARTMENT DESCRIPTION

Human Resources provides administrative and operational human resources support to District employees, retirees, directors, and all eligible dependents by providing services in five core areas: human resources, benefits, risk management, safety, and claims.

### Mission

The Human Resources department is committed to providing effective customer service to all departments and employees of CVWD. We will actively attract, retain, and develop our workforce to provide quality public service to residents of the Coachella Valley. We believe that we have a moral obligation to send all employees home healthy and injury free at the end of every day. We will promote a work environment that encourages professionalism, pride, and respect.

### Core Values

- **Integrity** - We will interact among ourselves and with employees honestly and ethically, thereby building relationships based on trust. We will always respect the confidentiality entrusted to us.
- **Respect** - We will exercise patience and sensitivity in dealing with the concerns and problems of others. We will be open-minded and fair in our interactions with employees and with one another.
- **Communication** - We will actively seek to understand the perspectives of others by listening with an open mind and communicating honestly and with appropriate discretion.
- **Collaboration and Teamwork** - We will encourage diversity of ideas and experiences, and strive to be a trusted strategic partner.
- **Innovation** - We are open to change and are committed to continuous improvement while meeting the needs of the District and workforce. We believe those we serve deserve an excellent service, a safe, productive, and healthy work environment.

## ***DIVISION DESCRIPTIONS***

Human Resources provide a variety of services related to employees, retirees, Board of Directors, and eligible dependents, with particular focus on the following functions and activities:

### ***Human Resources***

Develops District workforce to empower employees to provide quality services to their customers

Streamlines processes related to facilitating and managing employees, in compliance with federal and state laws, and current Memorandum of Understanding (MOU) guidelines through:

- Recruitment
- Development and training
- Competitive rewards and compensation packages
- Negotiating MOUs with District bargaining unit

Administers the mandatory and voluntary health and welfare benefits for employees, retirees, Board of Directors, and their eligible dependents including:

- Medical
- Dental
- Vision
- Employee Assistance Program (EAP)
- Supplemental and group term life insurance
- Short and long-term disability
- Consolidated Omnibus Budget Reconciliation Act (COBRA), medical and dependent care
- Flexible spending accounts (FSA)
- Wellness program
- 401(a) and 457 deferred compensation plans

### ***Risk Management***

Analyzes and evaluates the District's risk management and insurance programs, including, but not limited to:

- Securing insurance to limit the District's exposure to financial risk
- Administering the District's self-insured workers' compensation program
- Administering the District's insured and self-insured property and casualty program including self-administered claims
- Ensuring contractor insurance compliance

Serves as consultant to management in a wide range of risk, insurance, and claim matters

Identifies procedures to avoid or minimize negative fiscal impact to the District

## Claims

Investigates, analyzes, evaluates, and resolves internal and external claims involving potential or present damages to person and/or property

Interprets state and federal law to ensure that claims are handled in accordance with the applicable law

Protects the CVWD from undue liability and ensures that claims are resolved efficiently and justly

## Safety

Plans, implements, monitors, and evaluates the District’s Injury and Illness Prevention Program

Develops proactive training programs that actively and effectively communicate to employees the District’s safety policies and standards, as they pertain to Occupational Safety and Health Administration (OSHA) compliance

Works in tandem with Risk Management to investigate and report incidents and claims according to federal and state statutes and codes

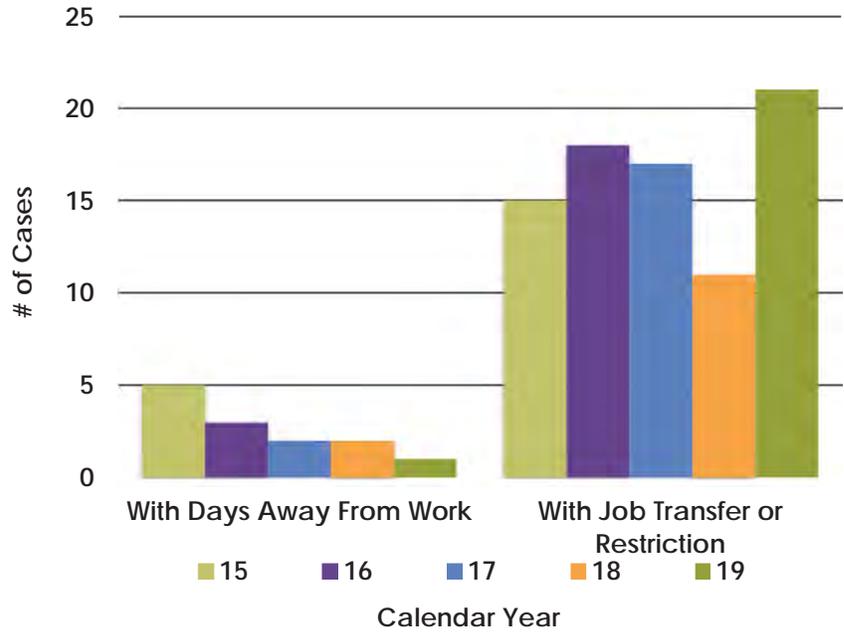
## Human Resources Metrics

HUMAN RESOURCES WORKLOAD MEASURES					
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Human Resources</b>					
Critical-Skill Positions Filled Internally vs. Outside Recruitment	55.0%	77.0%	50.0%	52.0%	59.0%
Average Days Vacant Due to Staff Departures	63.5	49.5	59.0	51.2	60.6
Voluntary Departures*	4.5%	5.1%	6.8%	5.9%	6.4%
Retirement Departures	3.3%	3.6%	4.4%	2.2%	4.6%
Turnover Rate	5.0%	6.3%	7.6%	7.0%	7.3%
Experience in Years Lost to Retirement	431	548	498	307	520
Experience in Years Lost to Turnover*	462	591	598	475	593
Certifications Achieved or Maintained	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Risk Management</b>					
Supplemental Workers' Compensation Lost Time Benefit	\$16,193	\$10,320	\$5,194	\$3,089	\$6,420
<b>Claims</b>					
Total Number General Liability & Auto Insurance Claims Per 200,000 Employee Hours Worked	2.08	1.82	1.37	3.85	4.15
Total Amount of General Liability & Auto Insurance Claims Per 200,000 Employee Hours Worked	\$1,262	\$255,326	\$146,384	\$10,904	\$10,976
<b>Safety</b>					
Number of days away from work due to work-related injury (Calendar Year)	37	4	183	1	N/A
Number of days with restrictions or job transfer due to work-related injury (Calendar Year)	181	297	275	388	N/A

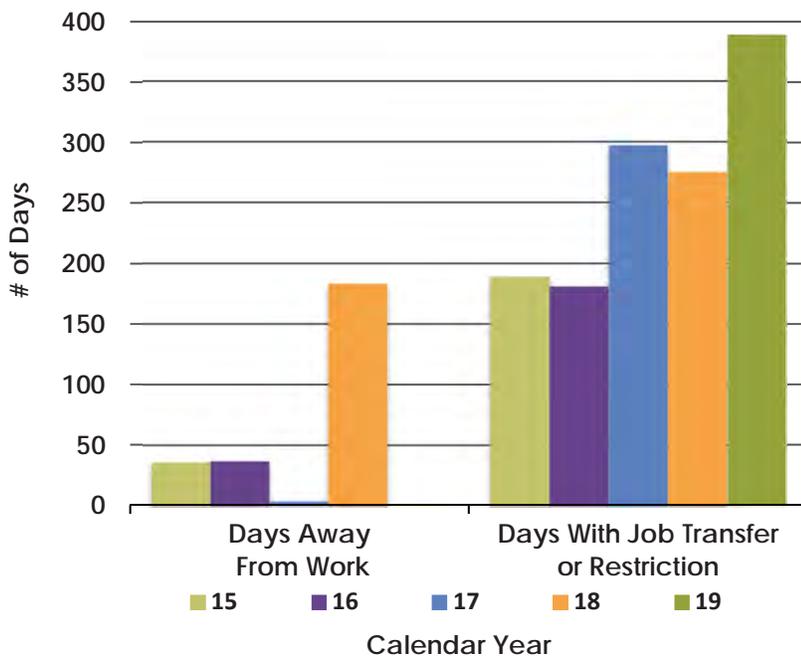
\* Includes retirements and resignations

The adjacent graph reflects five-year history of the number of work related injury cases with days away from work and with job transfer or restriction. In the past five-years, there has been an overall reduction in the number of cases with days away from work and an increase in the number of cases with job transfer or restriction, with the exception of 2018.

### WORK RELATED INJURIES NUMBER OF CASES



### WORK RELATED INJURIES NUMBER OF DAYS



The graph on the left reflects a five-year history of the number of days away from work associated with work-related injuries and the number of days with job transfer or restriction. In 2018, the number of days away from work due to work-related injuries increased significantly, but was relatively flat the remaining four years. In 2019, there was a significant increase in the number of days with job transfer or restriction, and a decrease in the number of day away from work.

Overall, the number of cases with days away from work and number of actual days away from work are significantly lower than the number of cases with job transfer or restriction or the number of days with job transfer or restriction.

## FISCAL 2019 – 20 ACCOMPLISHMENTS

### *Strategic Plan*

Developed a knowledge transfer program for succession planning

### *Human Resources*

Reviewed and revised the District's Personnel Policies and Procedures

Established standard operating procedures & protocols for the Human Resources Department

### *Risk Management*

Created Standard Operating Procedures for the Risk Management Department

Completed a Request for Proposal (RFP) for a workers compensation third party administrator

Obtained a workers compensation actuarial report

Completed bi-annual supervisor training

### *Claims*

Created Standard Operating Procedures for the Claims Department

### *Safety*

Assessed and established a comprehensive analysis on the top injury hazards

Developed an employee communication platform for reporting safety hazards in the workplace

Designed and facilitated a safety academy training session for non-supervisory personnel

Instituted a comprehensive online training program for COVID and rotating shift to ensure mandated safety training is completed by CVWD personnel.

## FISCAL 2020 – 21 GOALS

### *Strategic Plan*

**SG 5.16** Operational Optimization: Establish a Human Resources Development Program

**SG 5.17** Operational Optimization: Administer a Comprehensive Class and Compensation Study

### *Human Resources*

Develop the framework for a curriculum-based employee development program for District staff

Implement and administer a new software performance management and recruitment platform

Establish standard operating procedures & protocols for the Human Resources Department

Develop a RFP for Class and Compensation Organizational Analysis for all CVWD classifications

### *Risk Management*

- Complete an RFP for insurance broker services
- Secure a contract for a third party administration for insurance monitoring
- Create Standard Operating Procedures for the Risk Management Department

### *Claims*

- Prepare Standard Operating Procedures for essential functions of the Claims Manager position
- Identify and discard no less than Ten (10) boxes of aged and completed incident reports consistent with the CVWD Record Retention Policy

### *Safety*

- Implement Lockout Tagout energy control training for applicable personnel
- Design Checklist Inspections for each facility – to engage workers in the safety program
- Conduct a personal protective equipment (PPE) inspection at each facility
- Tackle the OSHA Top Ten to help eliminate these most-cited standard violations



*Inspectors Ryan Wooten, Joshua Tinker, and Gilbert Rodriguez*

## DEPARTMENT FINANCIAL TREND - HUMAN RESOURCES

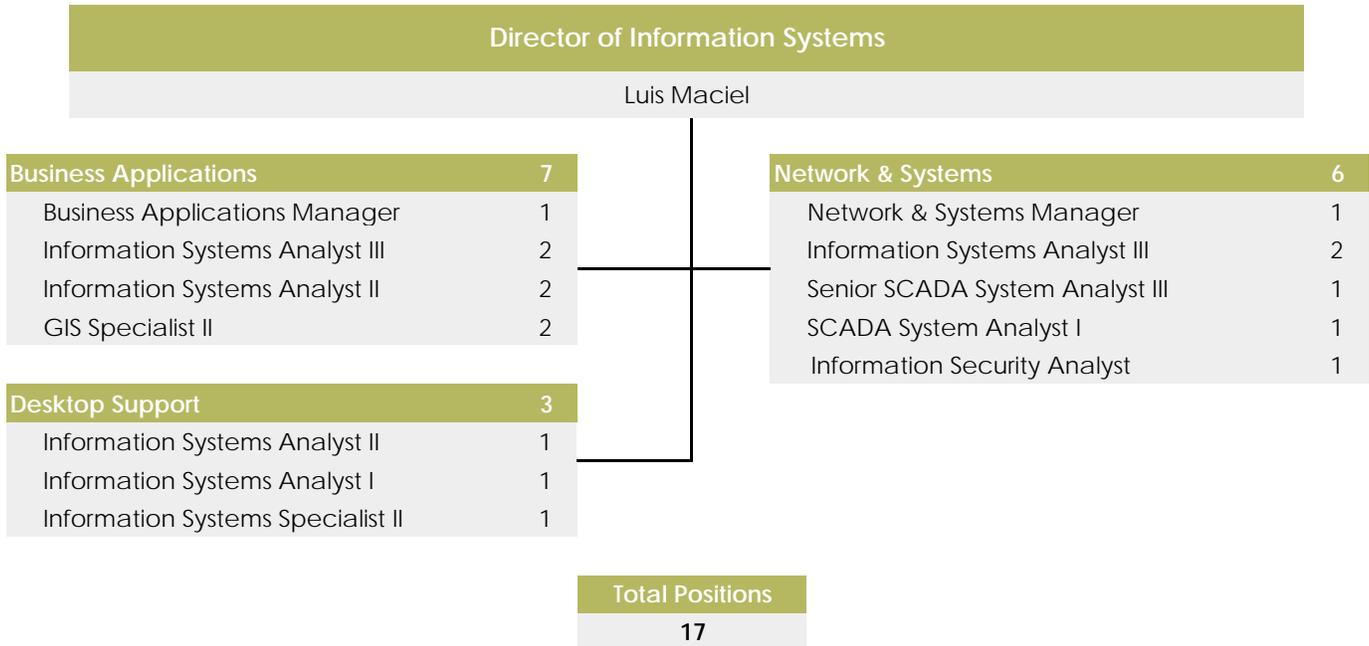
	Actual 2019	Budget 2020	Projected 2020	Budget 2021	Budget Change	% Change
<b>Expenses by Object</b>						
Salaries & Benefits	\$ 1,575,000	\$ 1,807,000	\$ 1,625,000	\$ 1,807,000	\$ -	-
Professional Development	178,000	221,000	202,000	224,000	3,000	1.4
Professional Services	1,236,000	1,404,000	973,000	1,519,000	115,000	8.2
Personnel Cost	2,287,000	3,037,000	2,446,000	3,064,000	27,000	0.9
Insurance Cost	819,000	1,083,000	1,227,000	1,516,000	433,000	40.0
Self Insurance Cost	77,000	365,000	461,000	200,000	(165,000)	(45.2)
Collection Cost	-	1,000	4,000	1,000	-	-
Utilities	3,000	6,000	4,000	5,000	(1,000)	(16.7)
Materials & Supplies	149,000	287,000	201,000	136,000	(151,000)	(52.6)
Motorpool	23,000	16,000	20,000	17,000	1,000	6.3
Contract Services	43,000	120,000	88,000	61,000	(59,000)	(49.2)
Safety	78,000	116,000	64,000	89,000	(27,000)	(23.3)
Miscellaneous Expense	6,000	8,000	18,000	6,000	(2,000)	(25.0)
<b>Total</b>	<b>\$ 6,474,000</b>	<b>\$ 8,471,000</b>	<b>\$ 7,333,000</b>	<b>\$ 8,645,000</b>	<b>\$ 174,000</b>	<b>2.1%</b>
<b>Expenses by Division</b>						
Administration	\$ 3,907,000	\$ 4,756,000	\$ 4,213,000	\$ 5,267,000	\$ 511,000	10.7
Claims	698,000	1,332,000	754,000	838,000	(494,000)	(37.1)
Risk Management	1,059,000	1,322,000	1,454,000	1,687,000	365,000	27.6
Safety	810,000	1,061,000	912,000	853,000	(208,000)	(19.6)
<b>Total</b>	<b>\$ 6,474,000</b>	<b>\$ 8,471,000</b>	<b>\$ 7,333,000</b>	<b>\$ 8,645,000</b>	<b>\$ 174,000</b>	<b>2.1%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 2,867,000	\$ 4,200,000	\$ 3,383,000	\$ 4,055,000	\$ (145,000)	(3.5)
Canal Water	710,000	968,000	830,000	1,006,000	38,000	3.9
Sanitation	1,719,000	1,976,000	1,882,000	2,187,000	211,000	10.7
Stormwater	440,000	513,000	483,000	581,000	68,000	13.3
Nonpotable Water	71,000	-	-	-	-	-
West Whitewater Replenishment	282,000	291,000	307,000	316,000	25,000	8.6
Mission Creek	133,000	1,000	2,000	1,000	-	-
East Whitewater Replenishment	127,000	152,000	141,000	170,000	18,000	11.8
Motorpool	125,000	370,000	305,000	329,000	(41,000)	(11.1)
<b>Total</b>	<b>\$ 6,474,000</b>	<b>\$ 8,471,000</b>	<b>\$ 7,333,000</b>	<b>\$ 8,645,000</b>	<b>\$ 174,000</b>	<b>2.1%</b>



CVWD Employee at the Wildflower Festival

# INFORMATION SYSTEMS





## DEPARTMENT DESCRIPTION

Information Systems (IS) provides information technologies to enable efficiency, productivity, and innovation to the various District departments.

The main objective of this department is to meet the technological challenges of the District. Information Systems provides strategic technology direction, manages information technology, supports cross-departmental priorities, and implements operational policies and standards.

### Mission

The mission of Information Systems is to uphold the values of CVWD by fostering innovation through technologies and processes that improve efficiency and productivity.

### Core Values

- **Dedication** - Deliver the best possible services to our customers and stakeholders
- **Integrity** - Operate with the objective of providing high-quality water and protecting our resources
- **Fiscal responsibility** - Manage funds efficiently to continue to provide affordable water

## ***DIVISION DESCRIPTIONS***

Information Systems is responsible for the design, development, analysis, implementation, integration, and maintenance of new and existing applications, such as the Finance and Supervisory Control and Data Acquisition (SCADA) systems.

Other critical responsibilities of IS include the development of specialized computer applications, workstation customization, installation and configuration of new and existing IS related equipment, server and network management, network security, voice networks, email, internet access, audio/visual equipment, and end-user support, with particular focus on the following functions and activities:

### ***Business Applications***

Provides an integrated and complete set of services that include: analysis, design, development, testing, implementation, and maintenance

Works closely with project managers and department liaisons to develop specifications and make recommendations on the use of new and emerging technologies

Determines the appropriate architecture and other technical solutions to reduce non-value-added work

Determines application data access requirements, transaction rates, volume analysis, and other pertinent data required to develop and maintain integrated databases

### **DEVELOPMENT**

Develops and implements data analyses, data collection systems, and other strategies that optimize statistical efficiency and quality

Develops and implements databases, data collection systems, data analytics, and other strategies that optimize statistical efficiency and quality

Responsible for the following:

- Produce clean, efficient code-based specifications
- Integrate software components and third-party programs
- Verify and deploy programs and systems
- Troubleshoot, debug, and upgrade existing software
- Gather and evaluate user feedback
- Recommend and execute improvements
- Create technical documentation for reference and reporting

### **GEOGRAPHIC INFORMATION SYSTEMS (GIS)**

Develops comprehensive GIS that provide valuable tools including:

- More efficient and effective access
- Linking
- Analyses
- Maintenance of information for and about the District and its ratepayers

## *Desktop Support*

Provides maintenance and support for every aspect of electronic equipment such as:

- Computer hardware
- Software
- Networking
- Mobile technologies
- Telephone

Works directly with end-users to provide technical support and training

Develops methods, practices, and procedures in an effective and efficient manner to ensure maximum access to technology services and resources

## *Network & Systems*

Implements and maintains network infrastructure throughout the District Plans, designs, and maintains servers and data

Administers day-to-day operations of networks and servers

Implements Local Area Network (LAN) and Wide Area Network (WAN) maintenance and server administration procedures

Secures all systems and network related equipment such as firewalls, switches, and routers

Evaluates security trends, evolving threats, risks and vulnerabilities, and implements solutions to mitigate risk as necessary

Ensures that the disaster recovery, risk management, and access control needs of the facility are addressed

Coordinates with business continuity/continuity of operation plans and teams

Responsible for improvements to and upgrades of:

- Email system
- Virtual infrastructure
- File systems
- Unified messaging
- Mobility systems
- Domain controllers
- Databases
- Security systems
- Network infrastructure

## *Supervisory Control and Data Acquisition*

Oversees the operation, support, maintenance, analysis, databases, graphic display, and external system interface requirements, adhering to SCADA technology standards

Evaluates the effectiveness of systems

Develops specifications for new technologies or prototype systems to improve production and/or workflow

Information Systems Metrics

INFORMATION SYSTEMS WORLOAD MEASURES					
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Information Systems - Infrastructure and Systems</b>					
Critical Systems Availability - Goal 99% or more	99%	99%	99%	99%	99%
Network Availability - Goal 99% or more	99%	99%	99%	99%	99%
Unscheduled Infrastructure Downtime Across All Applications - Goal 0.1% or less	3.8%	3.8%	3.0%	2.6%	2.8%
Quarterly Verification Backups - Goal 99%	99%	99%	99%	99%	99%
<b>Information Systems - Service</b>					
Help Desk Tickets	2,976	5,299	5,630	5,714	5,540
Tickets resolved according to Service Level Agreement (SLA) - Goal 90% or more	90%	88%	90%	93%	90%
Tickets Completed - Goal 90% or more	90%	90%	90%	92%	93%
Average First Response Time to Ticket - Goal less than 24 hours	12	8	10	9	9
Average Days to Ticket Resolution - Goal less than 3 days	2.8	2.0	2.5	2.5	2.0
<b>Information Systems - Employee Development</b>					
Training per Team Member per Month - Goal more than 6 hours	6	6	6	8	8
<b>Information Systems - System Update</b>					
Quarterly Systems Updates - Goal 90%	88%	88%	88%	90%	90%
<b>Information Systems - Projects</b>					
Projects Completed - Goal 90% or more	88%	90%	87%	90%	93%



WRP Operator Robert Renaga in the Water Reclamation Plant 10 Control Room

## FISCAL 2019 – 20 ACCOMPLISHMENTS

### *Strategic Plan*

- Assisted with the canal water ordering and ERP systems GAP Analysis (Phase 1)
- Implemented a Waste Water Management System

### *Business Applications*

- Completed the Information Governance Initiative Phase 2
- Deployed a new web interface to access the legacy finance system
- Implemented a new process to optimize the tax roll process and minimize complexities at the end of the fiscal year
- Upgraded SharePoint to support integration with other content management systems
- Replaced the real-time data replication system used with the Finance system for redundancy
- Migrated the Laboratory Information Management System (LIMS) legacy databases to the new system
- Migrated the legacy reporting system to the most current version
- Deployed a new system to track programming changes via version-control
- Implemented a data mart to support faster access to critical data insights such as financial information
- Completed the integrations of the Project Management system

### **GIS**

- Implemented several enhancements to the GIS system to support the Asset Management System
- Updated field apps to support new data collection requirements
- Migrated the Water Management application to ArcGIS online (AGOL)
- Implemented ArcGIS Enterprise portal to allow sharing of maps, scenes, apps, and other geographic information with other organizations

### *Desktop Support*

- Replaced 20 printers as per the end-of-life replacement program
- Replaced 40 Toughbooks as per the end-of-life replacement program
- Replaced 50 PCs as per the end-of-life replacement program
- Completed migration of Windows 7 systems to Windows 10
- Upgraded the service desk system to support the new IT Service Management Initiative
- Deployed 25 mobile tablets to support new field applications
- Integrated the Mobile Device Management platform with Office 365 (Phase 1)

## *Network & Systems*

Upgraded the network distribution switches in Palm Desert Administration

Upgraded the Waste Water Plants Computer Rooms/Networking Closets

Implemented Rings 4 and 5 of the Wide Area Network Upgrade Project

Implemented a WAN failover solution to provide additional redundancy for critical infrastructure

Built two new towers to support redundancy to the Wide Area Network

Replaced the Private Branch Exchange (PBX) Audio Code media gate controller

Implemented video surveillance in all data centers

Implemented an Identity Services Engine to enable the creation and enforcement of security and access policies for endpoint devices

Implemented a vulnerability scanner to proactively detect the most known Cybersecurity vulnerabilities

### **SCADA**

Developed a new Programmable Logic Controller (PLC) for domestic water that will work for the new SCADA System

Developed a pilot program to support legacy remote terminal unit (RTU) driver

Implemented a report delivery platform for the new SCADA system

Developed last-mile driver to support legacy equipment (Phase 1)

Migrated the canal laterals to the new SCADA system

Built a “state of the art” Data Center as part of the new Critical Support Services building



*Network Systems Manager Mike Paluck*

## **FISCAL 2020 – 21 GOALS**

### **Strategic Plan**

- Assist with Phase 2 of the Canal Water and ERP replacement initiative
- Continue implementation of the Information Governance initiative (Records Management)

### **Business Applications**

- Redesign Sharepoint sites for all departments
- Develop integrations with the new Waste Water Management System
- Implement a new electronic signature system
- Upgrade the eForms system to support newer formats
- Integrate Office 365 with on-prem services
- Continue support for the COSS initiative
- Adopt and implement a new policies, procedures, and protocols manual
- Migrate critical java applications to a new environment
- Assist with implementation of the new Human Resources onboarding system

### **GIS**

- Continue support for the Asset Management System
- Upgrade the GIS servers to the most current version
- Replace current GIS Viewer (Phase 1)
- Establish CVWD GIS Metadata Standards
- Clean legacy GIS databases
- Design a new web application portal for GIS applications
- Integrate the Closed Circuit Television (CCTV) system with GIS

### **Desktop Support**

- Replace 40 Toughbooks as per the end-of-life replacement program
- Replace 50 PCs as per the end-of-life replacement program
- Deploy the service desk system to support the new IT Service Management Initiative (Phase 2)
- Replace the current field VPN for mobile devices
- Upgrade the end-point management system

### *Network & Systems*

Implement a “device discovery” system to audit the network, including endpoints, servers, and other IS-related equipment

Migrate the email system to the most current version

Implement a third-generation IP security blocking system

Replace outdated wireless access points

Implement new cybersecurity awareness/training program

Upgrade on-prem conferencing system

Replace legacy proxy system

Update Information System’s Disaster Recovery plan

Upgrade the email encryption system

Implement a new network monitoring solution for critical systems

### **SCADA**

Complete implementation of the Wide Area Network (Final Phase)

Implement the new driver to support the legacy SCADA sites

Migrate Domestic and Sanitation legacy sites to new SCADA system (Phase 1)

Develop new SCADA screens to support new SCADA sites

Continue implementation of the SCADA Master Plan



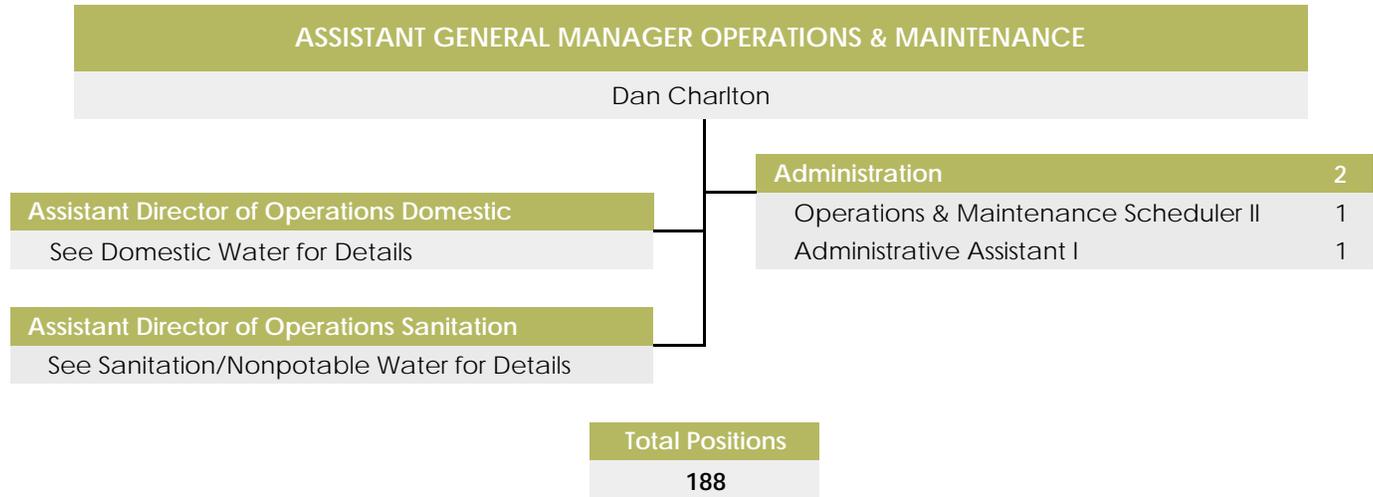
*SCADA Open House in CVWD’s Critical Support Services Building*

## DEPARTMENT FINANCIAL TREND - INFORMATION SYSTEMS

	Actual 2019	Budget 2020	Projected 2020	Budget 2021	Budget Change	% Change
<b>Expenses by Object</b>						
Salaries & Benefits	\$ 2,666,000	\$ 2,978,000	\$ 2,918,000	\$ 3,251,000	\$ 273,000	9.2
Professional Development	62,000	39,000	17,000	32,000	(7,000)	(17.9)
Professional Services	63,000	100,000	143,000	90,000	(10,000)	(10.0)
Personnel Cost	10,000	15,000	13,000	10,000	(5,000)	(33.3)
Utilities	52,000	37,000	68,000	46,000	9,000	24.3
Materials & Supplies	511,000	557,000	688,000	437,000	(120,000)	(21.5)
Motorpool	5,000	5,000	6,000	11,000	6,000	120.0
Contract Services	2,008,000	2,310,000	1,789,000	2,354,000	44,000	1.9
Miscellaneous Expense	(2,000)	-	-	-	-	-
Capital Outlay	-	-	-	20,000	20,000	-
<b>Total</b>	<b>\$ 5,375,000</b>	<b>\$ 6,041,000</b>	<b>\$ 5,642,000</b>	<b>\$ 6,251,000</b>	<b>\$ 210,000</b>	<b>3.5%</b>
<b>Expenses by Division</b>						
Information Services	\$ 5,375,000	\$ 6,041,000	\$ 5,642,000	\$ 6,251,000	\$ 210,000	3.5
<b>Total</b>	<b>\$ 5,375,000</b>	<b>\$ 6,041,000</b>	<b>\$ 5,642,000</b>	<b>\$ 6,251,000</b>	<b>\$ 210,000</b>	<b>3.5%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 2,049,000	\$ 2,358,000	\$ 2,199,000	\$ 2,434,000	\$ 76,000	3.2
Canal Water	974,000	962,000	905,000	968,000	6,000	0.6
Sanitation	1,306,000	1,512,000	1,412,000	1,598,000	86,000	5.7
Stormwater	261,000	302,000	282,000	366,000	64,000	21.2
Nonpotable Water	107,000	-	-	-	-	-
West Whitewater Replenishment	216,000	375,000	346,000	361,000	(14,000)	(3.7)
Mission Creek Replenishment	50,000	58,000	49,000	52,000	(6,000)	(10.3)
East Whitewater Replenishment	262,000	302,000	282,000	295,000	(7,000)	(2.3)
Motorpool	150,000	172,000	167,000	177,000	5,000	2.9
<b>Total</b>	<b>\$ 5,375,000</b>	<b>\$ 6,041,000</b>	<b>\$ 5,642,000</b>	<b>\$ 6,251,000</b>	<b>\$ 210,000</b>	<b>3.5%</b>

# OPERATIONS





## DEPARTMENT DESCRIPTION

The Operations Department is responsible for efficiently operating and maintaining CVWD’s Domestic Water, Wastewater, and Nonpotable facilities to meet the needs of the Coachella Valley by providing exceptional customer service at a reasonable cost while protecting public health.

## DIVISION DESCRIPTION

The Management Team within the Operations Department provides organizational oversight to facilitate interdivisional relationships and efficiencies to ensure safe, reliable, and economical services to CVWD’s customers. The Operations Department provides the following services: domestic (potable) and nonpotable water systems operations, construction and maintenance, sewer collection and treatment operations, and supervisory control operations.

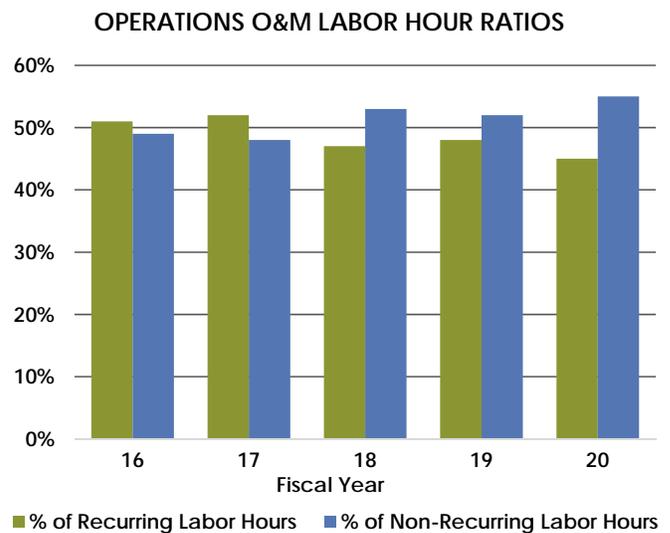
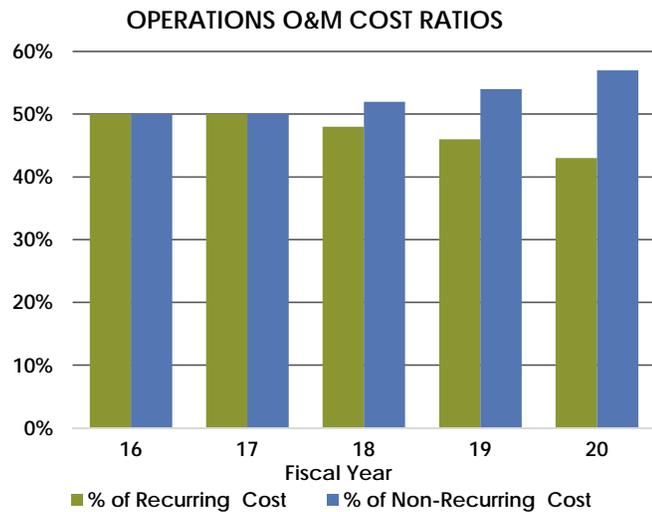
### Administration

Supports the various divisions within the Operations Department in an effort to provide proactive, courteous and professional services to internal and external customers in a safe and efficient manner

Defines clear expectations to the various teams and provides the tools and guidance to accomplish the goals, including funding, staffing, equipment, training, standardization, and accountability

### Administration Metrics

The following graphs reflect the percentage of costs incurred on recurring and nonrecurring expenses for maintenance activities, along with the percentage of man hours worked on recurring and nonrecurring activities.



## FISCAL 2019 – 20 ACCOMPLISHMENTS

### Administration

Continued the development of the Departmental Preventative Maintenance Plan (Phase 1)

Completed the Asset Management Data Collection and the preliminary development of the Integration Plan

## FISCAL 2020 – 21 GOALS

### Strategic Plan

**SG 5.15** Assist with the development and implementation of CVWD’s Asset Management Program

### Administration

Complete the Preventative Maintenance Program in conjunction with Facilities and Maintenance

Complete the Annual Department Report and incorporate with Facilities and Maintenance

Assist with the finalization of asset collection and upload into the Computerized Maintenance Management System

Certify the Update to the Emergency Response Plan

## DEPARTMENT FINANCIAL TREND - OPERATIONS

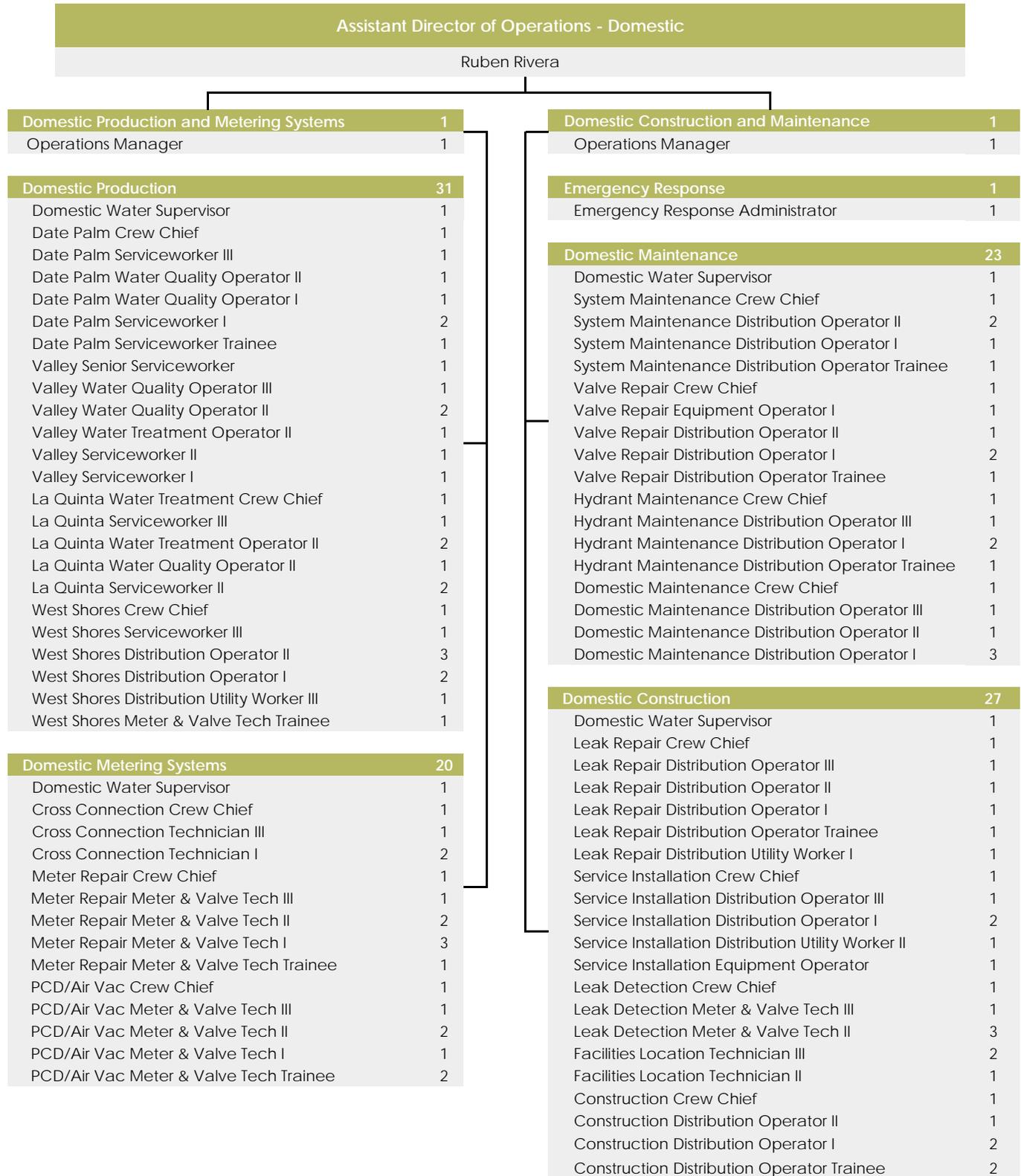
	Actual 2019	Budget 2020	Projected 2020	Budget 2021	Budget Change	% Change
<b>Expenses by Division</b>						
Administration	\$ 1,375,000	\$ 1,437,000	\$ 1,258,000	\$ 907,000	\$ (530,000)	(36.9)
Emergency Response Admin	-	-	-	182,000	182,000	-
<i>Domestic Water</i>						
Service Workers	2,220,000	2,441,000	2,436,000	1,105,000	(1,336,000)	(54.7)
Leak Repair	1,269,000	1,189,000	1,241,000	1,536,000	347,000	29.2
Leak Construction	942,000	1,089,000	1,190,000	1,083,000	(6,000)	(0.6)
Leak Detection	640,000	807,000	808,000	1,149,000	342,000	42.4
Water Quality	1,919,000	1,898,000	1,920,000	1,443,000	(455,000)	(24.0)
Back Flow	859,000	948,000	943,000	966,000	18,000	1.9
Meter Repair	2,470,000	2,437,000	2,537,000	2,506,000	69,000	2.8
Metering Systems Administration	183,000	198,000	203,000	214,000	16,000	8.1
Treatment	1,259,000	1,443,000	1,363,000	510,000	(933,000)	(64.7)
West Shores	1,254,000	1,311,000	1,312,000	1,512,000	201,000	15.3
Facilities Location	626,000	709,000	683,000	1,240,000	531,000	74.9
System Maintenance	806,000	862,000	865,000	948,000	86,000	10.0
Maintenance Administration	197,000	343,000	218,000	459,000	116,000	33.8
Valve Repair	-	751,000	799,000	836,000	85,000	11.3
Hydrant Maintenance	1,858,000	1,110,000	1,356,000	987,000	(123,000)	(11.1)
Pressure Control Devices	1,275,000	1,506,000	1,359,000	1,358,000	(148,000)	(9.8)
Domestic Maintenance	1,156,000	1,266,000	1,257,000	1,226,000	(40,000)	(3.2)
Construction Administration	206,000	203,000	183,000	203,000	-	-
Construction	1,121,000	1,207,000	1,300,000	1,282,000	75,000	6.2
Emergency Response Crew	401,000	356,000	448,000	281,000	(75,000)	(21.1)
Operations - Production	-	-	54,000	276,000	276,000	-
Operations - Construction	-	-	54,000	273,000	273,000	-
Production Administration	9,119,000	9,402,000	9,405,000	10,397,000	995,000	10.6
<i>Sanitation</i>						
Collections Administration	430,000	438,000	425,000	436,000	(2,000)	(0.5)
Collections Construction	1,034,000	983,000	996,000	1,001,000	18,000	1.8
Collections Maintenance	1,553,000	1,660,000	1,658,000	1,810,000	150,000	9.0
Collections Operations	1,029,000	1,076,000	989,000	1,157,000	81,000	7.5
WRPs 1, 2 & 4 Administration	858,000	861,000	873,000	758,000	(103,000)	(12.0)
WRPs 1, 2 & 4 Operations	1,363,000	1,598,000	1,666,000	1,509,000	(89,000)	(5.6)
WRP 7 Administration	1,306,000	1,383,000	1,400,000	1,311,000	(72,000)	(5.2)
WRP 7 Operations	1,499,000	1,565,000	1,422,000	1,559,000	(6,000)	(0.4)
WRP 10 Administration	2,722,000	2,134,000	2,127,000	2,159,000	25,000	1.2
WRP 10 Operations	3,526,000	3,389,000	3,291,000	3,344,000	(45,000)	(1.3)
Mechanical - Admin	163,000	171,000	176,000	204,000	33,000	19.3
Mechanical - Technicians	2,166,000	2,374,000	2,530,000	2,467,000	93,000	3.9
Nonpotable Water	180,000	180,000	189,000	208,000	28,000	15.6
Nonpotable Water - Operations	1,136,000	1,088,000	1,280,000	1,228,000	140,000	12.9
Control	1,132,000	1,231,000	1,156,000	1,220,000	(11,000)	(0.9)
<b>Total</b>	<b>\$ 51,252,000</b>	<b>\$ 53,044,000</b>	<b>\$ 53,370,000</b>	<b>\$ 53,250,000</b>	<b>\$ 206,000</b>	<b>0.4%</b>

DEPARTMENT FINANCIAL TREND - OPERATIONS

	Actual 2019	Budget 2020	Projected 2020	Budget 2021	Budget Change	% Change
<b>Expenses by Object</b>						
Salaries & Benefits	\$ 23,967,000	\$ 25,956,000	\$ 25,533,000	\$ 27,269,000	\$ 1,313,000	5.1
Outside Labor	12,000	-	5,000	-	-	-
Professional Development	127,000	126,000	88,000	99,000	(27,000)	(21.4)
Professional Services	-	-	-	1,000	1,000	-
Utilities	13,094,000	13,585,000	13,696,000	13,757,000	172,000	1.3
Materials & Supplies	7,175,000	7,131,000	7,809,000	6,507,000	(624,000)	(8.8)
Motorpool	2,825,000	2,465,000	2,860,000	2,591,000	126,000	5.1
Contract Services	2,835,000	3,212,000	2,835,000	2,621,000	(591,000)	(18.4)
Safety	56,000	56,000	63,000	57,000	1,000	1.8
Miscellaneous Expense	829,000	204,000	165,000	198,000	(6,000)	(2.9)
Capital Outlay	332,000	309,000	316,000	150,000	(159,000)	(51.5)
<b>Total</b>	<b>\$ 51,252,000</b>	<b>\$ 53,044,000</b>	<b>\$ 53,370,000</b>	<b>\$ 53,250,000</b>	<b>\$ 206,000</b>	<b>0.4%</b>
<b>Expenses by Fund</b>						
Domestic Water	\$ 30,908,000	\$ 32,554,000	\$ 33,007,000	\$ 32,450,000	\$ (104,000)	(0.3)
Canal Water	414,000	475,000	433,000	595,000	120,000	25.3
Sanitation	18,734,000	18,874,000	18,609,000	18,779,000	(95,000)	(0.5)
Stormwater	12,000	13,000	12,000	43,000	30,000	230.8
Nonpotable Water	1,077,000	-	-	-	-	-
West Whitewater Replenishment	94,000	1,088,000	1,274,000	1,290,000	202,000	18.6
East Whitewater Replenishment	13,000	40,000	35,000	93,000	53,000	132.5
<b>Total</b>	<b>\$ 51,252,000</b>	<b>\$ 53,044,000</b>	<b>\$ 53,370,000</b>	<b>\$ 53,250,000</b>	<b>\$ 206,000</b>	<b>0.4%</b>



Lateral 99-8 Repair



## *Domestic Water Division Descriptions*

Domestic Water Operations is responsible for the daily operation, maintenance, and repair of the domestic water system to ensure supply meets demand, pressures are adequate, and deliveries comply with water quality standards. Domestic Water Operations maintains their particular focuses on the following functions and activities:

## *Domestic Production*

### **SERVICE WORKERS / WATER QUALITY / WATER TREATMENT**

Provides first responder services for all domestic water customer-related issues while maintaining operations 24 hours/day and 7 days/week

Evaluates and coordinates pumping facilities alarms, thefts, and vandalism for over 220 domestic water facilities

Records monthly production data and inspections of all sites regularly to ensure operational availability, adequate pressures, and the safety of infrastructure

Maintains, repairs, and operates three Ion Exchange Treatment Plants (IXTPs) and provides disinfection of the District's drinking water supply, which consists of wellhead chlorination

### **WEST SHORES**

The West Shores Crew maintains the West Shores area by performing some or all of the duties of the service workers, leak repair, meter repair, maintenance, and construction divisions

## *Domestic Metering Systems*

### **BACKFLOW**

Performs testing, repair and replacement of all backflow devices as required by the State

Conducts field investigations for Development Services, Water Management, and other Divisions

Installs, relocates, removes, and repairs temporary construction meters throughout the service area

### **METER REPAIR**

Maintains well and customer meters throughout the distribution system

Maintains, repairs, and replaces CVWD's customer meters, well meters, and RAC meters

Performs random customer water meter testing and production well meter testing annually to ensure accuracy (data collected is used in the water loss audit report mandated by the State)

Coordinates the completion of the Annual Water Loss Audit Report and the submittal to the State of California

### **PRESSURE CONTROL DEVICE/AIR-VAC**

Maintains, repairs, and troubleshoots air-vacuum/air-release (Air-Vacs) valves and hydraulic and automatic control valves

Maintains, repairs, and tests hydropneumatic tanks, and air compressors to ensure the distribution system is protected from pressure surges and spikes

## *Domestic Maintenance*

### **SYSTEM MAINTENANCE**

Exercises, flushes, inspects, and maintains valves and blow-offs within the domestic water system

### **VALVE REPAIR**

Repairs and replaces domestic water mainline valves within the distribution system

### **HYDRANT MAINTENANCE**

Exercises, flushes, inspects, and maintains fire hydrants in the domestic water system, including hydrant flow testing

Maintains and provides water tenders for use in the event of an emergency water outage and for community events promoted by the District's Outreach and Education division

### **DOMESTIC MAINTENANCE**

Performs all asphalt repairs, as well as well site, reservoir, and booster site maintenance

## *Domestic Construction*

### **LEAK REPAIR**

Repairs domestic water mainline and service line leaks up to the customer's meter

### **SERVICE INSTALLATION**

Repairs domestic water mainlines and service lines to the customer's meter. In addition, constructs and and/or installs new detector check valve assemblies, point of connections for new development, water services, meters, and backflow devices

### **LEAK DETECTION**

Surveys the domestic distribution system for non-surfacing leaks to help determine leak locations and documents leakage volume

Assists Wastewater Reclamation Plants (WRPs), Collections, and Nonpotable Crews in tracing the source of possible leaks

### **FACILITIES LOCATION**

Locates, identifies, and marks all CVWD owned and operated underground infrastructure for the general public, contractors, other municipalities, and internal departments

Communicates necessary plat sheet updates with Engineering

### **CONSTRUCTION**

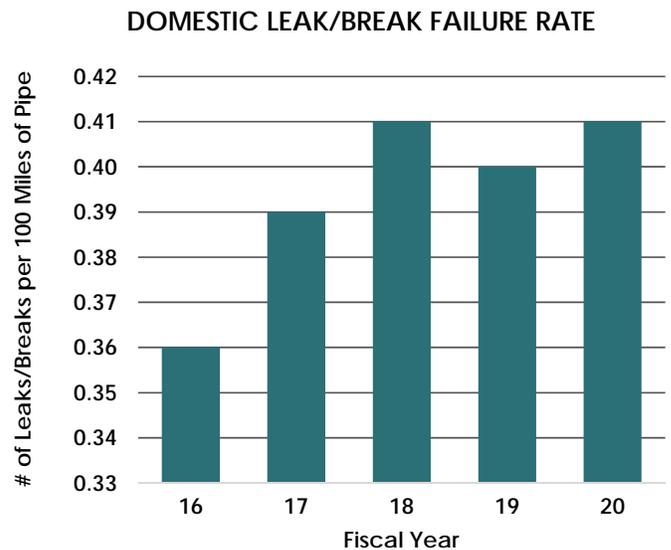
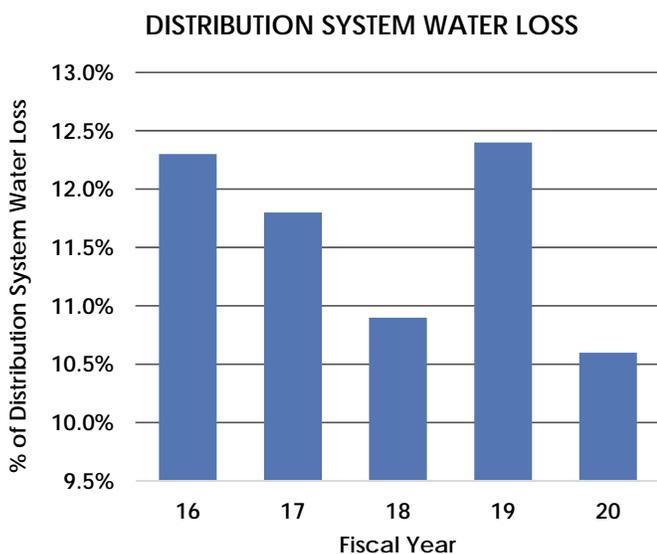
Constructs all new domestic water well ancillary improvements, installs new appurtenances (detector check valve assemblies, fire hydrants, stub-out connections, point of connections for new development, water services, meters, backflow devices and service lines)

Domestic Water Metrics

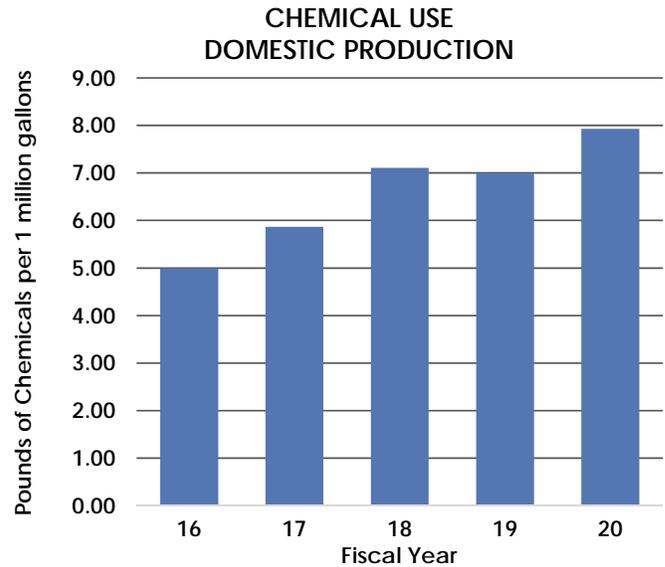
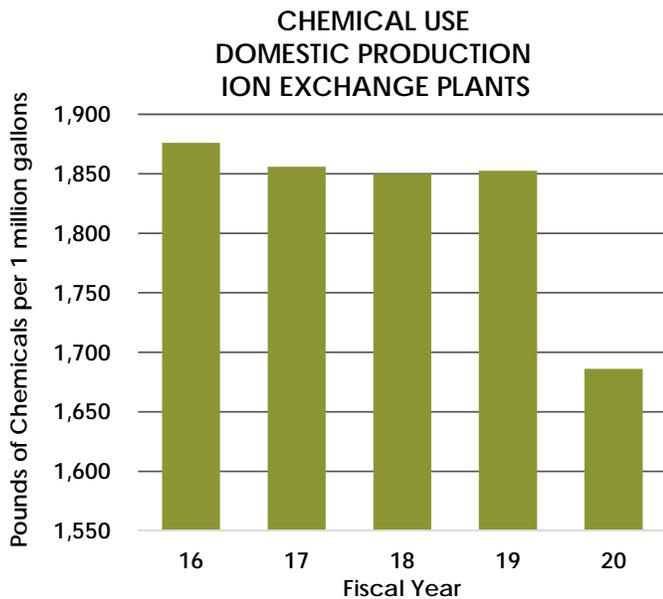
DOMESTIC OPERATIONS WORKLOAD MEASURES					
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Repaired/Replaced Fire Hydrants	200	203	216	271	411
Repaired/Replaced Main Line Valves	170	182	196	235	186
Asphalt Replaced - Square Feet	57,585	84,404	74,238	72,864	47,249
Concrete Collars Replaced	89	63	83	141	85
Proactive Meter Replacements*	2,950	2,050	1,745	1,998	465
Meter Installations	477	453	476	574	668
Meter Exchanges	1,445	1,953	2,065	2,351	1,471
Meter Register and Box Repairs	3,507	4,110	3,801	3,934	5,900
Automate Meter Reading (AMR) Meter Upgrades*	416	587	643	151	56
Customer Service Calls	4,975	4,748	4,893	4,144	3,331
Facilities Maintained	9,195	14,438	17,869	11,355	13,772
Facilities Repaired/Replaced	154	644	975	617	563
Backflows Tested	9,137	10,392	9,836	9,107	9,403

\* Includes replacements and upgrades completed by Contractor for FY 2018

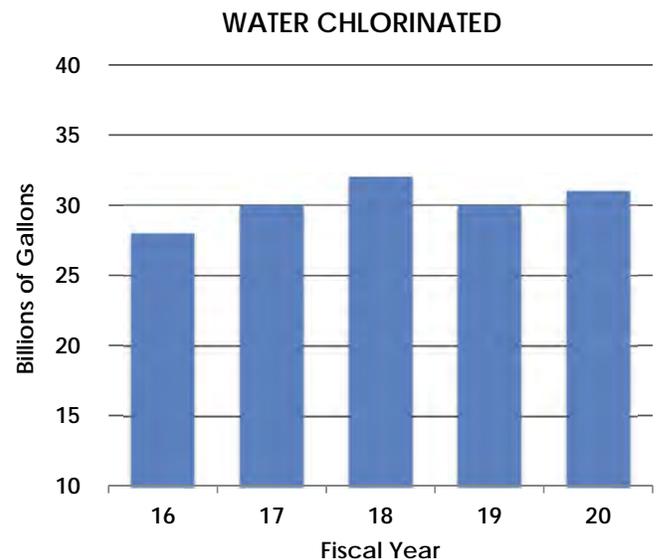
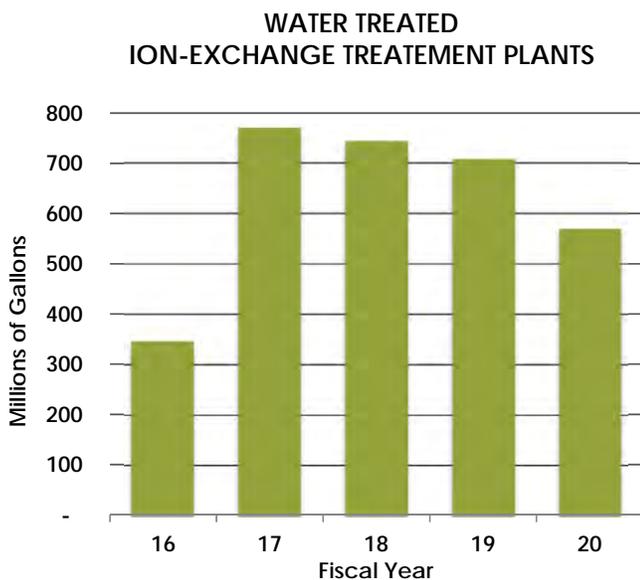
The first graph depicts the percentage of water loss that the District experiences in a given fiscal year. The second graph depicts domestic distribution fail rate, or the number of leaks/breaks the District has experienced per 100 miles of pipe. Keep in mind that the District’s distribution system includes 2,024 miles of pipe.



CVWD treats the distribution system with chemicals to ensure that service meets all water quality standards, including disinfection/chlorination of domestic water. The District operates three Ion Exchange Treatment Plants (IXTPs) which treat drinking water through a resin media that removes undesired constituents. Operational data collected is used to optimize treatment processes and practices. Below are graphs depicting chemical usage at the IXTPs and well sites over the past five years.

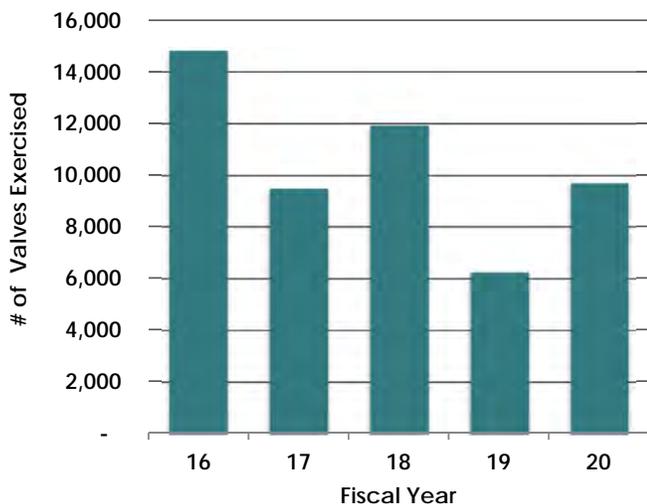


The first graph depicts the amount of water treated at the ion-exchange plants. The second graph shows the amount of water chlorinated. As expected, the amount chlorinated mirrors consumption. Generally, as consumption increases, so does the amount of water chlorinated.

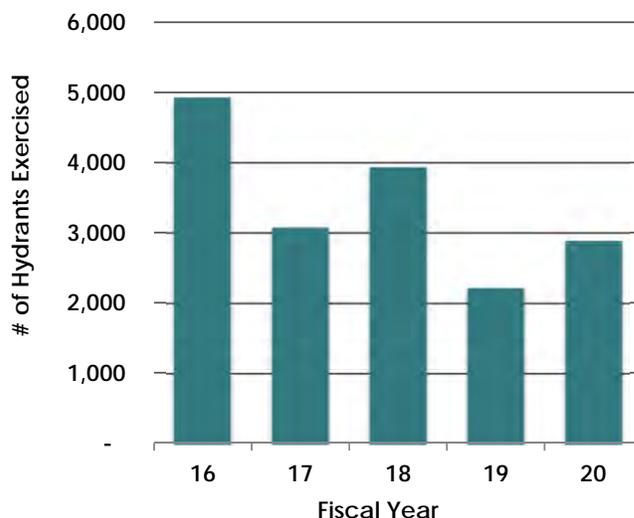


The following graphs show the number of valves and hydrants exercised by the Operations Domestic Water Department. American Water Works Association (AWWA) standards state that all system fire hydrants and valves should be exercised, flushed, and maintained annually.

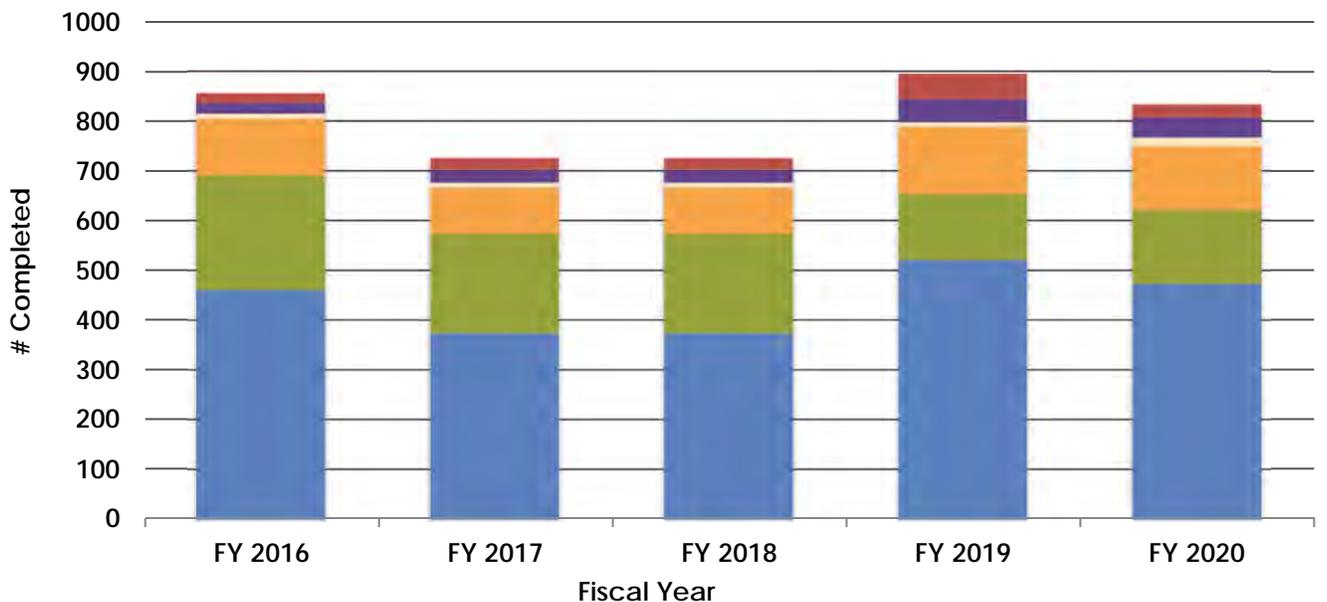
**VALVES EXERCISED**  
GOAL - 60,000



**FIRE HYDRANTS EXERCISED**  
GOAL - 17,000



**DOMESTIC WATER OPERATIONS**  
**WORKLOAD INDICATORS**



- Service Line Repairs
- Water Main Repairs
- Service Line Installations
- Fire Hydrant Installations
- Stub-Out Connections
- Detector Check Installations

## FISCAL 2019 – 20 ACCOMPLISHMENTS

### *Domestic Water*

Completed 300-customer meter tests for accuracy to obtain a representative sample of customer meter population (data collected will be used in the water loss audit report mandated by Senate Bill 555)

Completed testing of all CVWD production well meters for accuracy (data collected will be used in the water loss audit report mandated by Senate Bill 555)

Completed the Combination Air Valve Upgrade Project (170 combination air valves brought to CVWD's new above ground standard specification)

Completed the Ion Exchange Treatment Plant 7802 Piping Retrofit Project

Implemented the Maintenance Backlog Reduction Program (85% reduction)

Commenced the Satellite Based Leak Detection Pilot Program

Completed the Pressure Regulating Stations Upgrade Project (Phase 1)

Implemented the West Shore Maintenance Backlog Reduction Program (20% decrease)

Completed the Disinfection System Upgrade Project (Phase 1)

## FISCAL 2020 – 21 GOALS

### *Strategic Plan*

**SG 4.10** Assist with the completion of the Potable Telemetry Pilot Upgrade Study

**SG 5.16** Operational Optimization - Participate in AWWA Partnership for Safe Water Program

### *Domestic Water*

Complete the Biannual Production Well Testing Program

Complete the Proactive Meter Replacement Program (Phase 1)

Complete the Annual Consumption Meter Testing Program

Complete the Combination Air Valve Upgrade Project (Phase 2)

Continue the West Shores Maintenance Backlog Reduction Program

Complete the Annual Backflow Testing Program

Implement Safety Climbing Program

Complete Satellite Based Leak Survey (Utilis) Pilot Project

Completed the Pressure Regulating Stations Upgrade Project (Phase 2)

**Assistant Director of Operations - Sanitation/Nonpotable Water**

Mike Garcia

<b>Sanitation Collections</b>	<b>21</b>	<b>Wastewater Reclamation Plant 1,2,4</b>	<b>7</b>
Collections Supervisor	1	Wastewater Reclamation Plant Supervisor	1
Collections Construction Crew Chief	1	WRP Assistant Supervisor	2
Collection Systems III	2	WRP Operator II	3
Collection Systems I	2	WRP Operator I	1
Collection Systems Trainee	1		
Collections Maintenance Crew Chief	1	<b>Wastewater Reclamation Plant 7</b>	<b>9</b>
Collection Systems III	2	WRP Supervisor	1
Collection Systems II	1	WRP Assistant Supervisor	2
Collection Systems I	1	WRP Operator III	2
Collection Systems Trainee	2	WRP Operator II	3
Collections Operations Crew Chief	1	WRP Operator I	1
Collection Systems II	2		
Collection Systems I	3	<b>Wastewater Reclamation Plant 10</b>	<b>17</b>
Collection Systems Trainee	1	WRP Chief Operator	1
		WRP Shift Supervisor	2
<b>Mechanical</b>	<b>11</b>	WRP Assistant Shift Supervisor	4
Mechanical Supervisor	1	WRP Operator III	3
Mechanical Crew Chief	1	WRP Operator II	1
Mechanical Technician III	2	WRP Operator I	4
Mechanical Technician II	7	WRP Operator in Training	2
<b>Nonpotable Water / Control</b>	<b>15</b>		
Nonpotable Ops Water Manager	1		
Nonpotable Crew Chief	1		
Nonpotable Water Technician II	1		
Cross-Connection Technician III	1		
Cross-Connection Technician II	1		
Control Crew Chief	1		
Control Operator II	4		
Control Operator I	2		

**SANITATION / NONPOTABLE WATER DIVISION DESCRIPTIONS**

Sanitation is responsible for the daily operation of CVWD’s wastewater collection and treatment, which includes optimizing treatment processes, recycling of wastewater, and biosolids to ensure safe and effective handling of wastewater in accordance with all standards. Nonpotable Water is responsible for the daily operation of the nonpotable water system, which includes testing required by the State Water Resources Control Board and maintenance of the distribution system. Sanitation/Nonpotable Operations concentrates on the following functions and activities:

**Sanitation Collections**

Provides first responder services for all sanitary/collection system customer service-related issues while maintaining operations 24/7 (24 hours a day, 7 days a week)

Collects and safely conveys wastewater through 1,129 miles of pipeline to one of five wastewater reclamation plants for treatment

**COLLECTIONS CONSTRUCTION**

Installs, repairs, reconstructs, and relocates collection systems and nonpotable water distribution system infrastructure

Assists with the maintenance and repairs of infrastructure at all Water Reclamation Plants

**COLLECTIONS MAINTENANCE**

Responsible for Collection System Jetting/Cleaning Preventative Maintenance Program Cleans lift station wet wells, performs manhole maintenance, and responds to customer service calls related to the collections system

**COLLECTIONS OPERATIONS**

Completes lift station inspections and cleaning, air relief valve maintenance and repair, and video inspection of the collection system

Performs dredging operations, installs bypass protection systems and troubleshoots problem areas

**SANITATION OPERATIONS WORKLOAD MEASURES**

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Vactor/Jetting of Lines - Linear Feet*	537,196	553,986	563,334	443,740	1,229,409
Manholes Inspected	14,149	9,503	20,691	13,321	7,097
Air Vac Maintenance	976	1,301	1,180	1,540	1,442
Video Assessment of Lines - Linear Feet*	309,692	198,904	329,717	161,693	437,425

\* Includes combined footage completed by CVWD forces & Contractor for FY 2020

**Mechanical**

Performs maintenance, repair and replacement of mechanical and related equipment at CVWD's: wastewater reclamation plants, lift stations, and pumping plants

Coordinates the design and construction of mechanical equipment pertaining to the various wastewater systems

**Nonpotable Water**

Assists customers in maximizing the use of recycled and canal water to reduce reliance on groundwater pumping in order to protect the Coachella Valley's potable water supply

Markets and promotes the use of nonpotable water throughout the community

Holds an annual training event for recycled water customers

Performs cross-connection testing for each site that uses recycled water, as regulated by State Water Resource Control Board and Regional Water Quality Control Board

Ensures that customers irrigating with recycled water are abiding by recycled water regulations

Operates and maintains the nonpotable water distribution system and appurtenances

Operates the Palm Desert Replenishment facility

**CONTROL**

Provides SCADA system monitoring and analysis of all enterprises, including domestic, sanitation, irrigation, stormwater, nonpotable, and other related security systems

Operates the Coachella Canal, including conveyance, balancing water orders, and water deliveries to the irrigation distribution system

Provides emergency phone service, dispatch call-outs, system troubleshooting, and public access to CVWD 24 hours/day, 7 days/week

**CONTROL WORKLOAD MEASURES**

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Average Number of Alarms per Shift	683	548	432	290	258
Average Number of Critical Alarms per Shift	59	52	41	22	16
Number of SCADA Alarms per Year	749,451	600,479	473,246	318,046	282,661
Met Established Training Standards	Yes	Yes	Yes	Yes	Yes

**Wastewater Reclamation Plants (WRPs)**

Operates CVWD’s wastewater reclamation plants including the following:

WRPs 1 and 2 are simple sludge lagoon plants

WRP 4 consists of Biolac activated sludge, solids handling, sludge lagoon treatment and disinfection

WRP 4 discharges into the Coachella Valley Stormwater Channel and is the District’s only plant with a National Pollutant Discharge Elimination System (NPDES) permit

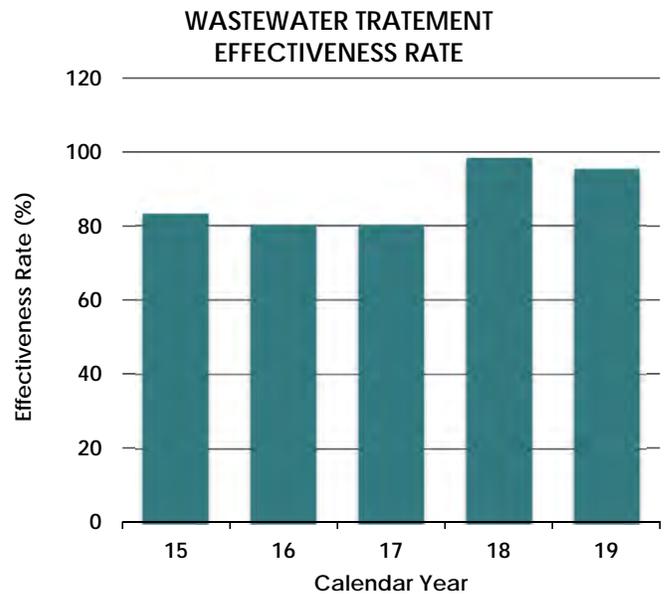
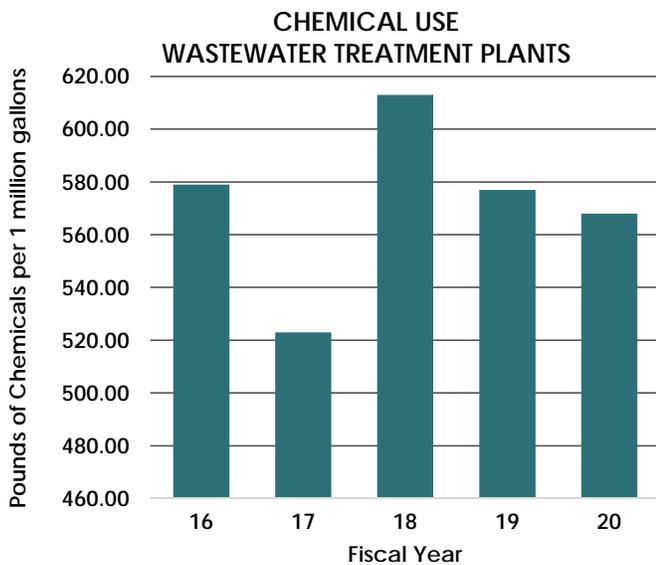
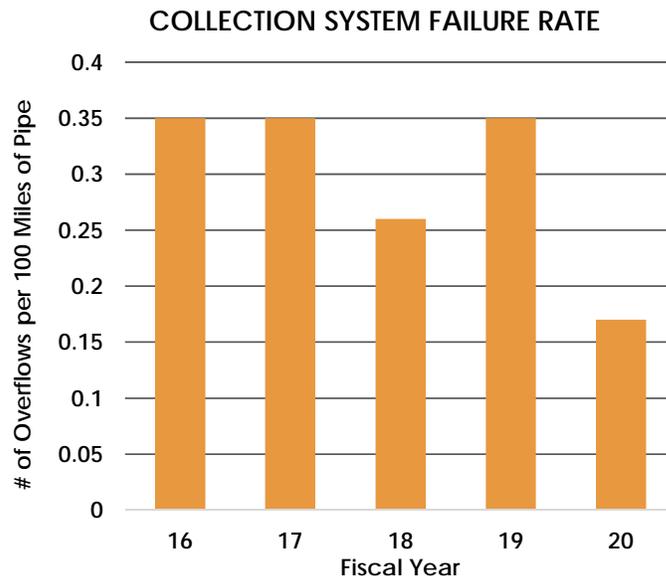
WRPs 7 and 10 use conventional activated sludge as the treatment process, along with chlorine disinfection, and treat wastewater to tertiary treatment levels to meet state standards for nonpotable water for golf course and landscape irrigation



Water Reclamation Plant 7 Aeration Tank

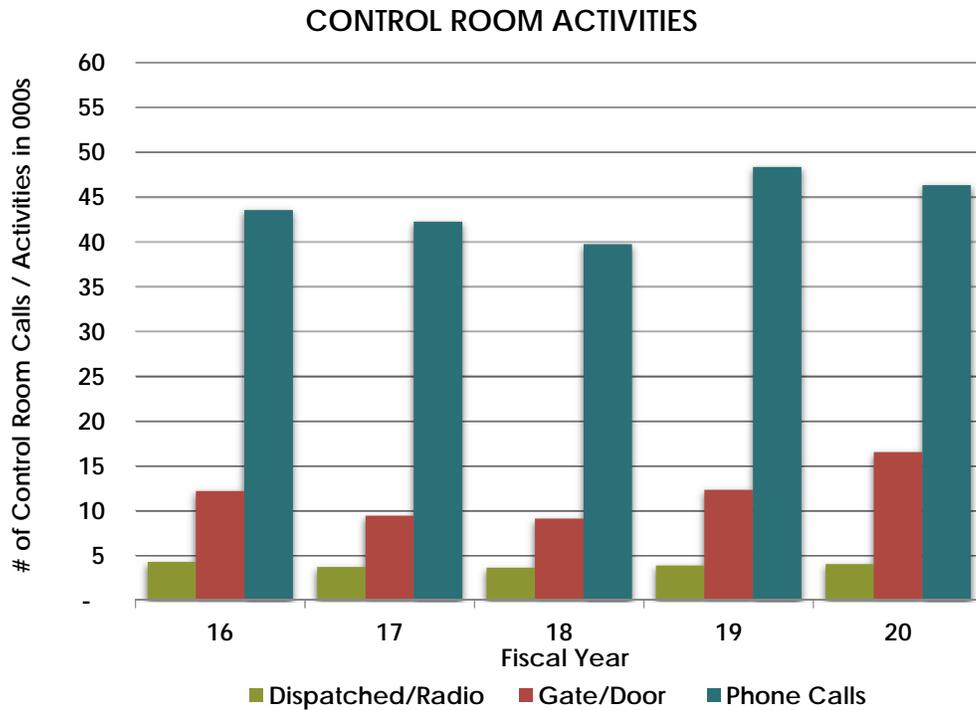
**Sanitation Metrics**

The following graph depicts the District’s collection system fail rate, or the number of overflows the District has experienced per 100 miles of pipe. The District’s collection system includes 1,129 miles of pipe.



At wastewater treatment plants, chemicals are used in a variety of treatment processes to clean the water to ensure that it can be safely released to the environment. CVWD collects data on the operations to optimize treatment processes and practices. The first graph depicts chemical usage at the wastewater treatment plants over the past five-years, and the second graph depicts the effectiveness of the wastewater treatment.

The following graph reflects total calls received, number of gate/door entries facilitated, along with the number of dispatched/radio calls placed by Control annually.



## FISCAL 2019 – 20 ACCOMPLISHMENTS

### Strategic Plan

Completed the top energy efficient measures (EEMs) developed at WRP 10

Completed the implementation of the Water & Wastewater Data Management System (WDMS) for WRP’s 4, 7, and 10

### Sanitation Collections

Completed the Collection System Annual Jet Cleaning/Inspection Preventative Maintenance Program

Completed the Lift Stations (81-01 and 81-03) Upgrade Project, including the decommissioning of LS 81-01

Completed the Lift Station 55-10 Rehabilitation Project

Continued the construction and design of LS 81-03 (Burr Street) Sewer Force Main

Completed the State mandated 5-year Update on the Sanitation Collection Systems Sanitary Sewer Management Plan and Sanitary Sewer Overflow Response Plan (SSMP/SSORP)

Commenced the Jefferson and Avenue 50 Street Bypass Sewer Project

## *Mechanical*

- Completed the Lift Station 55-10 Lining and Rehabilitation Project
- Completed the installation of the polymer injection systems for sludge conditioning at WRP 10
- Completed the WRP 10 B-Plant clarifier plant Water Lines Replacement Project
- Continued the Upgrade Odor Control Systems Retrofit Project
- Completed the Surge Buster Check Valve Conversion Project at the Mid-Valley Pump Station and Lift Stations
- Completed the installation of the “LiL Allan” lift station wet well aerators at LS 80-04 and LS 80-20 for enhanced odor control

## *Water Reclamation Plants*

- Assisted with the WRP 2 Plant Upgrade Project
- Assisted with the WRP 4 Sludge Lagoon Module Aerator Energy Efficient Upgrade Project
- Coordinated the WRP 10 Lighting Project for energy optimization
- Completed the WRP 10 Portalogic Software Upgrade Project for Septic receiving
- Continued the coordination of the design of the WRP 4 Tertiary Treatment Project
- Continued the coordination of the design of the WRP 7 Process Aeration Blower Project
- Assisted with the WRP 7 Programmable Logic Controller (PLC) Upgrade Project
- Coordinated the completion of the WRP 10 B & C Plant Upgrade Project, Phase 2
- Assisted with the commencement of the WRP 10 Secondary Effluent Pump Station Project
- Continued to coordinate the Chemical Safety Equipment Upgrade Project for WRP 4, 7 and 10
- Continued the Coordination of the design for the Palm Desert Replenishment Recharge Project Phase 2
- Continued the Coordination of the design for the WRP 10 T1 Tertiary Pump Station Upgrade Project
- Completed the WRP 10 RTC-N Ammonia Aeration Optimization Project (Plants B and C)

## *Nonpotable Water*

- Commenced the necessary upgrades on below grade air-vacs of the nonpotable water distribution system
- Replenished the aquifer in the mid-valley with approximately 9,400 acre-feet of canal water
- Performed operations and provided customer service related to the nonpotable water distribution system
- Worked on completing training manual, standard operating procedures, and assessment
- Completed the Daily Canal Operations Log Project
- Worked with SCADA Integrators and Programmers on the SCADA Upgrade Project

## **FISCAL 2020 – 21 GOALS**

### **Strategic Plan**

**SG 2.4** Coordinate and complete the WRP Energy Optimization study reports for WRP 4, 7, & 10

### **Sanitation Collections**

- Complete the Collection System Annual Jet Cleaning/Inspection (including the increase of CCTV inspection by 25%)
- Assist with the Burr Street Sewer Force Main Design Project
- Complete the construction of the Jefferson Street Sewer Bypass Project
- Complete the State mandated 2-year Sanitary Sewer Master Plan (SSMP) self-assessment audit
- Implement the Asset Management program for CMMS including the development of all Key Performance Indicators (KPIs) and tracking guidance for all sanitation assets
- Complete the Sewer Manhole Rehabilitation Project
- Complete the Sewer Force Main Valve Preventative Maintenance (exercising) Program
- Complete the WRP 10 Septage Receiving Station No. 2 Upgrade Project
- Complete the asset inventory list for critical spare parts for lift stations and WRPs
- Complete the Surge Buster Check Valve Conversion Project (Phase 2) Complete the WRP 10 Headworks Conveyor Oiler System Project
- Complete the WRP 10 Grit Chamber Odor Scrubber RFP Silo Vessel
- Complete the conversion from chemical to biological wood chip odor control at various lift stations

### **Water Reclamation Plants**

- Assist with the finalization of the design of the WRP 4 Sludge Lagoon Module Aerator Energy Efficient Upgrade Project
- Assist with the coordination and completion of the Chemical Safety Equipment Upgrade Project at WRPs 4, 7, and 10
- Assist with the completion of the WRP 7 PLC Upgrade Project
- Coordinate the completion of the WRP 7 Process Aeration Blower Project
- Assist with the completion of the Storm Water Slope Protection Project at WRP 4
- Coordinate the finalization of the design for the WRP 4 Tertiary Treatment Project
- Finalize the Implementation of the HACH Water Information Management Solution Project for WRPs 4, 7, and 10
- Assist with the Secondary Effluent Pump Station Upgrade Project
- Finalize and implement the Standard Operating Procedures Manual for WRPs 4, 7, and 10

## *Nonpotable Water*

- Complete necessary upgrades on two below grade air-vacs of the nonpotable water distribution system
- Implement the regulations for the new recycled water statewide permit WQ-2016-0068-DDW
- Replenish the aquifer in the mid-valley with at least 8,000 acre-feet of canal water
- Perform operations and provide customer service related to the nonpotable water distribution system
- Perform initial shutdown tests for four golf courses and one agricultural customer
- Incorporate one agricultural customer into the nonpotable water program

## *Control*

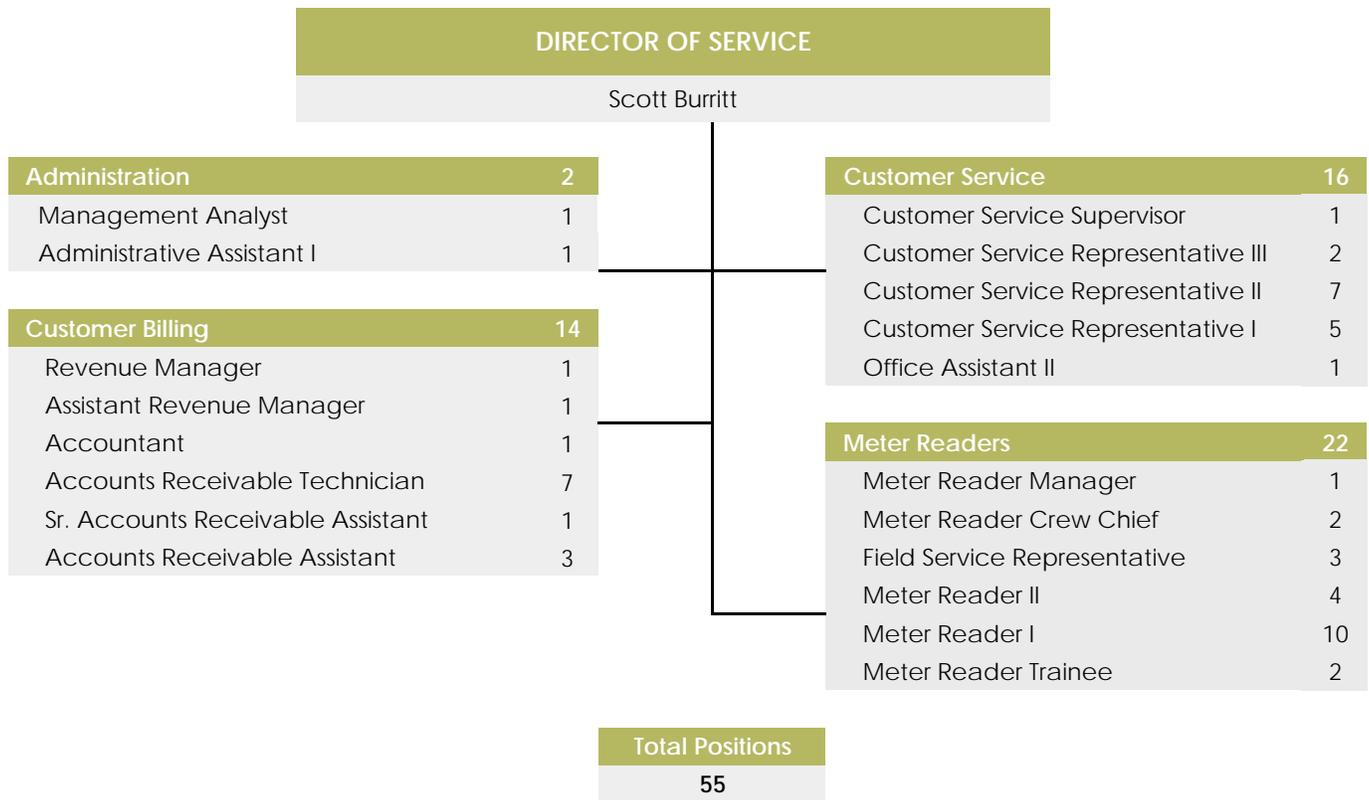
- Complete and implement the Control Operator Training and Certification Program
- Complete the Control Operator Training Manual and develop standard operating procedures
- Implement the Daily Canal Operations Log Program
- Work with SCADA Integrators and Programmers on the SCADA Upgrade Project



*Coachalla Canal Wasteway No. 1*

*SERVICE*





## DEPARTMENT DESCRIPTION

The Service Department has a variety of roles focusing on customer interaction on the phones, in the field, over the counter, and through written correspondence. Every division strives to promote a customer-friendly experience that covers the complete life cycle of the customer’s account. Working closely within the department, as well as the entire District, the department plays a significant role in ensuring overall customer satisfaction.

### Mission

To exceed customer expectations, through dedicated, knowledgeable, and professional employees who impart a sense of value, trust, and support.

### Vision

To achieve quality customer service delivering results at the highest level.

### Core Values

- Accountability, honesty, make a difference
- Approach issues with an open and creative mind
- Listen, empathize, pursue growth, and learning
- Commitment to the public good

## ***DIVISION DESCRIPTIONS***

The Service Department is organized into four divisions that provide customer-related services to the District's entire customer base. The department provides administrative services, customer billing, customer service, and meter reading with particular focus on the following functions and activities:

### ***Administration***

Supports the District's efforts to improve the customer experience by developing recommendations for new policies, policy changes, and improved procedures based upon research, data analysis, and best practices

### ***Customer Billing***

Completes billing for all water-related services, including: domestic water, sanitation, well replenishment, nonpotable, canal, and canal water availability

Receives and processes all customer payments and billing adjustments on a daily basis

Performs collection activities, customer notification of past due accounts, liens, and promissory notes

### ***Customer Service***

Manages more than 600 incoming telephone calls, counter interactions, and customer emails per day (150,000+ per year)

Assists customers to establish new accounts, make payments, place canal irrigation orders, and to answer billing and high consumption questions

Works across the District to support our customers

### ***Meter Readers***

Collects manual and automated meter reads, along with monthly reading of construction meters and replenishment assessment charge (RAC) well meters

Responsible for customer turn-ons, final reads, and delinquent turn-offs

Work with customers to perform meter accuracy tests and resolve complaints

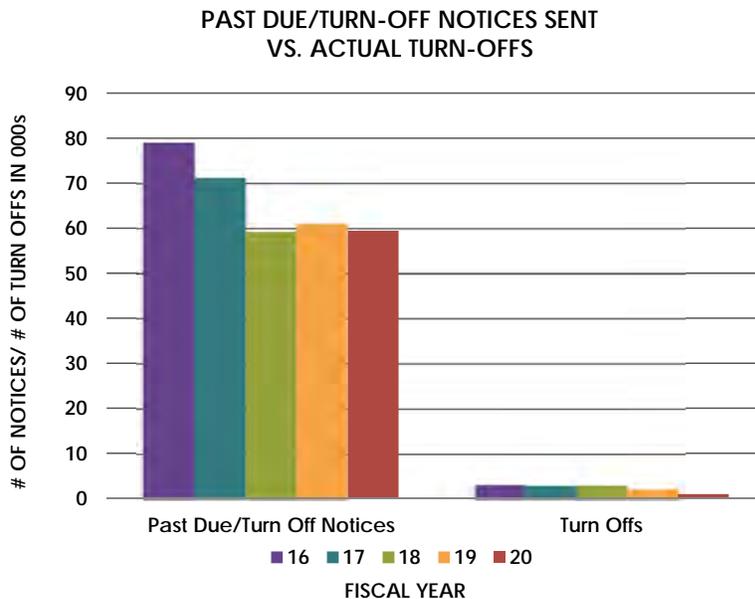
Investigate possible causes of high consumption

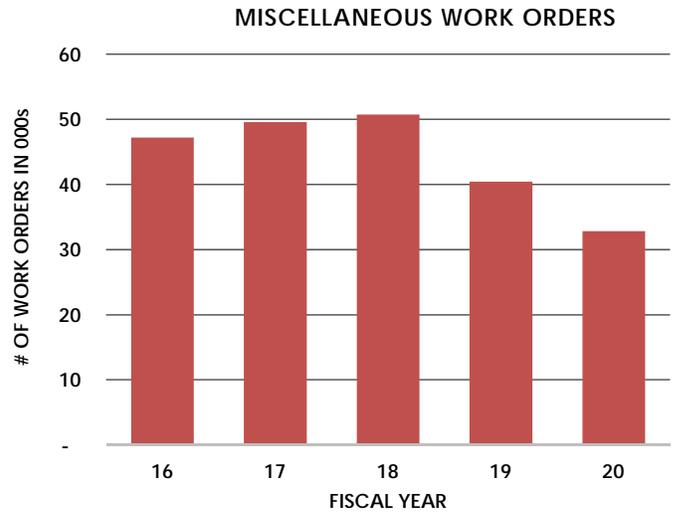
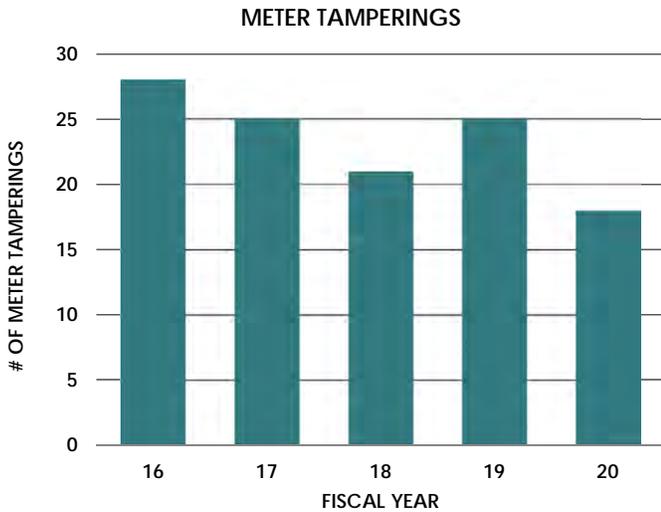
Investigate possible crossed meters and meter discrepancies

Service Metrics

SERVICE WORKLOAD MEASURES					
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Administration</b>					
Positive Customer Comment Cards	67	38	58	92	71
<b>Customer Billing</b>					
Maintain Average Receivables Over 90 Days - Goal 6.26% or Less	4.37%	3.52%	4.92%	5.00%	4.00%
Maintain Assessor's Parcel Number (APN) Rejection Rate of 2% or Less	0.1%	0.0%	0.0%	0.0%	0.0%
Complete Daily Bank Deposit by 3:30 PM - Goal 80% or more	72.0%	75.0%	91.0%	92.0%	97.0%
Requests for Account Review	3,571	1,672	1,720	1,647	1,616
Met Established Training Standards	No	Yes	Yes	Yes	Yes
<b>Customer Service</b>					
Calls Received	140,288	116,002	116,000	104,500	105,671
Calls Answered	137,000	114,288	114,000	103,000	104,937
Calls Answered Within 3 Minutes or Less - Goal 90% or More	93.3%	93.8%	91.0%	93.7%	97.4%
Average Abandon Rate - Goal 5% or less	2.4%	1.2%	1.7%	1.5%	0.7%
Average Call Handle Time - Goal 4 minutes or less	3:38	3:02	2:57	2:42	2:50
Average Wait Time - Goal 2 minutes or less	1:54	1:40	1:59	1:33	0:58
Met Established Training Standards	Yes	Yes	Yes	Yes	Yes
<b>Meter Readers</b>					
AMR Meters Read Manually to Assure Accuracy & Function - Goal 3,000	4,084	4,250	4,282	4,760	4,238
Average Number of Meters Read Monthly	109,418	109,774	110,533	111,255	112,208
Average Number of AMR Meters Read Monthly using Drive-By System	16,322	17,279	18,319	19,038	19,137
Met Reading and Billing Deadlines, Cycle Standards (28 to 32 days)	Yes	Yes	Yes	Yes	Yes
Direct Read Meters Upgraded to AMR Meters	648	480	522	62	21
Nonrecurring Work Orders Completed	47,211	49,626	50,713	40,423	32,816
Met Established Training Standards	Yes	Yes	Yes	Yes	Yes

The following graphs show a five-year history of meter reader activities completed each fiscal year. The Governor's Executive Order as a result of the COVID-19 pandemic affected fiscal 2020 turn-offs. In addition, with the stay in place orders issued because of COVID-19, there was a decrease in meter tamperings, and work orders.





## FISCAL 2019 – 20 ACCOMPLISHMENTS

### Strategic Plan

Board approved agreements with three (3) Advanced Metering Infrastructure (AMI) vendors, materials were procured and installed, and staff are evaluating the costs and benefits of AMI as part of the one-year AMI pilot

### Administration

Reviewed high consumption process across divisions and implemented actions that will increase efficiency while maintaining excellent customer service

Updated Domestic Regulations and created the Policy to Avoid Discontinuation of Domestic Service for Nonpayment as required by Senate Bill 998 to ensure District compliance by February 2020

Facilitated Service Department Training Day to provide teambuilding, and to train staff on division responsibilities, department projects, and district regulations

Monitored and updated Service Department’s Training and Development manual with 55 new processes

### Customer Billing

Implemented Senate Bill 998, which mandated changes to CVWD policies and procedures on discontinuing water service due to nonpayment

Administered Help2Others, CVWD’s customer assistance program that saw a 220% increase in participation during the last 4 months of the year compared to 2019

Implemented the Governor’s Executive Orders imposing a moratorium on disconnections due to non-payment for residential and essential business in response to the COVID-19 pandemic

Developed a new form and implemented a streamlined process for customers requesting a payment plan

### *Customer Service*

Achieved service level goals: answer 90% of all Customer Service calls within 3 minutes, achieve an average handling time of 4 minutes or less, and achieve an abandon rate of less than 5%

Increased customer E-billing by 23% from 21,506 to 26,500

Increased Paymentus auto-pay enrollment by 34% from 14,091 to 18,837

Implemented new, user-friendly customer applications on web forms which can easily be completed on computers, tablets, or mobile devices

Provided alternate solutions for customers who could not come into the lobbies during COVID-19 office closures (online payments, drop-box payments, etc.)

Reverted 200+ tenant accounts with poor payment history to property owners

Updated Naviline customer accounts with accurate customer types and third party notifications

### *Meter Readers*

Worked with Operations to schedule the replacement of 5,633 failing AMR registers with minimal impact to Meter Reading and Customer Billing

Provided training for meter testing to all division staff to ensure accurate meter tests when requested by customers and when performing high consumption investigations

Provided monthly water audit data for 130 AMR meters to Engineering to help update the current design criteria for infrastructure

Assisted with AMI Pilot implementation by participating on the planning team, generating work orders, and ensuring meter exchanges were scheduled with minimal impact to Customer Billing

Held presentations and training to improve meter reading accuracy resulting in a 45% decline in misreads compared to the prior year

Assisted the Service Department with “high consumption process improvements” to streamline processes related to high consumption accounts in order to shift focus to accounts with low consumption

## *FISCAL 2020 – 21 GOALS*

### *Strategic Plan*

**SG 5.14** Develop data to benchmark CVWD’s operational effectiveness against public and private water agencies

### *Administration*

Coordinate across District departments to update Regulations Governing Sanitation Service to reduce ambiguity and increase transparency

Monitor AMI pilot, compile and analyze data, and evaluate the potential costs and benefits of a full AMI implementation

### *Customer Billing*

Evaluate check remittance processing equipment and make recommendation to Board regarding upgrade

Examine low/zero consumption process and implement actions to identify areas of potential lost revenue

Evaluate billing processes to identify areas to improve efficiencies across the division

Transfer existing reference documents and procedures to SharePoint's knowledge management system QuickGuide+

Improve the timely collection of delinquent accounts and develop new processes and procedures to decrease the 90-day aging rate

### *Customer Service*

Answer 90% of calls within 3 minutes or less

Update and maintain QuickGuide+, the Customer Service online reference, so that all pages have accurate information

Develop a process to identify customers with outstanding balances on previous accounts

Ensure customer data integrity and consistency in both Naviline and Paymentus

Support the AMI pilot project by assisting with the customer and agent portals as needed

Cross train with Water Management

Complete AWWA Customer Service Certification training for all Service Department staff

### *Meter Readers*

Examine low consumption processes and implement actions to improve efficiencies across division stakeholders

Examine and determine meter reader role in field investigation process in response to Customer Water Budget Appeals and internally generated appeals

Provide recurring annual specialized training (i.e. meter testing, dog training, venomous snakes, and traffic control)

Monitor performance and address customer questions of AMI meters installed as a part of the AMI Meter Pilot Project

Initiate procurement of new meter reading handheld technology

Cross train with Water Management and Environmental Services and obtain knowledge to provide better service to both domestic and replenishment assessment charge (RAC) customers

DEPARTMENT FINANCIAL TREND - SERVICE							
	Actual 2019	Budget 2020	Projected 2020	Budget 2021	Budget Change	% Change	
<b>Expenses by Object</b>							
Salaries & Benefits	\$ 6,462,000	\$ 6,774,000	\$ 6,334,000	\$ 7,142,000	\$ 368,000	5.4	
Outside Labor	36,000	47,000	17,000	30,000	(17,000)	(36.2)	
Professional Development	36,000	72,000	21,000	52,000	(20,000)	(27.8)	
Collection Cost	-	50,000	57,000	-	(50,000)	(100.0)	
Utilities	15,000	19,000	15,000	-	(19,000)	(100.0)	
Materials & Supplies	598,000	684,000	526,000	706,000	22,000	3.2	
Motorpool	181,000	187,000	178,000	221,000	34,000	18.2	
Contract Services	672,000	1,169,000	1,000,000	1,100,000	(69,000)	(5.9)	
Safety	8,000	7,000	8,000	7,000	-	-	
Miscellaneous Expense	90,000	51,000	87,000	48,000	(3,000)	(5.9)	
Capital Outlay	-	-	-	112,000	112,000	-	
<b>Total</b>	<b>\$ 8,098,000</b>	<b>\$ 9,060,000</b>	<b>\$ 8,243,000</b>	<b>\$ 9,418,000</b>	<b>\$ 358,000</b>	<b>4.0%</b>	
<b>Expenses by Division</b>							
Administration	\$ 903,000	\$ 620,000	\$ 561,000	\$ 759,000	\$ 139,000	22.4	
Customer Service	1,896,000	2,112,000	1,986,000	2,039,000	(73,000)	(3.5)	
Meter Reading	2,658,000	3,032,000	2,732,000	3,048,000	16,000	0.5	
Customer Billing	2,641,000	3,296,000	2,964,000	3,572,000	276,000	8.4	
<b>Total</b>	<b>\$ 8,098,000</b>	<b>\$ 9,060,000</b>	<b>\$ 8,243,000</b>	<b>\$ 9,418,000</b>	<b>\$ 358,000</b>	<b>4.0%</b>	
<b>Expenses by Fund</b>							
Domestic Water	\$ 6,484,000	\$ 7,534,000	\$ 6,823,000	\$ 7,754,000	\$ 220,000	2.9	
Canal Water	767,000	719,000	667,000	785,000	66,000	9.2	
Sanitation	405,000	390,000	329,000	420,000	30,000	7.7	
Nonpotable Water	54,000	-	-	-	-	-	
West Whitewater Replenishment	144,000	194,000	195,000	210,000	16,000	8.2	
Mission Creek Replenishment	-	3,000	9,000	3,000	-	-	
East Whitewater Replenishment	244,000	220,000	220,000	246,000	26,000	11.8	
<b>Total</b>	<b>\$ 8,098,000</b>	<b>\$ 9,060,000</b>	<b>\$ 8,243,000</b>	<b>\$ 9,418,000</b>	<b>\$ 358,000</b>	<b>4.0%</b>	



# CAPITAL IMPROVEMENTS



## *What are Capital Improvements?*

Capital improvements include the purchase, construction, replacement, addition, or major repair of public facilities, infrastructure, and equipment. The selection and evaluation of capital projects involves analysis of District requirements, speculation on growth, the ability to make estimates, and the consideration of historical perspectives. A “capital project” has a monetary value of at least \$10,000, has a useful life of more than a year, and results in the creation or revitalization of a fixed asset. A capital project is usually relatively large compared to other “capital outlay” items in the annual operating budget. Vehicles and heavy equipment are considered capital projects by the District for the purpose of financial planning.

## *Capital Asset Policy*

The District has a significant investment in a variety of capital assets, which are used to provide services to customers. Per the District’s Capital Asset Policy, an asset costing \$10,000 or more, and with a useful life of two years or more is depreciated for financial accounting purposes. A capital asset acquired with federal grant funds is capitalized if it has a cost greater than \$5,000.

## *What is the Capital Improvement Plan (CIP)?*

The CIP is the multiyear plan used to identify and coordinate public facility and equipment needs in a way that maximizes the return to the ratepayers. Advance planning of all District projects helps the Board, staff, and public make choices based on rational decision-making, rather than reacting to events as they occur. The CIP represents improvements or replacements that are viewed as critical and have a funding plan. The system of CIP management is important because: (1) the consequences of investments in capital improvements extend far into the future; (2) decisions to invest are often irreversible; (3) such decisions significantly influence a community’s ability to grow and prosper.

## *The CIP Process*

The development and update of the CIP is an ongoing activity. It is part of the overall budgeting process, since current year capital improvements are implemented through adoption of the annual budget. Specific activities in the process are:

**ESTABLISHING TIMETABLES, GOALS, AND OBJECTIVES:** At the onset of the budgeting process, the CIP update begins with formal budget planning discussions between management, department heads, and the Board of Directors. Timetables are set that extend through development and final adoption of the budget. District goals and objectives are reviewed to ensure that they are being met through the budget cycle.

**TAKING INVENTORY AND DEVELOPING PROPOSALS:** Staff gathers information about the District’s capital facilities and equipment in order to assess the condition of each. Staff carefully considers construction, repair, replacement, and additions. From there, a list of proposed projects and equipment is developed.

**CONDUCTING FINANCIAL ANALYSIS:** Finance staff conducts financial analysis of historic and projected revenues and expenses in order to estimate the District’s cash flow and long-term financial condition. Capital financing alternatives are identified and recommendations are prepared to match the type of funding most appropriate for specific capital improvements.

## *How are Capital Improvements Funded?*

Various funding sources are available, including pay-as-you-go, reimbursements, grants, debt, Sanitation Capacity Charges (SCC), and Water System Backup Facility Charges (WSBFC). Each project is reviewed to determine the appropriate financing for it.

**PAY-AS-YOU-GO:** To the extent that there is available cash, the District generally funds capital projects on a pay-as-you-go basis.

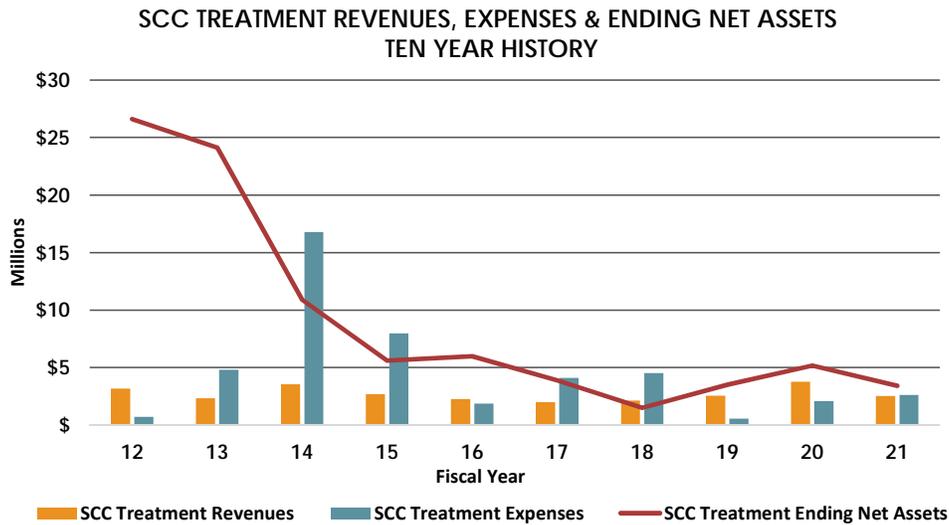
**REIMBURSEMENTS:** The District often enters into agreements with other entities whereby certain projects will be built by CVWD with the understanding that all, or a portion of the project, will be reimbursed by that entity.

**GRANTS:** The District is eligible for grants from various state and federal agencies. Grant reimbursements are based on incurred eligible capital project expenses.

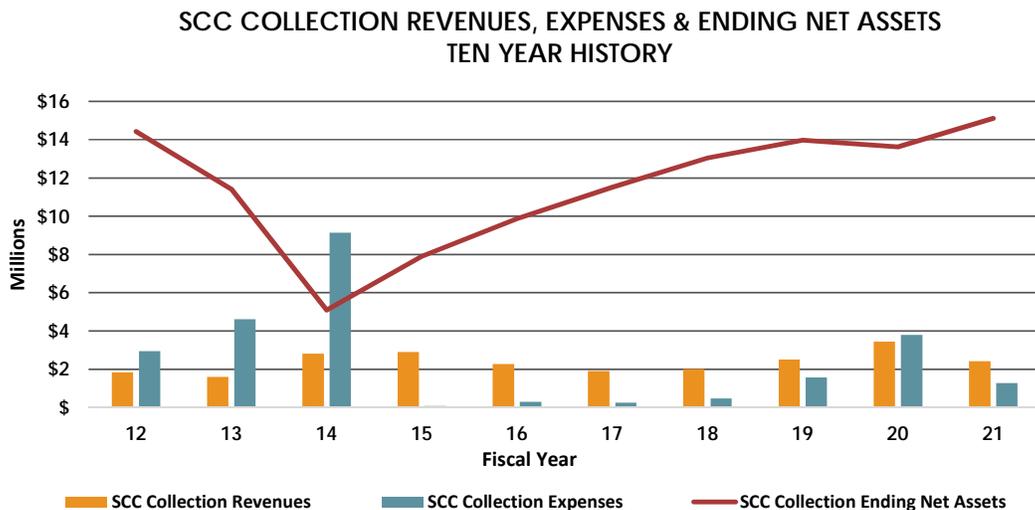
**DEBT:** The Board has authorized the execution and delivery of a revolving line of credit in an amount not to exceed \$75 million. The District will use the line of credit to fund capital improvements that cannot be financed from current revenues and/or reserves.

**SANITATION CAPACITY CHARGES:** The District assesses SCC-Collection and SCC-Treatment fees on all new development, redevelopment projects, connections to existing residential units, and upgrades of existing commercial units within the District’s sanitation service area. These restricted funds can only be used for constructing backbone facilities for collection and treatment of wastewater to provide additional sanitation service. The following charts show actual fiscal 2012 through 2020 and projected 2021 SCC-Treatment and SCC-Collection revenues, expenses, and ending net assets.

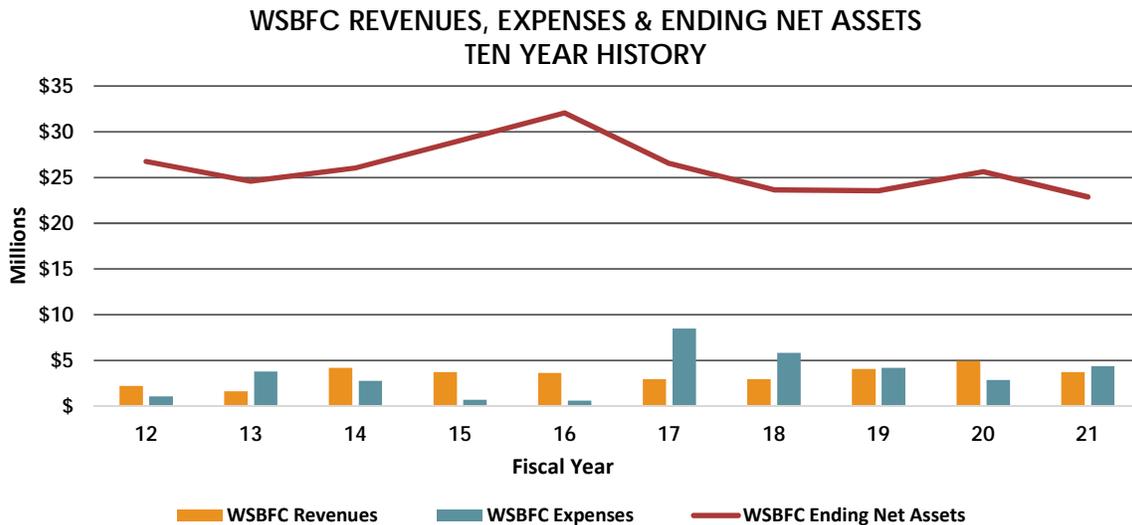
SCC-Treatment expenses projected for 2021 are higher than last year. This increase in expenses will have a reduction in the ending net assets.



SCC-Collection expenses for 2021 are projected to be lower than previous two years due to the completion of the Lift Station upgrade at Burr Street and Washington Street. Revenues are expected to exceed expenses which will increase ending net assets.



**WATER SYSTEM BACKUP FACILITY CHARGES:** The District assesses WSBFC on all new development and redevelopment projects within the District’s domestic water service area. These restricted funds can only be used for constructing backup water facilities to ensure domestic water availability for new development projects. Backup facilities include wells, treatment facilities, booster stations, reservoirs, and large diameter transmission mains. Projected WSBFC revenues for 2021 are approximately 36% of projected expenses, which will decrease the ending net assets as shown in the graph below.



## The Five-Year CIP

The fiscal 2021-2025 Capital Improvement Plan amounts to over \$733 million. The District expects to fund the majority of the CIP with cash, restricted developer fees, reimbursement from other agencies, grants, WIFIA loans, State Revolving Fund loan, and draws on the revolving line of credit. The line of credit will provide low-cost interim financing prior to funding being available from other low-cost loans like the WIFIA loan.

### FIVE-YEAR CAPITAL IMPROVEMENT PLAN

Fund	Budget		Planned			Total
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
Domestic Water	\$26,639,000	\$33,409,000	\$35,280,000	\$32,485,000	\$38,400,000	\$166,213,000
Canal Water	15,005,000	21,409,000	15,560,000	10,017,000	13,671,000	75,662,000
Sanitation	35,502,000	44,510,000	55,831,000	55,399,000	48,053,000	239,295,000
Stormwater	14,934,000	42,747,000	39,080,000	48,577,000	29,288,000	174,626,000
West Whitewater Replenishment	1,992,000	3,907,000	220,000	480,000	6,220,000	12,819,000
East Whitewater Replenishment	835,000	17,703,000	16,660,000	15,150,000	2,400,000	52,748,000
Motorpool	2,426,000	2,293,000	2,488,000	2,499,000	2,584,000	12,290,000
<b>Total Five-Year CIP</b>	<b>\$97,333,000</b>	<b>\$165,978,000</b>	<b>\$165,119,000</b>	<b>\$164,607,000</b>	<b>\$140,616,000</b>	<b>\$733,653,000</b>

**GENERAL DISTRICT** projects over the next five fiscal years total approximately \$12.4 million. These capital projects are general in nature and not specific to any one fund. General District projects are expensed to the following enterprise funds: Domestic Water, Canal Water, Sanitation, Stormwater, East Whitewater Replenishment, West Whitewater Replenishment, and Motorpool using an allocation methodology based on districtwide labor costs. Each fund reflects their proportionate share of General District projects in the write-ups below. Funding will be provided by cash.

**DOMESTIC WATER** projects total approximately \$166.2 million over the next five fiscal years. The focus for the Domestic Water Fund includes \$39.8 million in reservoir construction and rehabilitation, approximately \$22.4 million in booster station upgrades, \$12.6 million in water main improvements, and \$10.7 million in well drilling and upgrades. The General District CIP will have \$6.1 million allocated to the Domestic Water Fund. Over \$60 million of the five-year CIP budget will be spent over the next two years. Funding will be provided by cash, Water System Backup Facility Charges, grants, and loans.

**CANAL WATER** projects amount to over \$75.6 million over the next five fiscal years. Canal projects include a pump station structure replacement and an irrigation system expansion for approximately \$19 million, irrigation lateral replacements and improvements for over \$53.5 million, and drain replacement projects. In addition, the Canal Water Fund's share of General District CIP allocation is approximately \$3.2 million. Funding will be provided by cash.

**SANITATION** projects total approximately \$239.3 million over the next five fiscal years. This amount includes approximately \$33.1 million for Water Reclamation Plant (WRP) 10 treatment upgrades, \$30.4 million for WRP 7, and approximately \$27.1 million for WRP 4. In addition, there is approximately \$43.4 million in collection system and lift station upgrades. Nonpotable water pipeline connections totaling approximately \$85.2 million will be paid by the Sanitation Fund. A Clean Water SRF loan will fund the first phase of these projects, and a WIIN grant has been applied for to augment the funding. Sanitation projects will be funded with cash, and SCC fees. Disadvantage community collection system projects will be funded with grants in the amount of approximately \$17.7. The Sanitation Fund's share of General District CIP allocation is approximately \$2.4 million over the next five fiscal years.

**STORMWATER** projects total approximately \$174.6 million over the next five fiscal years. Approximately \$289,000 is allocated to General District CIP. Projects will be funded using cash, grants, loans and line of credit.

**REPLENISHMENT** projects amount to more than \$65.6 million over the next five fiscal years. \$52.5 million of this amount is budgeted for East Whitewater Replenishment Fund, and approximately \$12.6 million for the West Whitewater Replenishment Fund. Funding will be provided from each replenishment fund's cash.

**MOTORPOOL** projects amount to almost \$12.3 million for the next five fiscal years, and consists of vehicle and other equipment replacements. All funding will be from cash from the appropriate enterprise fund.



*Oasis Tower Replacement Project*

## THE CIP IMPACT

### IMPACT OF CAPITAL INVESTMENTS ON DEBT SERVICE

Prior to fiscal 2018, the District did not carry long-term debt. Therefore, the CIP did not impact the operating budget associated with debt. CVWD executed a \$26.7 million Drinking Water State Revolving Fund loan from the State Water Resources Control Board. The loan will fund the construction of the Highway 86 Transmission Main, Phase 2 project. The loan carries a fixed 1.8% interest rate for a term of 30 years. Principal and interest will be paid out of the Domestic Water fund. In fiscal 2019, the Board executed an agreement with the Bank of the West for a revolving line of credit in the not to exceed amount of \$75 million. The revolving line of credit provides a flexible, low-cost method of financing for capital projects and other permitted purposes reducing the need to use District reserves. This line of credit can be borrowed and repaid as needed across all District funds with low upfront and ongoing administrative costs as compared to other forms of borrowing. In fiscal 2020, the District availed of the revolving line of credit by borrowing \$2,744,000 to be used as interim financing for the Coachella Valley Stormwater Channel Improvement Project and North Indio Flood Control projects prior to drawing on the WIFIA loan.

With Board approval, CVWD will continue to obtain long-term borrowing for capital improvements that cannot be financed from current revenues and/or reserves.

### SIGNIFICANT MULTI-YEAR CAPITAL IMPROVEMENT PROJECTS

The District's five-year CIP includes several significant multi-year capital improvement projects. These are projects that have considerable impact on the five-year forecast, and/or rarely occur. For detailed information on each of the projects listed below, please refer to the corresponding funds in this chapter.

- Avenue 66 Transmission Main, Phase 1B and 2 - Domestic
- Coachella Valley Stormwater Channel Improvements - Avenue 54 to the Thermal Drop Structure - Stormwater
- North Cathedral City Stormwater Master Plan, Phase 1 - Stormwater
- North Indio Regional Flood Control System - Stormwater
- Oasis In-Lieu Recharge, Phase 2 - East Replenishment
- Phase I Improvements Nonpotable Water Upgrades, Project Specific CEQA – Sanitation
- WRP 7 Aeration Improvements - Sanitation
- WRP 7 Recycled Water Expansion (MP 113.2 Pump Station Upgrade, 2.5 MGD expansion, 5 MG bladder, new secondary effluent storage pond) - Sanitation
- T1 Pump Station Replacement - Sanitation
- Thousand Palms Flood Control - Stormwater

**FISCAL 2021 CAPITAL IMPROVEMENT BUDGET (CIB)**

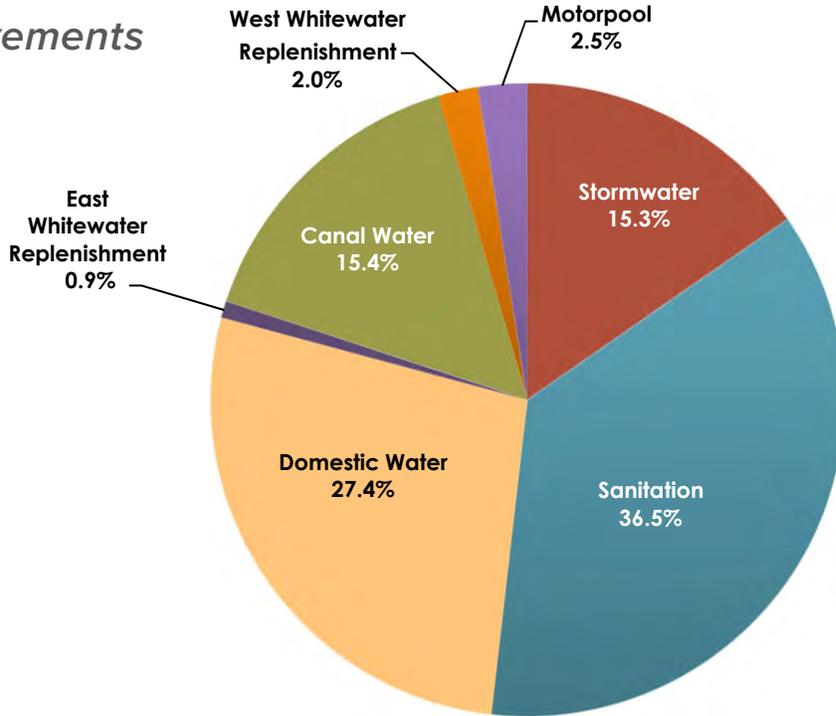
- The fiscal 2021 CIB is integrated with the operating budget, and amounts to approximately \$97.3 million. Included in this amount is approximately \$3 million in District labor that will be capitalized with the projects. Please note: the Salaries & Benefits line item in the Operating Budget has been reduced by this amount. Fiscal 2021 capital improvements consist of projects in the District’s enterprise funds, and the Motorpool Internal Service Fund. All projects are accounted for and funded by each individual fund.
- For fiscal 2021, the District plans to spend over \$80.5 million of its cash. Funding from SCC-Collection and SCC-Treatment are budgeted at \$50,000 and approximately \$1.1 million, respectively. Funding from WSBFC fees for fiscal 2021 amounts to approximately \$9.8 million; grants are \$4.1 million; and loans and other debt proceeds total approximately \$1.7 million.
- The following ongoing projects have a significant impact the fiscal 2021 Capital Improvement Budget since the majority of expenses will be incurred in 2021:
  - Avenue 66 Transmission Main, Phase 1A – Domestic
  - Coachella Valley Stormwater Channel Bank Protection - Ave 62 to Ave 64 and Fillmore Ditch Outfall - Stormwater
  - East Side Dike Improvement, Phase 1 (Dune Palms to Interstate 10) - Stormwater
  - L-4 Pump Station Relocation Project - Phase 2 - Canal
  - Reservoir 4605-2 Design and Construction - Domestic
  - Secondary Effluent Pump Station and Storage Ponds - Sanitation
  - Sun City Palm Desert Water Main Replacement, Phase 1 - Domestic
  - Supervisory Control and Data Acquisition Master Plan and System Replacement - General District
  - T1 Pump Station Replacement - Sanitation
  - The Oasis Country Club Connection - Sanitation

The following table and charts show planned improvements by fund and funding sources for fiscal 2021.

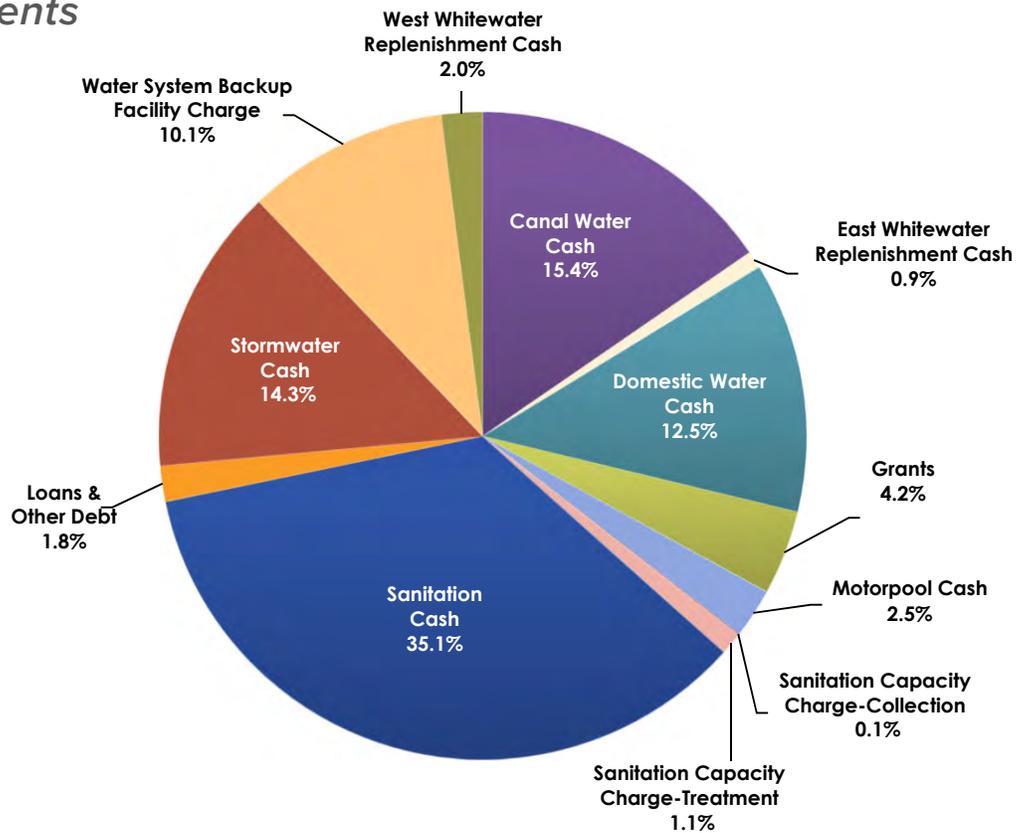
**FISCAL 2021 CAPITAL IMPROVEMENT BUDGET - PROJECTS BY FUND**

Fund	Funding Sources						Total
	Cash Funded	Grants	Loans & Other Debt	Restricted Reserves			
				WSBFC	SCC Treatment	SCC Collection	
Domestic Water	\$12,154,000	\$3,925,000	\$750,000	\$9,810,000	\$ -	\$ -	\$26,639,000
Canal Water	15,005,000	-	-	-	-	-	15,005,000
Sanitation	34,203,000	175,000	-	-	1,074,000	50,000	35,502,000
Stormwater	13,954,000	-	980,000	-	-	-	14,934,000
West Whitewater Replenishment	1,992,000	-	-	-	-	-	1,992,000
East Whitewater Replenishment	835,000	-	-	-	-	-	835,000
Motorpool	2,426,000	-	-	-	-	-	2,426,000
<b>Total Capital Improvement Budget</b>	<b>\$80,569,000</b>	<b>\$4,100,000</b>	<b>\$1,730,000</b>	<b>\$9,810,000</b>	<b>\$1,074,000</b>	<b>\$50,000</b>	<b>\$97,333,000</b>

**Capital Improvements**  
*Projects by Fund*  
**\$97,333,000**



**Capital Improvements**  
*Projects by Source*  
**\$97,333,000**



**GRANTS**

CVWD has participated in grant programs for several years. The primary advantage of grants is that unlike loans, they do not have to be repaid. The District qualifies for grants from various state and federal agencies: CA State Water Resources Control Board, United States Department of Agriculture, United States Bureau of Reclamation, CA Department of Water Resources, and Federal Emergency Management Agency.

A grant provides a valuable funding source to help finance eligible projects at the District. It is important to remember that grants are very competitive. A considerable amount of time and preparation are required to find grant opportunities that fit within the granting agency’s parameters, plan a project(s), and then develop a winning proposal. Throughout the year, planning and construction needs are matched with funding opportunities offered by the various granting agencies.

The lifecycle of a grant can be a very long process and the timing from the pre-award phase to the awarded phase can span multiple fiscal years for project costs to fully be expensed. Grant revenues are based on incurred eligible capital project expenses. Projected verses actual grant revenues at year end can vary significantly based on timing of final grant agreement approval and the start of the project. Projected grant revenues for fiscal 2021, which have been officially awarded are \$5.1 million and are summarized in the table below.

**GRANT REVENUES**

Granting Agency	Fund	Purpose of Grant	Amount
State Water Resources Control Board	Domestic	Connect Thermal Mutual Water Company to CVWD’s domestic water distribution system, which will improve water quality, reliability, and supply for a small private community.	\$1,390,000
State Water Resources Control Board	Domestic	Consolidate the privately owned Oasis Gardens Mobile Home Park and CVWD’s domestic water system in order to provide safe, reliable domestic water and fire protection service to disadvantaged communities.	1,070,000
State Water Resources Control Board	Domestic	Consolidate Coachella Valley Unified School District (Westside Elementary School) water system to CVWD’s domestic water distribution system by upsizing 1,200 feet of a new domestic water transmission main, from 12-inch to 18-inch diameter ductile iron pipe. The project will provide safe domestic water and fire protection service.	880,000
Department of Water Resources	Domestic	Provide a secondary water supply to the Mecca and Eastern Coachella Valley which will increase water supply reliability to existing customers in these disadvantaged communities.	1,269,000
Department of Water Resources	Sanitation	Design and Environmental documentation for septic to sewer conversion in the disadvantage communities of the East Valley.	373,000
United States Department of Agriculture	Sanitation	Construction of a gravity sewer collection system and lift station, which will provide reliable centralized sewer service to a mobile home park and other small communities.	125,000
<b>Total Grant Funding</b>			<b>\$5,107,000</b>



Water Service Expansion on Magnesia Falls Drive

*DISTRICTWIDE*



**DISTRICTWIDE PROJECTS**

Planned Districtwide projects for fiscal 2021 amount to over \$5.1 million. These projects are not specific to any fund. The expenses are allocated to the following enterprise funds: Domestic Water, Canal Water, Sanitation, Stormwater, East Whitewater Replenishment, West Whitewater Replenishment, and Motorpool.

**CAPITAL IMPROVEMENT BUDGET - DISTRICTWIDE**

	Budget		Planned			Total 5-Year
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
<b>Districtwide - Allocated</b>						
Coachella Campus Facility Roof Safety Improvements	\$375,000	\$ -	\$ -	\$ -	\$ -	\$375,000
Coachella Campus Water Supply and Fire Protection System Improvements	500,000	-	-	-	-	500,000
CVWD Facilities Parking Lot Paving Rehabilitation, Phase 1 and 2	100,000	500,000	-	-	-	600,000
Electronic Records Management Implementation (Information Governance)	1,000,000	500,000	-	-	-	1,500,000
Facility Security and Safety Upgrades, Phase 1	125,000	-	-	-	-	125,000
Palm Desert Upgrade Transfer Switch and Power Distribution	-	600,000	-	-	-	600,000
Supervisory Control and Data Acquisition Master Plan and System Replacement	3,017,000	2,738,000	3,010,000	-	-	8,765,000
<b>Total Districtwide</b>	<b>\$5,117,000</b>	<b>\$4,338,000</b>	<b>\$3,010,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$12,465,000</b>

## Coachella Campus Roof Safety Improvements

GD2003

### Project Description

This project includes the design and construction of roof safety improvements for three existing buildings at CVWD's Coachella campus.



### Project Objectives

The objective of this project is to make improvements that will enhance workers safety during maintenance activities.

### Schedule

Start : 05/01/2020 Complete : 06/28/2024 Project Status : Planning

Estimated Project Cost (\$)	400,000
Capitalized Labor	20,000
Construction	380,000
Other	0
Planning/Design	0

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	25,000	375,000	0	0	0	0

Other Financial Impact	None	
Operational Impact	Enhance worker safety during maintenance of the facilities.	
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary <input type="checkbox"/>

### Coachella Campus Water Supply and Fire Protection System Improvements

GD1905

#### Project Description

This project includes the design/build contract to install 8-inch and 12-inch diameter zinc coated ductile iron pipeline (DIP) and fire hydrants within CVWD's Coachella campus in order to provide fire protection. The fire protection pipeline will tie into the City of Coachella's domestic water distribution system. CVWD's onsite well and elevated reservoir will be taken out of service upon completion of this project. This project is currently underway.



#### Project Objectives

The objective is to connect Coachella Campus water supply and fire protection systems to a reliable City of Coachella domestic water distribution system.

#### Schedule

**Start :** 07/01/2019 **Complete :** 06/30/2021 **Project Status :** Planning

Estimated Project Cost (\$)	1,004,000
Capitalized Labor	80,064
Construction	784,936
Other	19,000
Planning/Design	120,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
4,000	500,000	500,000	0	0	0	0

<b>Other Financial Impact</b>	The water bill for the Coachella Campus will increase due to connecting to City of Coachella domestic water distribution system.		
<b>Operational Impact</b>	This project is replacement of Water Supply and Fire Protection Systems and will result in a decrease of repairs and maintenance of the domestic water distribution and fire protection systems.		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

## Palm Desert Parking Lot Rehabilitation and Expansion

GD2001

### Project Description

Rehabilitation and expansion of the Palm Desert Operations employee parking lot to accommodate the recent increase in vehicles due to the new Critical Support Services building. This project will add approximately 60 new parking stalls west of the current employee parking area. This project will also remove deteriorated existing pavement and construct new pavement at the existing employee parking lot since the existing pavement is cracking and failing due to age and wear and tear. This project is currently under construction.



### Project Objectives

Expand the existing employee parking lot in Palm Desert by adding new stalls and replacing deteriorated existing pavement with new one to accommodate the extra employees occupying the new Critical Support Services building.

### Schedule

<b>Start :</b>	02/08/2019	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	1,000,000
Capitalized Labor	60,024
Construction	839,976
Other	0
Planning/Design	100,000

Funding Source	%
Pay-as-you-go	100

### Budget

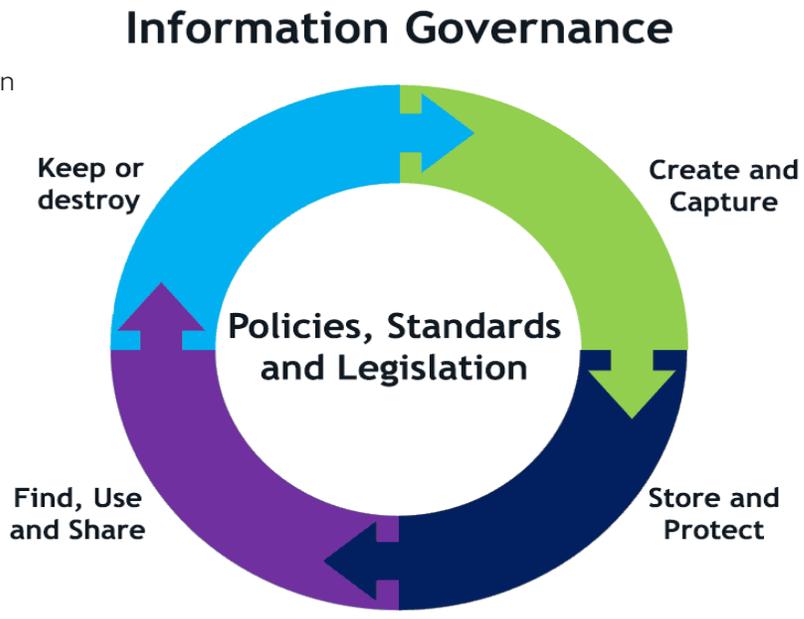
Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	400,000	100,000	500,000	0	0	0

<b>Other Financial Impact</b>	No Impact.		
<b>Operational Impact</b>	This project will need routine repairs and maintenance.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

### Electronic Records Management Implementation (Information Governance) GD1801

#### Project Description

This project includes implementing enhancements to the Electronic Records Management environment (FileNet) including the installation and configuration of Enterprise Records Manager, Content Collector, and Case Manager. Also, migrating the databases from Oracle to MS SQL and upgrade the Capture (Kofax) server from version 9 to the latest Kofax Capture version available. This upgrade will include the re-organization and development of classes to archive the District's records as required by the recently adopted "Records Retention Policy". In addition, this project will include development and implementation of technologies for Information Governance to properly manage email, invoices, network files and other critical District's processes.



#### Project Objectives

The objective of this project is to complete the existing Enterprise Content Management (ECM) platform upgrade to the latest supported versions. Also, implement Information Governance (records retention and disposition) across all CMMS platforms including FileNet, SharePoint, emails, network folders and others.

#### Schedule

<b>Start :</b>	03/08/2019	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

<b>Estimated Project Cost (\$)</b>	<b>1,800,000</b>
Consultant	1,800,000

<b>Funding Source</b>	<b>%</b>
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
271,000	29,000	1,000,000	500,000	0	0	0

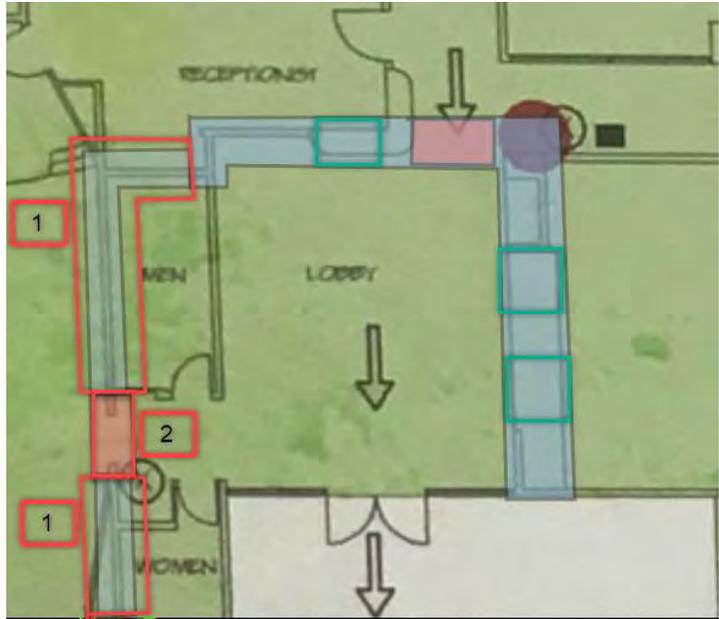
<b>Other Financial Impact</b>	None		
<b>Operational Impact</b>	None		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

## Facility Security and Safety Upgrades, Phase 1A - Coachella

GD2101

### Project Description

This project includes finalizing the design and construction of physical barriers within the Coachella Campus Administration Building as outlined in the CVWD Facilities Security and Safety Assessment Preliminary Report.



### Project Objectives

The objective of this project is to construct physical barriers to mitigate potential threats and risks to the public entrances within the facility by improving its security posture.

### Schedule

Start : 09/15/2020 Complete : 06/30/2020 Project Status : Construction

Estimated Project Cost (\$)	125,000
Construction	125,000

Funding Source	%
Pay-as-you-go	100

### Budget

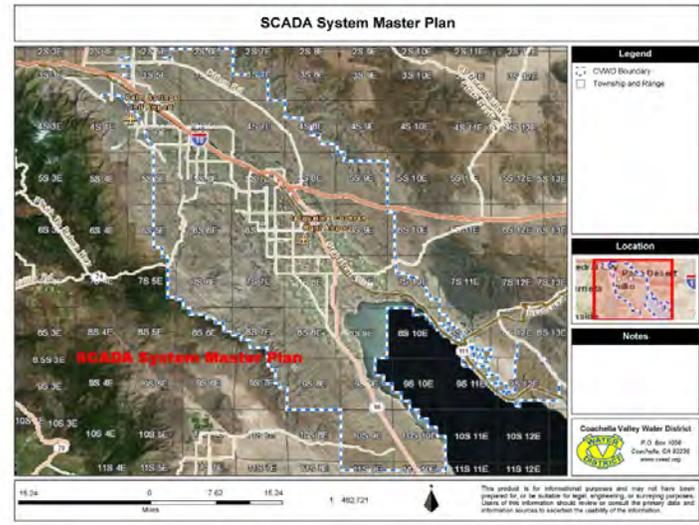
Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	125,000	0	0	0	0

Other Financial Impact	There is no additional financial impact.		
Operational Impact	There is no additional operational impact.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

### Supervisory Control and Data Acquisition (SCADA) Master Plan and System Replacement GD1301

#### Project Description

This project includes the review and evaluation of the existing Supervisory Control and Data Acquisition (SCADA) System in order to develop a Master Plan for replacement of the aging and outdated software and equipment with a new and modern SCADA System. The SCADA System Master Plan has created a program of 11 projects to undertake the implementation of the plan. CVWD continuously monitors and operates facilities remotely from a single SCADA Control Room but much of the current SCADA System is obsolete. The new system will also increase security and avoid potential system failures. The upgrade will also allow for easier access to stored information that can be used for "beyond-SCADA" uses such as asset management or engineering design.



#### Project Objectives

The objective of this project is to modernize and upgrade the SCADA System to allow CVWD staff to operate, monitor, and control facilities more efficiently with up-to-date hardware and software.

#### Schedule

<b>Start :</b>	07/01/2013	<b>Complete :</b>	06/30/2023	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	22,361,000
Capitalized Labor	1,349,000
Construction	10,800,000
Other	10,212,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
7,166,000	6,430,000	3,017,000	2,738,000	3,010,000	0	0

<b>Other Financial Impact</b>	The on-going costs for operation, support and maintenance of the new SCADA system are expected, in the long-term, to be equivalent to the existing SCADA system. While the system components for the new system will be more powerful than the old components, they will also be more energy efficient. In addition, labor savings realized through increased automation will likely result in improved service rather than reduced cost.					
<b>Operational Impact</b>	None					
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non – Discretionary</b>			<input checked="" type="checkbox"/>	

# DOMESTIC WATER



# CAPITAL IMPROVEMENTS — FISCAL 2020 - 21 BUDGET

## Domestic Water

### DOMESTIC WATER PROJECTS

Planned Domestic Water Fund projects for fiscal 2021 amount to approximately \$24.2 million. Of this amount, over \$9.7 million is funded by cash, approximately \$9.8 million in Water System Backup Facility Charges, \$750,000 in loans, and approximately \$3.9 million in grants.

#### CAPITAL IMPROVEMENT BUDGET - DOMESTIC WATER

	Budget		Planned			Total 5-Year
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
Districtwide Project Allocation	\$2,413,500	\$2,184,000	\$1,505,000	\$ -	\$ -	\$6,102,500
<b>Subtotal Districtwide Project Allocation</b>	<b>\$2,413,500</b>	<b>\$2,184,000</b>	<b>\$1,505,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$6,102,500</b>
<b>Booster Station Construction Program</b>						
Booster Station 01092 Rehabilitation and Upgrade	\$ -	\$ -	\$ -	\$250,000	\$50,000	\$300,000
Booster Station 03601 Rehabilitation and Upgrade	-	-	-	-	250,000	250,000
Booster Station 04628 Rehabilitation and Upgrade	-	-	-	350,000	50,000	400,000
Booster Station 05509 Rehabilitation and Upgrade	-	-	-	250,000	50,000	300,000
Booster Station 05513 Rehabilitation and Upgrade	-	50,000	1,500,000	1,500,000	-	3,050,000
Booster Station 05609 Rehabilitation and Upgrade	-	-	-	300,000	50,000	350,000
Booster Station 05611 Rehabilitation and Upgrade	-	1,500,000	-	-	-	1,500,000
Booster Station 05642 Rehabilitation and Upgrade	-	-	350,000	50,000	1,500,000	1,900,000
Booster Station 06806 Rehabilitation and Upgrade	-	-	-	-	450,000	450,000
Booster Station 07101 Rehabilitation and Upgrade	-	-	-	-	250,000	250,000
Booster Station 07990 Rehabilitation and Upgrade	-	250,000	50,000	700,000	2,000,000	3,000,000
Booster Station 08121 Rehabilitation and Upgrade	-	-	200,000	50,000	550,000	800,000
<b>Subtotal Booster Station Construction Program</b>	<b>\$ -</b>	<b>\$1,800,000</b>	<b>\$2,100,000</b>	<b>\$3,450,000</b>	<b>\$5,200,000</b>	<b>\$12,550,000</b>
<b>Reservoir Construction Program</b>						
Infrastructure Improvements - Sky Mountain Pressure Zone (R4605-1)	\$25,000	\$ -	\$ -	\$ -	\$ -	\$25,000
Reservoir 3571-3 Design and Construction	-	200,000	75,000	4,000,000	4,000,000	8,275,000
Reservoir 4602-2 Design and Construction	1,500,000	500,000	25,000	-	-	2,025,000
Reservoir 4605-2 Design and Construction	3,500,000	7,000,000	25,000	-	-	10,525,000
Reservoir 4606-2 Design and Construction	2,500,000	2,000,000	25,000	-	-	4,525,000
Reservoir 4711-3 and 4 Design and Construction	100,000	500,000	1,500,000	50,000	-	2,150,000
Reservoir 5514-2 Design and Construction	50,000	-	750,000	600,000	25,000	1,425,000
Reservoir 5655-2 Design and Construction	-	-	-	100,000	50,000	150,000
Reservoir 7101-2 Design and Construction	50,000	-	1,300,000	250,000	-	1,600,000
Reservoir 7802-2 Design and Construction	-	-	-	100,000	50,000	150,000
Reservoir 8121-2 Design and Construction	-	-	-	25,000	50,000	75,000
Valley Production Zone Reservoir Preliminary Design Report	-	100,000	-	-	-	100,000
<b>Subtotal Reservoir Construction Program</b>	<b>\$7,725,000</b>	<b>\$10,300,000</b>	<b>\$3,700,000</b>	<b>\$5,125,000</b>	<b>\$4,175,000</b>	<b>\$31,025,000</b>
<b>Reservoir Rehabilitation Program</b>						
Reservoir 1092-1 Rehabilitation, Phase 2	\$25,000	\$ -	\$ -	\$ -	\$ -	\$25,000
Reservoir 4602-1 Rehabilitation	-	-	-	50,000	750,000	800,000
Reservoir 5513 Rehabilitation	-	-	-	100,000	1,025,000	1,125,000
Reservoir 5514-1 Rehabilitation	-	-	-	25,000	875,000	900,000
Reservoir 5617-1 and 2 Rehabilitation	-	-	100,000	1,000,000	1,000,000	2,100,000
Reservoir 5643-1 and 2 Rehabilitation	150,000	-	-	-	-	150,000
Reservoir 5644 Rehabilitation	-	-	100,000	850,000	25,000	975,000
Reservoir 6631-1 and 2 Rehabilitation	-	1,000,000	800,000	50,000	-	1,850,000
Reservoir 6806 Rehabilitation	-	-	-	50,000	750,000	800,000
Reservoir 7101-1 Rehabilitation	-	-	-	-	50,000	50,000
<b>Subtotal Reservoir Rehabilitation Program</b>	<b>\$175,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$2,125,000</b>	<b>\$4,475,000</b>	<b>\$8,775,000</b>

**CAPITAL IMPROVEMENT BUDGET - DOMESTIC WATER (continued)**

	Budget	Planned				Total 5-Year
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
<b>Water Main Improvements</b>						
Adams Street Water Main Replacement, Phase I	\$50,000	\$ -	\$1,000,000	\$2,050,000	\$ -	\$3,100,000
Avenue 66 Transmission Main, Phase 1A	3,200,000	-	-	-	-	3,200,000
Dillon Road Transmission Main Replacement, Phase 3	-	300,000	50,000	1,500,000	1,500,000	3,350,000
Portola Del Sol Water 3-inch Water Main Replacement	-	100,000	650,000	-	-	750,000
Salton City Water Main Replacement, Phase 2	-	175,000	50,000	1,500,000	-	1,725,000
Sky Mountain Pressure Zone Enhancements - Thousand Palms Area	150,000	1,350,000	-	-	-	1,500,000
Sun City Palm Desert Water Main Replacement, Phase 1	6,200,000	-	-	-	-	6,200,000
Sun City Palm Desert Water Main Replacement, Phase 2	100,000	1,000,000	4,050,000	4,000,000	-	9,150,000
Sun City Palm Desert Water Main Replacement, Phase 3	100,000	225,000	75,000	1,000,000	8,000,000	9,400,000
Sun City Palm Desert Water Main Replacement, Phase 4	-	-	400,000	50,000	3,000,000	3,450,000
Sun City Palm Desert Water Main Replacement, Phase 5	-	-	-	400,000	50,000	450,000
Sun City Palm Desert Water Main Replacement, Phase 6	-	-	-	-	400,000	400,000
Talavera Water Main Replacement, Phase 1	75,000	1,500,000	2,000,000	1,000,000	-	4,575,000
Talavera Water Main Replacement, Phase 3	-	300,000	50,000	1,200,000	2,000,000	3,550,000
Talavera Water Main Replacement, Phase 4	-	-	-	-	250,000	250,000
Tri-Palm Water Main Replacements, Phase 1	50,000	-	1,000,000	-	-	1,050,000
Tri-Palm Water Main Replacements, Phase 2	-	150,000	50,000	2,000,000	-	2,200,000
Tri-Palm Water Main Replacements, Phase 3	-	-	150,000	50,000	2,000,000	2,200,000
Tri-Palm Water Main Replacements, Phase 4	-	-	-	100,000	50,000	150,000
Tri-Palm Water Main Replacements, Phase 5	-	-	-	-	100,000	100,000
Varner Road/Portola I-10 Water Main Relocation	125,000	25,000	1,500,000	-	-	1,650,000
<b>Subtotal Water Main Improvements</b>	<b>\$10,050,000</b>	<b>\$5,125,000</b>	<b>\$11,025,000</b>	<b>\$14,850,000</b>	<b>\$17,350,000</b>	<b>\$58,400,000</b>
<b>Well Drilling and Upgrade Program</b>						
New Wells (x2 Mecca/Middleton/La Quinta)	\$ -	\$ -	\$ -	\$75,000	\$2,300,000	\$2,375,000
Well No. 4615-1 Re-drill (Back-Up Generator)	225,000	-	-	-	-	225,000
Well No. 6734-1 Back-Up Generator Well Re-Drill Program	225,000	-	-	-	-	225,000
(Valley/Sky Mountain/Date Palm/Mission Hills)	-	-	-	150,000	4,000,000	4,150,000
Well Rehabilitation, Phase 2	125,000	-	-	-	-	125,000
Well Rehabilitation, Phase 3	-	750,000	-	-	-	750,000
Well Rehabilitation, Phase 4	-	150,000	750,000	-	-	900,000
Well Rehabilitation, Phase 5	-	-	150,000	750,000	-	900,000
Well Rehabilitation, Phase 6	-	-	-	150,000	750,000	900,000
Well Rehabilitation, Phase 7	-	-	-	-	150,000	150,000
<b>Subtotal Well Drilling and Upgrade Program</b>	<b>\$575,000</b>	<b>\$900,000</b>	<b>\$900,000</b>	<b>\$1,125,000</b>	<b>\$7,200,000</b>	<b>\$10,700,000</b>
<b>Treatment</b>						
IXTP 6806 Improvements	\$150,000	\$75,000	\$1,750,000	\$1,750,000	\$ -	\$3,725,000
IXTP 7802 Improvements	150,000	75,000	1,750,000	1,750,000	-	3,725,000
IXTP 7991 Improvements	100,000	1,000,000	1,250,000	-	-	2,350,000
<b>Subtotal Treatment</b>	<b>\$400,000</b>	<b>\$1,150,000</b>	<b>\$4,750,000</b>	<b>\$3,500,000</b>	<b>\$ -</b>	<b>\$9,800,000</b>

### CAPITAL IMPROVEMENT BUDGET - DOMESTIC WATER (continued)

	Budget	Planned				Total 5-Year
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
<b>State Revolving Fund Loan</b>						
Dale Kiler Road Water Main Replacement	\$50,000	\$2,050,000	\$1,000,000	\$ -	\$ -	\$3,100,000
Highway 86 Booster Pump Station (BS 08886)	750,000	-	-	-	-	750,000
North Shore Water Main Replacements	50,000	2,000,000	2,000,000	-	-	4,050,000
<b>Subtotal State Revolving Fund Loan</b>	<b>\$850,000</b>	<b>\$4,050,000</b>	<b>\$3,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$7,900,000</b>
<b>Grant</b>						
Avenue 66 Transmission Main, Phase 1B and 2	\$500,000	\$4,550,000	\$5,000,000	\$2,010,160	\$ -	\$12,060,160
Coachella Valley Unified School District (Westside Elementary School) - Upsized Water Facilities	900,000	-	-	-	-	900,000
Oasis Garden MHP Consolidation	1,200,000	-	-	-	-	1,200,000
Preliminary Design Report for Highway 86 Transmission Main, Phase 3	250,000	-	-	-	-	250,000
Thermal Mutual Water Company Consolidation	1,200,000	-	-	-	-	1,200,000
<b>Subtotal Grant</b>	<b>\$4,050,000</b>	<b>\$4,550,000</b>	<b>\$5,000,000</b>	<b>\$2,010,160</b>	<b>\$ -</b>	<b>\$15,610,160</b>
<b>Other</b>						
Cove Chromium-6 Treatment Plant Demonstration	\$100,000	\$ -	\$ -	\$ -	\$ -	\$100,000
Hydropneumatic/ Surge Tank Assessment/ System Analysis	300,000	1,000,000	-	-	-	1,300,000
Interzone PRV and Booster Station	-	250,000	1,000,000	-	-	1,250,000
Risk and Resiliency Assessment Improvements	-	100,000	300,000	300,000	-	700,000
Well and Booster System Back-Up Generators x 10	-	1,000,000	1,000,000	-	-	2,000,000
<b>Subtotal Other</b>	<b>\$400,000</b>	<b>\$2,350,000</b>	<b>\$2,300,000</b>	<b>\$300,000</b>	<b>\$ -</b>	<b>\$5,350,000</b>
<b>Total Domestic</b>	<b>\$26,638,500</b>	<b>\$33,409,000</b>	<b>\$35,280,000</b>	<b>\$32,485,160</b>	<b>\$38,400,000</b>	<b>\$166,212,660</b>



CVWD Employee Training Day – Well Site Booth

## Infrastructure Improvements - Sky Mountain Pressure Zone Reservoir 4605-1 Construction

DW1315

### Project Description

This project involves conducting a one-year warranty inspection of the recently-constructed partially buried 10 MG concrete reservoir that serves the Sky Mountain Pressure Zone (SMPZ). The reservoir was placed into service in December 2019 in FY 20.



### Project Objectives

The objective of this project is to construct a 10 million gallon concrete domestic water storage tank on a CVWD owned parcel to reduce the Sky Mountain Pressure Zone storage deficiency and improve the reliability of the system.

### Schedule

<b>Start :</b>	06/05/2018	<b>Complete :</b>	11/09/2020	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	15,552,991
Capitalized Labor	614,504
Construction	14,630,487
Other	60,000
Planning/Design	248,000

Funding Source	%
Pay-as-you-go	60
WSBFC	40

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
13,502,000	2,025,991	25,000	0	0	0	0

<b>Other Financial Impact</b>	Additional storage will allow operations to take advantage of decreased electrical rates (TOU) for domestic water wells within the pressure zone.	
<b>Operational Impact</b>	The new transmission main and reservoir will serve current and future water demands on both sides of I-10 within the SMPZ and improve the reliability of the system.	
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b> <input checked="" type="checkbox"/>

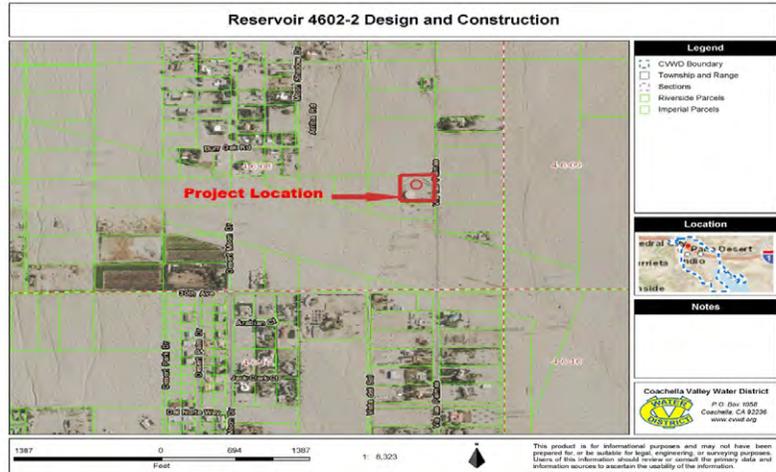
## Domestic Water

### Reservoir 4602-2 Design and Construction

R01901

#### Project Description

This project includes the design and construction of a new 2 million gallon above ground steel domestic water reservoir to decrease the storage deficiency in the Valley Production Zone. The last reservoir constructed in the Valley Pressure Zone occurred in 1992. Since then, customer water demands have significantly increased and CVWD's storage criteria has been revised; therefore, there is an approximate 28 million gallon water storage deficiency in the Valley Production Zone.



#### Project Objectives

The objective of this project is to provide additional storage to reduce the storage deficiency within the Valley Production Zone. The proposed reservoir will provide a second reservoir within the Thousand Palms community and increase fire flow and domestic water system reliability. A second reservoir in the area will also allow for the rehabilitation of the existing Reservoir 4602-1 which is 38 years old and in need of repairs.

#### Schedule

Start : 07/01/2018 Complete : 06/30/2023 Project Status : Design

Estimated Project Cost (\$)	2,292,000
Capitalized Labor	176,900
Construction	1,642,500
Other	120,000
Planning/Design	352,600

Funding Source	%
WSBFC	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
111,000	156,000	1,500,000	500,000	25,000	0	0

Other Financial Impact	None					
Operational Impact	Estimated Annual Financial Operating Cost Impact is \$1,000 for Operating & Maintenance.					
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>			

### Reservoir 4605-2 Design and Construction

R02005

#### Project Description

This project includes constructing a partially buried 10 MG concrete reservoir to support the Sky Mountain Pressure Zone (SMPZ). Reservoir 4605-1 was constructed in 2019. Proposed Reservoir 4605-2 will be a duplicate of 4605-1 and be located on the same site. This pressure zone has a storage deficiency of approximately 10.3 million gallons based on a recent storage capacity analysis. This new reservoir will eliminate the zone storage deficiency and improve the reliability of the system.



#### Project Objectives

The objective of this project is to construct a second 10 million gallon concrete domestic water storage tank on our existing tank site. The proposed reservoir will reduce the zone storage deficiency and improve the reliability of the system.

#### Schedule

Start : 02/17/2019 Complete : 04/22/2023 Project Status : Design

Estimated Project Cost (\$)	10,625,000
Capitalized Labor	150,400
Construction	9,334,600
Other	890,000
Planning/Design	250,000

Funding Source	%
WSBFC	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	100,000	3,500,000	7,000,000	25,000	0	0

<b>Other Financial Impact</b>	Additional storage will allow operations to take advantage of decreased electrical rates time of use for domestic water wells within the pressure zone.					
<b>Operational Impact</b>	The new reservoir will serve current and future water demands on both sides of I-10 within the SMPZ and improve the reliability of the system					
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>		<input checked="" type="checkbox"/>		

## Domestic Water

### Reservoir 4606-2 Design and Construction

R02006

#### Project Description

This project includes constructing a second 6.5 million gallon above-ground steel domestic water storage reservoir to serve CVWD's existing and future customers in Sections 13, 19 and 24 in the area known as CVWD's Mission Hills Pressure Zone (MHPZ). This reservoir will provide additional water storage to meet the needs of the customers located in portions of Rancho Mirage and Palm Desert.



#### Project Objectives

The objective of this project is to construct an additional 6.5 million gallon above-ground steel domestic water reservoir within the Mission Hills Production Zone.

#### Schedule

<b>Start :</b>	01/13/2020	<b>Complete :</b>	11/30/2022	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	4,625,000
Capitalized Labor	150,400
Construction	3,977,100
Other	347,500
Planning/Design	150,000

Funding Source	%
WSBFC	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	100,000	2,500,000	2,000,000	25,000	0	0

<b>Other Financial Impact</b>	Enable well operation flexibility to take advantage of reduced electrical rates during off-peak hours.
<b>Operational Impact</b>	Increase the amount of water storage per customer in the Mission Hills Production Zone and provide redundancy to enable existing Reservoir 4606-1 to be removed from service for rehabilitation.
<b>Discretionary</b>	<input checked="" type="checkbox"/> <b>Discretionary</b> <span style="margin-left: 100px;"><input type="checkbox"/> <b>Non - Discretionary</b></span>

### Reservoir 4711-3 and 4711-4 Design and Construction

R01503

#### Project Description

This project consists of designing two new 0.5 million gallon reservoirs to replace Reservoirs 4711-1 and 4711-2. Both of the existing reservoirs are bolted-steel tanks that are old, leak, and have moderate to severe corrosion on the bolt runs as noted in CVWD's Reservoir Prioritization Report dated July 2016. Analysis shows that replacing the existing reservoirs with new welded steel reservoirs is more cost effective than rehabilitating the existing reservoirs.



#### Project Objectives

Construct two 0.5 million gallon above-ground steel domestic water reservoirs to replace existing Reservoirs 4711-1 and 4711-2.

#### Schedule

<b>Start :</b>	07/01/2015	<b>Complete :</b>	04/30/2022	<b>Project Status :</b>	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	2,200,000
Capitalized Labor	220,000
Construction	1,628,000
Other	200,000
Planning/Design	152,000

Funding Source	%
Pay-as-you-go	20
WSBFC	80

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
50,000	0	100,000	500,000	1,500,000	50,000	0

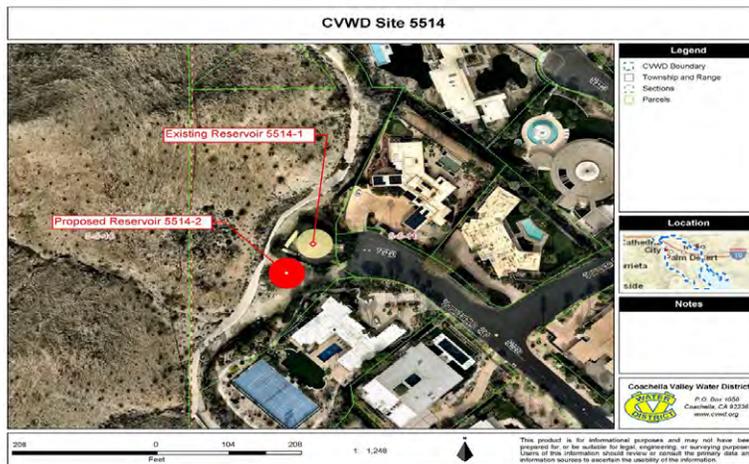
<b>Other Financial Impact</b>	None	
<b>Operational Impact</b>	The construction of new Reservoirs 4711-3 and -4 will improve water storage reliability to customers within the Sky Valley pressure zone. In addition, the two proposed reservoirs would allow CVWD to take each reservoir out of service for routine O&M without jeopardizing service to our customers.	
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b> <input checked="" type="checkbox"/>

### Reservoir 5514-2 Design and Construction

R01704

#### Project Description

This project includes constructing a new 0.5 million gallon reservoir on the existing reservoir/booster site 5514 site to provide additional water storage within the Lower Thunderbird Pressure Zone. This zone has a storage deficiency of approximately 0.6 million gallons based on a recent storage capacity analysis. The proposed reservoir will reduce the zone storage deficiency, improve system reliability and allow for Reservoir 5514-1 to be removed from service for rehabilitation.



#### Project Objectives

The objective of this project is to enable existing Reservoir 5514-1 to be removed from service for rehabilitation, improve system reliability and provide additional water storage within the Lower Thunderbird Pressure Zone by constructing a new 0.5MG reservoir on the existing reservoir/booster site 5514.

#### Schedule

<b>Start :</b>	09/13/2020	<b>Complete :</b>	06/30/2024	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	1,512,000
Capitalized Labor	110,000
Construction	1,167,000
Other	100,000
Planning/Design	135,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
87,000	0	50,000	0	750,000	600,000	25,000

<b>Other Financial Impact</b>	A new reservoir will require additional labor for inspection and maintenance. Additional storage will allow CVWD to take advantage of Time Of Use (TOU) electrical rates for Booster Station 05513.		
<b>Operational Impact</b>	A second reservoir will allow removal of one reservoir from service for routine maintenance and repairs.		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

### Reservoir 7101-2 Design and Construction

R02004

#### Project Description

Design and construct a new 0.5 million-gallon storage reservoir within the Improvement District 10 Pressure Zone to serve existing and future customers in the North Shore communities. The new reservoir will require acquisition of property. The additional tank will provide the ability to remove existing Reservoir 7101-1, located along 70th Avenue, from service for rehabilitation.



#### Project Objectives

Construct an additional above-ground steel domestic water reservoir at existing CVWD Site 7101.

#### Schedule

Start : 07/01/2019 Complete : 06/05/2024 Project Status : Design

Estimated Project Cost (\$)	1,750,000
Capitalized Labor	126,800
Construction	1,185,700
Other	362,500
Planning/Design	75,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	150,000	50,000	0	1,300,000	250,000	0

<b>Other Financial Impact</b>	Tank will need to be inspected every five years per State Water Resources Control Board requirements.
<b>Operational Impact</b>	The construction of new Reservoir 7101-2 will improve the system's reliability by enhancing the water storage capacity for customers within this pressure zone. In addition, the proposed reservoir would allow CVWD to take Reservoir 7101-1 out of service for routine operating and maintenance without jeopardizing service to its customers.
<b>Discretionary</b>	<input type="checkbox"/> <b>Discretionary</b> <input checked="" type="checkbox"/> <b>Non - Discretionary</b>

## Domestic Water

### Reservoir 1092-1 Rehabilitation, Phase 2

R02002

#### Project Description

This project is to perform the one-year warranty inspection after the steel floor of the reservoir was replaced due to corrosion in FY 20. Reservoir 1092-1 is located in Salton City.



#### Project Objectives

The objective of this project is to conduct a one-year warranty inspection of the new steel floor of Reservoir 1092-1.

#### Schedule

**Start :** 07/01/2019 **Complete :** 06/30/2021 **Project Status :** Construction

Estimated Project Cost (\$)	429,500
Capitalized Labor	44,400
Construction	310,100
Other	40,000
Planning/Design	35,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	404,500	25,000	0	0	0	0

<b>Other Financial Impact</b>	None		
<b>Operational Impact</b>	Prolonging the asset life will ensure water service reliability.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## Reservoir 5643-1 & 5643-2 Landscape Improvements

R01702

### Project Description

This project includes designing and constructing perimeter landscape improvements around Reservoir Nos. 5643-1 and 5643-2 located along Alamo Drive in Palm Desert. The rehabilitation of both reservoirs and site improvements was recently completed. The landscape improvements will help screen the reservoirs from the adjacent neighborhood.



### Project Objectives

The objective of this project is to construct landscape improvements to help screen the two reservoirs from the adjacent neighborhood based on input from the community.

### Schedule

<b>Start :</b>	04/06/2020	<b>Complete :</b>	12/14/2020	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	3,374,640
Capitalized Labor	337,640
Construction	2,717,000
Other	90,000
Planning/Design	230,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
2,750,000	474,640	150,000	0	0	0	0

<b>Other Financial Impact</b>	None		
<b>Operational Impact</b>	None		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

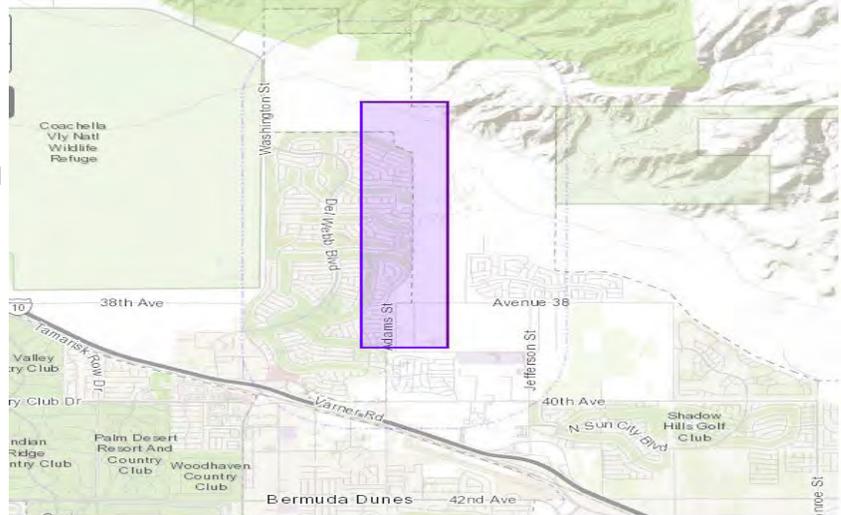
## Domestic Water

### Adams Street Water Main Replacement, Phase 1

DW2004

#### Project Description

This project will replace 24-inch and 18-inch ductile iron pipe (DIP) transmission water mains from Reservoir 4730 and along Adams Street in North Indio adjacent to the Sun City Palm Desert development. This portion of 24-inch and 18-inch DIP transmission water mains are corroded, at risk for failure, and had a major leak in December 2017.



#### Project Objectives

Replace corroded pipe (DIP) from Reservoir 4730 and along Adams Street in North Indio adjacent to the Sun City Palm Desert development.

#### Schedule

<b>Start :</b>	07/01/2019	<b>Complete :</b>	07/29/2022	<b>Project Status :</b>	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	3,300,000
Capitalized Labor	36,472
Construction	2,869,528
Other	94,000
Planning/Design	300,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	200,000	50,000	0	1,000,000	2,050,000	0

<b>Other Financial Impact</b>	Reduced pipeline maintenance and repair costs.	
<b>Operational Impact</b>	Replacement of the existing water mains will allow CVWD to continue providing reliable domestic water service and fire protection and reduce repairs.	
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b> <input checked="" type="checkbox"/>

### Avenue 66 Transmission Main, Phase 1A

DW1617

#### Project Description

This project includes the construction of a 30-inch diameter transmission main along Avenue 66 between Highway 86 and Dale Kiler Road near Mecca as part of Riverside County's Avenue 66 Grade Separation Project. This is the first phase of a new transmission pipeline to provide a secondary water supply to the Mecca and Eastern Coachella Valley which will provide a more reliable water supply to existing customer's in these disadvantaged communities as well as create opportunities for development and growth in these areas.



#### Project Objectives

The objective of this project is to provide a secondary water supply to the Mecca and Eastern Coachella Valley which will provide a more reliable water supply to existing customer's in these disadvantaged communities as well as create opportunities for development and growth in these areas.

#### Schedule

<b>Start :</b>	06/26/2018	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	3,663,000
Capitalized Labor	455,042
Construction	3,067,958
Other	10,000
Planning/Design	130,000

Funding Source	%
Pay-as-you-go	50
WSBFC	50

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
213,000	250,000	3,200,000	0	0	0	0

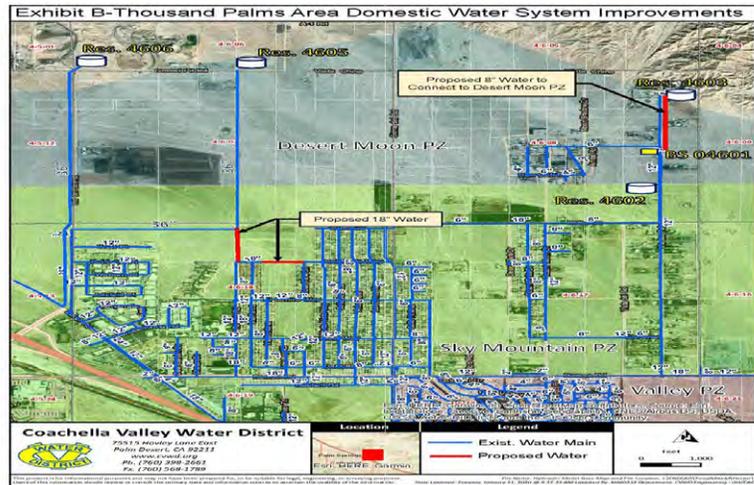
<b>Other Financial Impact</b>	CVWD will seek grant funding and developer contributions to fund a portion of the design and construction costs.		
<b>Operational Impact</b>	None		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

### Sky Mountain Pressure Zone Enhancements - Thousand Palms Area

DW2101

#### Project Description

This project includes the installation of approximately 2,000 linear feet of 18-inch diameter water pipelines on Roberts Road and Del Norte Way to connect the existing Thousand Palms community to the existing 36-inch diameter transmission pipeline to the new 10 million gallon Sky Mountain Pressure Zone Reservoir 4605-1. In addition, this project includes the installation of approximately 2,100 linear feet of 12-inch and 8-inch diameter pipelines on Via Las Palmas from Booster Station 04601 northerly to the frontage at Reservoir 4603-1 in order to transfer seven customers from the Sky Mountain Pressure Zone to the Desert Moon Pressure Zone.



#### Project Objectives

The objective of this project is to improve domestic water service to existing Thousand Palms community customers and enable flexibility in the operational water levels of our Sky Mountain pressure zone reservoirs. These improvements will increase service reliability and improved fire flow by providing a more direct connection to Reservoir 4605. In addition, seven customers on the northern end of Via Las Palmas will have higher service water pressures by transferring them to a higher pressure zone.

#### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	1,500,000
Capitalized Labor	169,400
Construction	1,178,600
Other	2,000
Planning/Design	150,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	150,000	1,350,000	0	0	0

<b>Other Financial Impact</b>	Reduce service call outs due to low pressures when doing maintenance to our existing facilities in the area.
<b>Operational Impact</b>	This project will improve water pressures in the area and enable CVWD Operations staff to operate the Sky Mountain pressure zone reservoirs at lower levels.
<b>Discretionary</b>	<input checked="" type="checkbox"/> <b>Discretionary</b> <span style="margin-left: 100px;"><input type="checkbox"/> <b>Non - Discretionary</b></span>

### Sun City Palm Desert Water Main Replacement, Phase I

DW1703

#### Project Description

This project includes replacing approximately 25,300 feet of corroded pipe for approximately 600 homes. The master planned Sun City Palm Desert (SCPD) community is located in north Indio. SCPD is comprised of 4,985 homes served by approximately 44 miles of domestic water pipelines. Phase 1 has been identified as most critical since six of the nine leaks have occurred within this phase. These leaks result in a lack of water service to our customers during repairs, disruption to the community, unexpected expenses, and additional staffs time to address the impacts resulting from the pipe failures. This project is currently under construction.



#### Project Objectives

The objective of this project is to replace a portion (25,300 feet) of corroded DIP and appurtenances within the master - planned community of Sun City Palm Desert (SCPD) located in north Indio.

#### Schedule

<b>Start :</b>	06/15/2018	<b>Complete :</b>	05/06/2021	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	10,500,000
Capitalized Labor	1,516,353
Construction	8,696,522
Other	20,000
Planning/Design	267,125

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
245,000	4,055,000	6,200,000	0	0	0	0

<b>Other Financial Impact</b>	Reduce operations and maintenance repairs due to corroded pipeline failures.		
<b>Operational Impact</b>	CVWD will continue to provide reliable domestic water service and fire protection to existing customers within the SCPD community.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## Domestic Water

### Sun City Palm Desert Water Main Replacement, Phase 2

DW2001

#### Project Description

This project includes replacing approximately 23,000 feet of corroded pipe in Sun City Palm Desert (SCPD). SCPD is a master planned community comprised of 4,985 homes served by approximately 44 miles of domestic water pipelines in north Indio. Multiple leaks have occurred within this community over the past several years due to corrosive soils. These leaks result in a lack of water service to our customers during repairs, disruption to the community, unexpected expenses, and additional staff time to address the impacts resulting from the pipe failures. The funding request for FY 2021 is to cover costs for completing the Drinking Water State Revolving Fund construction loan application documents.



#### Project Objectives

The purpose of this project is to replace a portion (23,000 feet) of corroded DIP and appurtenances within the master - planned community of Sun City Palm Desert (SCPD) located in north Indio.

#### Schedule

Start : 07/01/2019 Complete : 06/30/2024 Project Status : Design

Estimated Project Cost (\$)	9,450,000
Capitalized Labor	1,465,500
Construction	7,495,948
Other	138,552
Planning/Design	350,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	300,000	100,000	1,000,000	4,050,000	4,000,000	0

<b>Other Financial Impact</b>	Reduce operations and maintenance repairs due to pipeline failures.
<b>Operational Impact</b>	The replacement of the pipe is needed to prevent future leaks from occurring. The replacement of the existing and deteriorated distribution pipelines and service lines will improve domestic service, fire protection, and increase the reliability of water delivery to customers within the project area.
<b>Discretionary</b>	<input type="checkbox"/> <b>Discretionary</b> <input checked="" type="checkbox"/> <b>Non - Discretionary</b>

## Sun City Palm Desert Water Main Replacement, Phase 3

DW2103

### Project Description

The purpose of this project is to replace a portion (31,650 feet) of corroded ductile iron pipe (DIP) and appurtenances within the master-planned community of Sun City Palm Desert (SCPD) located in north Indio. The SCPD project is comprised of 4,985 homes and was completed fifteen years ago. However, the water system has already experienced nine (9) water main leaks during the past seven years due to corrosive soils. Staff has proposed replacing the pipe and appurtenances in nine (9) phases over 10 years. The area included in proposed Phase 3 has experienced one leak in recent years. The funding request for FY 2021 is to cover costs for initiating the preparation of construction plans and specifications.



### Project Objectives

The objective of this project is to replace a portion (39,000 feet) of corroded ductile iron pipe (DIP) and appurtenances within the master-planned community of Sun City Palm Desert (SCPD) located in north Indio.

### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2025	<b>Project Status :</b>	Planning
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<b>Estimated Project Cost (\$)</b>	<b>9,400,000</b>
Capitalized Labor	422,500
Construction	8,610,810
Other	105,000
Planning/Design	261,690

<b>Funding Source</b>	<b>%</b>
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	100,000	225,000	75,000	1,000,000	8,000,000

<b>Other Financial Impact</b>	Reduce operations and maintenance repairs due to corroded pipeline failures.		
<b>Operational Impact</b>	CVWD will continue to provide reliable domestic water service and fire protection to existing customers within the SCPD community.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## Domestic Water

### Talavera Water Main Replacement, Phase 1

DW1605

#### Project Description

This project includes replacing approximately 12,750 feet of corroded ductile iron pipe (DIP) and appurtenances within the master-planned community of Talavera located in north Indio. The Talavera community includes 782 homes and was completed twelve years ago. However, the water system has already experienced eight (8) water main leaks during the past seven years due to the presence of corrosive soils. These leaks result in a lack of water service to our customers during repairs, disruption to the community, unexpected expenses, and additional staff time to address the impacts resulting from the pipe failures. The funding request for FY 2021 is to cover costs for completing the Drinking Water State Revolving Fund construction loan application documents.



#### Project Objectives

The objective of this project is to eliminate the ongoing leaks, subsequent water outages, and repairs that impact the residents and the private streets within the community.

#### Schedule

**Start :** 06/30/2020 **Complete :** 06/30/2024 **Project Status :** Planning

Estimated Project Cost (\$)	5,002,000
Construction	4,456,000
CVWD Labor	271,000
Other	25,000
Planning/Design	250,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
407,000	20,000	75,000	500,000	3,000,000	1,000,000	0

<b>Other Financial Impact</b>	Eliminate the ongoing leaks, subsequent water outages, and repairs that impact the residents and the private streets within the community.	
<b>Operational Impact</b>	Decreased operations and maintenance costs due to the replacement of leaking water mains.	
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b> <input checked="" type="checkbox"/>

## Tri-Palms Water Main Replacements, Phase 1

DW2002

### Project Description

This project will replace approximately 2,260 feet of 8-inch, 6-inch, and 4-inch diameter domestic water asbestos cement (AC) pipe and appurtenances generally located within the Tri-Palms Country Club community located north of Interstate 10, east of Monterey Avenue and south of Ramon Road. The existing AC water lines within this community reside at the back of lots and between homes within an existing public utility easement (PUE). Recent leaks have resulted in damage to the homes and a lack of water service during repairs, disruption to the community, unexpected expenses, and additional staff time to address the impacts resulting from the pipe failures.



### Project Objectives

Eliminate the ongoing leaks, subsequent water outages, and repairs that impact the residents and the private streets within the community.

### Schedule

<b>Start :</b>	07/06/2019	<b>Complete :</b>	06/30/2023	<b>Project Status :</b>	Design
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Estimated Project Cost (\$)	1,150,000
Capitalized Labor	402,500
Construction	573,100
Other	24,400
Planning/Design	150,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	100,000	50,000	0	1,000,000	0	0

<b>Other Financial Impact</b>	Reduce operations and maintenance repairs due to pipeline failures.
<b>Operational Impact</b>	The replacement of the pipe is needed to prevent future leaks from occurring. The replacement of the existing and deteriorated distribution pipelines and service lines will improve domestic service, fire protection, and increase the reliability of water delivery to customers within the project area.
<b>Discretionary</b>	<input type="checkbox"/> Discretionary <input checked="" type="checkbox"/> Non - Discretionary

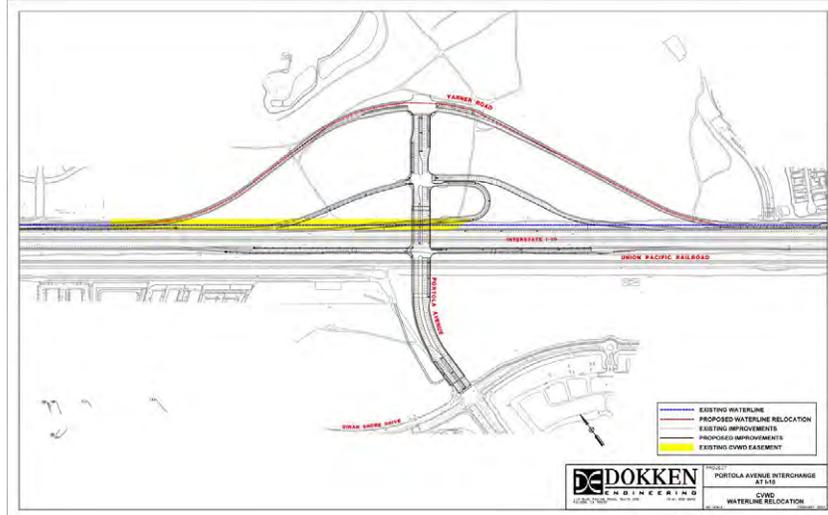
## Domestic Water

### Varner Road/Portola I-10 Water Main Relocation

DW2102

#### Project Description

This project includes relocation of approximately 5,000 feet of existing 12 inch domestic water pipeline within Varner Road in coordination with the County of Riverside and the I-10/Portola Avenue Interchange Project. The County is constructing a new interchange that will move Varner Road and will require relocation of the existing pipeline to the new Varner Road alignment.



#### Project Objectives

The objective of this project is to coordinate with the County of Riverside to relocate the existing 12" domestic pipeline in Varner Road for the I-10/Portola Avenue Interchange Project.

#### Schedule

Start :	06/30/2020	Complete :	06/30/2023	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	1,650,000
Capitalized Labor	125,000
Construction	1,400,000
Other	0
Planning/Design	125,000

Funding Source	%
WSBFC	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	125,000	25,000	1,500,000	0	0

<b>Other Financial Impact</b>	The Varner Road alignment is to be moved to construct a new interchange and the existing domestic water pipeline must be relocated to the new road alignment.		
<b>Operational Impact</b>	The existing pipeline is in conflict with the new County Interchange project and requires relocation.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## Purchase and Installation of Emergency Standby Generator for Well No. 4615-1

DW1424

### Project Description

Purchase and install a 500-kilowatt (KW) diesel-fueled standby generator set in sound-attenuated metal enclosure for the new Well No. 4615-1 to supply emergency backup power. The Well Pumping Plant is located at 70 Provence Way on the corner of Provence Way and Lyon Road inside Versailles Development in the City of Rancho Mirage.



### Project Objectives

Install emergency backup power generator to continuously operate the well pumping plant and provide domestic water and fire protection to customers without interruption. It is also to maintain water pressure to customers within the Mission Hills Pressure Zone.

### Schedule

<b>Start :</b>	07/01/2014	<b>Complete :</b>	06/30/2020	<b>Project Status :</b>	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	2,629,699
Capitalized Labor	49,100
Construction	2,575,599
Other	5,000

Funding Source	%
WSBFC	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
2,299,699	105,000	225,000	0	0	0	0

<b>Other Financial Impact</b>	None	
<b>Operational Impact</b>	CVWD crews are to perform routine and normal repairs and maintenance for the diesel-fueled emergency standby generator.	
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b> <input checked="" type="checkbox"/>

## Domestic Water

### Purchase and Installation of Emergency Standby Generator for Well No. 6734-1

DW1623

#### Project Description

This project includes the purchase and installation of a 500 kilowatt (Kw) diesel-fueled standby generator in a sound-attenuated metal enclosure for the existing Well No. 6734-1 which is located at 81-948 Rancho Santana Drive in the City of La Quinta. This project is developer funded.



#### Project Objectives

The objective of this project is to increase reliability of domestic water service and fire protection to the Lake Cahuilla Pressure Zone customers by providing a secondary source of electrical power.

#### Schedule

<b>Start :</b>	02/18/2019	<b>Complete :</b>	06/30/2021	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	464,000
Capitalized Labor	49,100
Construction	409,900
Other	5,000
Planning/Design	0

Funding Source	%
WSBFC	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
9,000	230,000	225,000	0	0	0	0

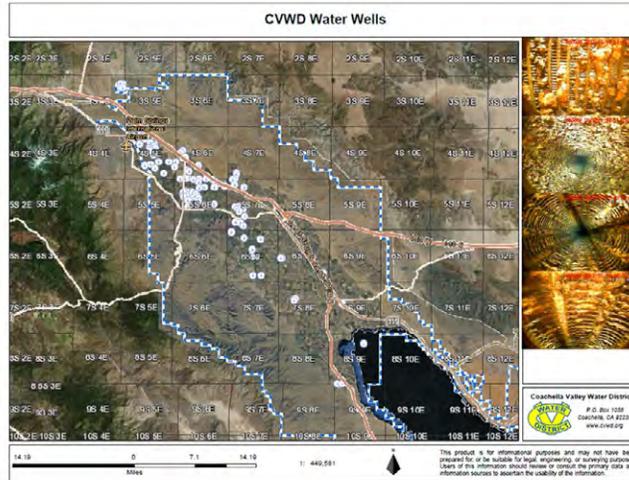
<b>Other Financial Impact</b>	None		
<b>Operational Impact</b>	CVWD crews are to perform routine and normal repairs and maintenance for the diesel-fueled emergency standby generator.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

### Well Rehabilitation Project, Phase 2

#### DW1903

#### Project Description

This project includes implementation of the well rehabilitation prioritization plan to maximize the existing and future well production, and improve the overall well pumping efficiency of all active wells. CVWD is dependent on water wells for domestic water production and unexpected failures create major challenges to maintaining an adequate supply. Rehabilitating existing wells will increase efficiency and decrease operating costs as well as reduce the need to build costly new well facilities by improving and extending the service life of existing assets.



#### Project Objectives

The objective of this project is to Implement the well maintenance prioritization plan to maximize the existing and future well production, and improve the overall well pumping efficiency of CVWD's wells.

#### Schedule

<b>Start :</b>	02/11/2019	<b>Complete :</b>	06/30/2021	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	1,685,000
Capitalized Labor	71,550
Construction	1,533,450
Other	0
Planning/Design	80,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
28,000	1,532,000	125,000	0	0	0	0

<b>Other Financial Impact</b>	Drilling and equipping a replacement well after a failure currently costs over \$1 million and takes approximately two years before it is in operation. Maintenance and rehabilitation of the existing well assets will extend the service life and reduce the number of new wells that will need to be built.		
<b>Operational Impact</b>	This project will improve the reliability of the well pumping plants, and will minimize well production down time.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## Domestic Water

### IXTP 6806 Improvements

IE2002

#### Project Description

This project includes the design and construction of new water treatment facilities. The existing ion exchange treatment plant (IXTP) 6806 uses strong base anion exchange (SBA) resin to remove arsenic from the raw groundwater from Well nos. 6806 and 6807. The IXTP vessels that house the resin are at the end of their useful life and must be replaced. A more cost-effective process utilizing single pass adsorption technology will be designed and constructed to replace the existing treatment system.



#### Project Objectives

The objective of this project is to design and construct improvements to rehabilitate the ion exchange treatment plant to ensure efficiency and reliability of the water treatment process.

#### Schedule

<b>Start :</b>	07/01/2019	<b>Complete :</b>	06/28/2024	<b>Project Status :</b>	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	3,872,000
Capitalized Labor	47,000
Construction	3,598,500
Planning/Design	226,500

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	147,000	150,000	75,000	1,750,000	1,750,000	0

<b>Other Financial Impact</b>	Decreased operating costs due to less IXTP vessel failures.	
<b>Operational Impact</b>	Failure of the existing IXTP facility will compromise CVWD's ability to treat the water supply from two Well Sites (6806 and 6807).	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b> <input type="checkbox"/>

## IXTP 7802 Improvements

IE2003

### Project Description

This project includes the design and construction of new water treatment facilities. The existing ion exchange treatment plant (IXTP) 7802 uses strong base anion exchange (SBA) resin to remove arsenic from the raw groundwater from Well nos. 7802 and 7803. The IXTP vessels that house the resin are at the end of their useful life and must be replaced. A more cost-effective process utilizing single pass adsorption technology will be designed and constructed to replace the existing treatment system.



### Project Objectives

The objective of this project is to replace the existing ion exchange treatment technology with a single pass media making the system more efficient.

### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2024	<b>Project Status :</b>	
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Estimated Project Cost (\$)	3,747,000
Capitalized Labor	226,920
Construction	3,270,080
Other	0
Planning/Design	250,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	22,000	150,000	75,000	1,750,000	1,750,000	0

<b>Other Financial Impact</b>	Decreased operating costs due to less IXTP vessel failures.	
<b>Operational Impact</b>	Failure of the existing IXTP facility will compromise CVWD's ability to treat the water supply from two Well Sites (7802 and 7803).	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b> <input type="checkbox"/>

## Domestic Water

### IXTP 7991 Improvements

IE2001

#### Project Description

This project includes the design and construction of a new treatment plant that utilizes single pass adsorption technology to treat the water from well 7991. The existing ion exchange treatment plant is out of service since it has reached the end of its useful life. The treated water will serve customers in the communities of Mecca, North Shore, and Bombay Beach.



#### Project Objectives

The objective of this project is to replace the existing treatment process that is currently out of service with a robust media adsorption arsenic treatment process.

#### Schedule

**Start :** 06/30/2019 **Complete :** 06/30/2023 **Project Status :** Planning

Estimated Project Cost (\$)	2,475,000
Capitalized Labor	126,800
Construction	1,935,700
Other	337,500
Planning/Design	75,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	125,000	100,000	1,000,000	1,250,000	0	0

<b>Other Financial Impact</b>	The current system is at capacity, as a result the expansion of housing and commercial activity within Mecca and Area 23 is limited (no new water meters are currently being approved).					
<b>Operational Impact</b>	Without IXTP 7991 there is a single point of failure of water supply. This facility will provide an emergency reliable source of supply water to the Mecca and Area 23 Pressure Zones.					
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>			

### Dale Kiler Road Water Main Replacement

DW1704

#### Project Description

This project includes replacing approximately 13,635 lineal feet of 8-inch and 12-inch diameter corroded ductile iron pipe (DIP) and appurtenances within Dale Kiler Road and in nearby streets in Mecca. These pipelines were installed approximately twenty-eight (28) years ago and have experienced six (6) water main leaks in the past several years. These leaks result in an interruption of water service to our customers during repairs, disruption to the community, unexpected expenses, and additional staffs time to address the impacts resulting from the pipe failures. The funding request for FY 2021 is to cover costs for completing the USDA construction grant application documents.



#### Project Objectives

The objective of this project is to eliminate the ongoing leaks, subsequent water outages, and repairs that impact the residents and the streets within the community.

#### Schedule

<b>Start :</b>	07/01/2019	<b>Complete :</b>	06/30/2023	<b>Project Status :</b>	Planning
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Estimated Project Cost (\$)	3,300,000
Capitalized Labor	600,000
Construction	2,450,000
Other	50,000
Planning/Design	200,000

Funding Source	%
State Revolving Fund Loan	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
160,000	40,000	50,000	2,050,000	1,000,000	0	0

<b>Other Financial Impact</b>	The current system is at capacity, as a result the expansion of housing and commercial activity within Mecca and Area 23 is limited (no new water meters are currently being approved).				
<b>Operational Impact</b>	Without IXTP 7991 there is a single point of failure of water supply. This facility will provide an emergency reliable source of supply water to the Mecca and Area 23 Pressure Zones.				
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>		

## Domestic Water

### Highway 86 Booster Pump Station (BS08886)

DW1105

#### Project Description

This project includes the construction of the Highway 86 Booster Station 08886 located on the southeast corner of Harrison Street and Avenue 80. This project will provide domestic water from CVWD's Cove water system to the communities of Desert Shores, Salton Sea Beach, and Salton City (Improvement District 11) in order to improve the water quality for our 2,760 customers. The project is funded by a State Revolving Fund (SRF) loan.



#### Project Objectives

The objective of this project is to provide a reliable secondary source of water and additional needed capacity to ID 11. The Booster Pump Station will eventually replace the ageing well field located on Avenue 86 and works in conjunction with the existing and proposed Hwy 86 Transmission Mains.

#### Schedule

**Start :** 06/07/2018 **Complete :** 06/30/2021 **Project Status :** Construction

Estimated Project Cost (\$)	7,825,000
Capitalized Labor	565,000
Construction	6,805,000
Other	55,000
Planning/Design	400,000

Funding Source	%
State Revolving Loan	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
1,100,000	5,975,000	750,000	0	0	0	0

<b>Other Financial Impact</b>	None					
<b>Operational Impact</b>	The Booster Station 08886 will augment the peak demand flows and will improve the water quality to the customers within Improvement District 11.					
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>			<input checked="" type="checkbox"/>	

### North Shore Water Main Replacement

DW1622

#### Project Description

This project includes replacing approximately 13,524 feet of 4-inch, 6-inch, 8-inch, and 10-inch AC pipeline with new 24-inch and 12-inch zinc-coated ductile iron pipeline in Bay Drive, Vander Veer Road, 70th Avenue, a portion of Lookout Drive, and a portion of Sea View Way in an unincorporated community of North Shore in Riverside County. The new pipeline will eliminate a hydraulic restriction to Reservoir 7101-1 which will benefit the North Shore Pressure Zone. The funding request for FY 2021 is to cover costs for completing the USDA grant construction loan application documents.



#### Project Objectives

The objective of this project is to replace approximately 13,500 feet of various sizes of asbestos-concrete water main with 24-inch and 12-inch zinc-coated ductile iron pipeline.

#### Schedule

Start :	07/01/2019	Complete :	06/30/2023	Project Status :	Planning
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Estimated Project Cost (\$)	4,334,000
Capitalized Labor	313,128
Construction	2,818,725
Other	982,147
Planning/Design	220,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
184,000	100,000	50,000	2,000,000	2,000,000	0	0

<b>Other Financial Impact</b>	Reduce operational leak repairs and maintenance.		
<b>Operational Impact</b>	Replacing and up-sizing the existing deteriorated water main will eliminate an existing hydraulic restriction to Reservoir 7101. The pipeline will allow CVWD to continue providing reliable domestic water service and fire protection to existing customers within Area 23 Pressure Zone.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## Domestic Water

### Avenue 66 Transmission Main, Phase 1B & 2

DW2105

#### Project Description

This project consists of the construction of a 30-inch transmission main along Avenue 66 between the County of Riverside's proposed Bridge and Highway 86 (Phase 1B) and along Avenue 66 between Highway 86 and Polk Street (Phase 2) near Mecca. This section of transmission main will provide a secondary water supply to the Mecca and Eastern Coachella Valley which will provide a more reliable water supply to existing customer's in these disadvantaged communities as well as create opportunities for development and growth in these areas.



#### Project Objectives

The objective of this project is to provide a secondary water supply to the Mecca and Eastern Coachella Valley which will provide a more reliable water supply to existing customer's in these disadvantaged communities as well as create opportunities for development and growth in these areas

#### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2024	<b>Project Status :</b>	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	12,060,160
Capitalized Labor	210,640
Construction	11,369,520
Other	130,000
Planning/Design	350,000

Funding Source	%
WSBFC	25
Grant	75

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	500,000	4,550,000	5,000,000	2,010,160	0

<b>Other Financial Impact</b>	CVWD will seek grant funding and developer contributions to fund a portion of the design and construction costs.		
<b>Operational Impact</b>	None		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

### CVUSD (Westside Elementary School) - Upsized Water Facilities

DW1711

#### Project Description

This project includes the consolidation of the Coachella Valley Unified School District, Westside Elementary School water system to CVWD's domestic water distribution system. The Westside Elementary School serves approximately 560 disadvantaged students in the community of Thermal in Riverside County. Currently water is supplied to the students and faculty from an onsite well that has poor water quality and poor reliability. The Westside Elementary School is unable to fund the construction of the necessary water system improvements without severe financial impacts to the school district. By consolidating the Westside Elementary School to CVWD's system, the project will provide safe domestic water and fire protection service to this school in a small disadvantaged community. The California State Water Resources Control Board is providing funding to reimburse CVWD for all planning and construction costs to complete this consolidation project.



#### Project Objectives

The objective of this project is to consolidate Westside Elementary School into CVWD's system in order to provide reliable and safe domestic water.

#### Schedule

<b>Start :</b>	09/08/2019	<b>Complete :</b>	06/30/2021	<b>Project Status :</b>	Design
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Estimated Project Cost (\$)	905,000
Capitalized Labor	73,900
Construction	796,100
Other	5,000
Planning/Design	25,000

Funding Source	%
Grant	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	5,000	900,000	0	0	0	0

<b>Other Financial Impact</b>	The California State Water Resources Control Board will provide funding to reimburse CVWD for all planning and construction costs to complete this project.				
<b>Operational Impact</b>	None				
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>		<input checked="" type="checkbox"/>	

## Domestic Water

### Oasis Garden Mobile Home Park Consolidation

DW1713

#### Project Description

This project includes the consolidation of the privately owned Oasis Gardens Mobile Home Park (OGMHP) to CVWD's domestic water system in order to provide safe, reliable domestic water and fire protection service to disadvantaged communities. The OGMHP installation includes approximately 203 feet of 8-inch diameter ductile iron water main between Mountain View Drive and Gold Label Drive in the Mountain View Estates Mobile Home Park, located 68990 Harrison Street within unincorporated community of Thermal within Riverside County. The project will connect approximately 160 Oasis Gardens Water Company customers to CVWD's water system. The California State Water Resources Control Board is providing funding to reimburse CVWD for all planning and construction costs to complete this consolidation project.



#### Project Objectives

The objective of this project is to consolidate the privately owned Oasis Gardens Mobile Home Park (OGMHP) to CVWD's domestic water system in order to provide safe, reliable domestic water and fire protection service to disadvantaged communities.

#### Schedule

<b>Start :</b>	03/13/2019	<b>Complete :</b>	06/30/2021	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	1,233,000
Capitalized Labor	57,300
Construction	375,700
Other	700,000
Planning/Design	100,000

Funding Source	%
Grant	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
28,000	5,000	1,200,000	0	0	0	0

<b>Other Financial Impact</b>	The California State Water Resources Control Board will provide funding to reimburse CVWD for all planning and construction costs to complete this project.		
<b>Operational Impact</b>	None		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## Preliminary Design Report for Highway 86 Transmission Main, Phase 3

DW2104

### Project Description

This project includes the preparation of a Preliminary Design Report to identified alternative alignments, right of way requirements, and project costs for the Highway 86 Transmission Main, Phase 3 Project. The proposed pipeline corridor is comprised of State right-of-way and tribal lands.



### Project Objectives

The objective of this project is to evaluate alternate alignments and right-of-way for the proposed transmission main.

### Schedule

Start :	06/30/2020	Complete :	06/30/2021	Project Status :	Planning
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Estimated Project Cost (\$)	250,000
Capitalized Labor	24,680
Construction	0
Other	225,320
Planning/Design	0

Funding Source	%
Grant	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	250,000	0	0	0	0

Other Financial Impact	None				
Operational Impact	None				
Discretionary	<input type="checkbox"/>	Non - Discretionary	<input checked="" type="checkbox"/>		

## Domestic Water

### Thermal Mutual Water Company Consolidation DW1708

#### Project Description

This project includes the consolidation of the Thermal Mutual Water Company (TMWC) to CVWD's domestic water distribution system. Thermal Mutual Water Company is an existing small private community water system with 38 homes located on the southwest corner of 55th Avenue and Calhoun Street in Thermal. TMWC provides water to the homes through an old pipeline distribution system from one private well that has poor water quality and reliability. TMWC is unable to fund the construction of the necessary water system improvements without severe financial impacts to its ratepayers. By consolidating the TMWC water system to CVWD's system, the project will provide safe domestic water and fire protection service to this small disadvantaged community. The California State Water Resources Control Board is providing funding to reimburse CVWD for all planning and construction costs to complete this consolidation project.



#### Project Objectives

The objective of this project is to consolidate the Thermal Mutual Water Company into CVWD's system in order to provide reliable and safe domestic water.

#### Schedule

<b>Start :</b>	06/12/2018	<b>Complete :</b>	06/30/2021	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	1,310,000
Capitalized Labor	313,400
Construction	901,500
Other	27,500
Planning/Design	67,600

Funding Source	%
Grant	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
105,000	5,000	1,200,000	0	0	0	0

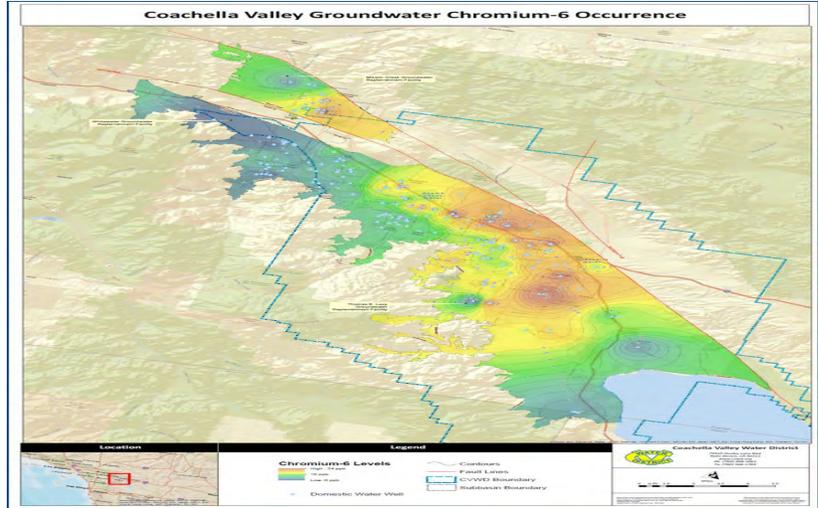
<b>Other Financial Impact</b>	This project will be reimbursed by a State Water Resources Control Board grant.		
<b>Operational Impact</b>	None		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non – Discretionary</b>	<input checked="" type="checkbox"/>

## Cove Chromium-6 Treatment Plan Demonstration

DW2107

### Project Description

This project includes developing and implementing a full scale demonstration plan that will ensure CVWD's compliance with the new drinking water standards for Hexavalent Chromium (Cr-6). On July 12, 2017, the State Water Resources Control Board, Division of Drinking Water approved a full scale demonstration plan for CVWD's Improvement District No. 8 (ID No. 8) System. The ID No. 8 System plan included using stannous chloride to reduce Cr-6 to Cr-3 particles. The proposed full scale demonstration plan for the Cove System will use a similar chemical treatment process, and then the Cr-3 particles will be removed from the groundwater supply by using a conventional filtration process.



### Project Objectives

The objective of this project is to optimize the treatment process, so that it will minimize capital and operating expenses, environmental impacts, and community /aesthetic impacts.

### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2021	<b>Project Status :</b>	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	100,000
Capitalized Labor	18,800
Construction	0
Other	0
Planning/Design	81,200

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	100,000	0	0	0	0

<b>Other Financial Impact</b>	None	
<b>Operational Impact</b>	None	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b> <input type="checkbox"/>

### Hydropneumatic/Surge Tank Assessment/System Analysis

DW2106

#### Project Description

This project includes assessing the condition of all hydropneumatic tanks, performing a hydraulic surge analysis of our domestic water system and prioritizing tank rehabilitation/replacement based on condition assessment and results of hydraulic surge study.



#### Project Objectives

The objective of this project is to assess the condition of all hydropneumatic tanks, perform a hydraulic surge analysis to identify need for tanks and prioritize tank rehabilitation based on condition assessment and results of hydraulic surge study.

#### Schedule

Start : 07/01/2019 Complete : 06/30/2022 Project Status : Design

Estimated Project Cost (\$)	845,000
Capitalized Labor	0
Construction	700,000
Other	0
Planning/Design	145,000

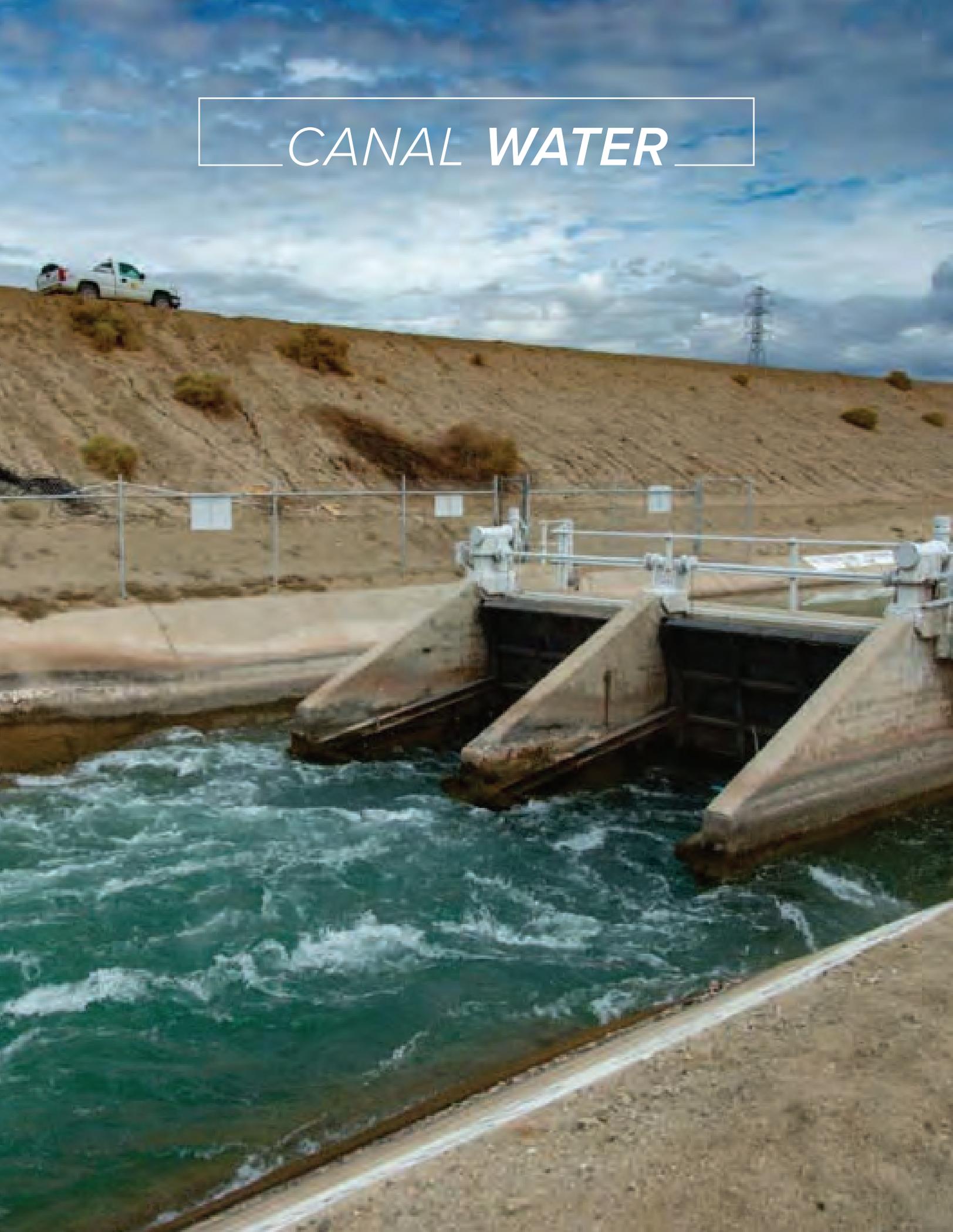
Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	45,000	300,000	500,000	0	0	0

<b>Other Financial Impact</b>	Reduce unexpected costs to repair damaged tanks.
<b>Operational Impact</b>	Potentially reduce the number of surge tanks that need to be maintained.
<b>Discretionary</b>	<input type="checkbox"/> <b>Discretionary</b> <input checked="" type="checkbox"/> <b>Non - Discretionary</b>

# CANAL WATER



### CANAL WATER PROJECTS

Planned Canal Water Fund projects for fiscal 2021 amount to slightly over \$13.8 million, all funding is from cash.

#### CAPITAL IMPROVEMENT BUDGET - CANAL WATER

	Budget		Planned			Total 5-Year
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
Districtwide Allocation	\$1,205,100	\$1,050,400	\$903,000	\$ -	\$ -	\$3,158,500
<b>Subtotal Districtwide Project Allocation</b>	<b>\$1,205,100</b>	<b>\$1,050,400</b>	<b>\$903,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$3,158,500</b>
<b>Canal</b>						
Check Structure at MP 88.6 Replacement	\$2,525,000	\$ -	\$ -	\$ -	\$ -	\$2,525,000
L-4 Pump Station Relocation, Phase 2	4,600,000	2,000,000	-	-	-	6,600,000
Mid-Canal Reservoir	100,000	3,850,000	3,850,000	-	-	7,800,000
Oasis Tower Replacement	2,062,000	-	-	-	-	2,062,000
<b>Subtotal Canal</b>	<b>\$9,287,000</b>	<b>\$5,850,000</b>	<b>\$3,850,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$18,987,000</b>
<b>Drainage</b>						
Avenue 62 Drain Pipeline Replacement	\$ -	\$700,000	\$5,000,000	\$ -	\$ -	\$5,700,000
Johnson Street Drain Improvement	90,000	1,200,000	-	-	-	1,290,000
<b>Subtotal Drainage</b>	<b>\$90,000</b>	<b>\$1,900,000</b>	<b>\$5,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$6,990,000</b>
<b>Irrigation</b>						
Irrigation Lateral 101.3 Replacement	\$150,000	\$2,400,000	\$ -	\$ -	\$ -	\$2,550,000
Irrigation Lateral 102.3 Replacement	200,000	2,100,000	-	-	-	2,300,000
Irrigation Lateral 108.2 Replacement, Phase 1 & 2	-	-	-	300,000	2,630,520	2,930,520
Irrigation Lateral 119.2 Replacement	-	75,000	616,721	-	-	691,721
Irrigation Lateral 119.64-2.6 Replacement	-	-	960,000	-	-	960,000
Irrigation Lateral 119.64-3.1 Replacement	-	-	-	-	100,000	100,000
Irrigation Lateral 119.64-3.6 Replacement	-	-	-	-	100,000	100,000
Irrigation Lateral 119.64-4.1 Replacement	-	-	400,000	1,561,520	-	1,961,520
Irrigation Lateral 119.64-4.6 Replacement	-	-	100,602	1,600,000	-	1,700,602
Irrigation Lateral 119.64-4.6 Replacement, Phase 2	-	-	-	230,000	4,700,000	4,930,000
Irrigation Lateral 119.64-7.5 Replacement	2,963,000	4,037,000	-	-	-	7,000,000
Irrigation Lateral 123.45-1.3 and Lateral 123.45-1.3-2.2 Division Box Replacement	75,000	500,000	675,000	-	-	1,250,000
Irrigation Lateral 123.45-1.3-2.2 , Phase 2	660,000	840,000	-	-	-	1,500,000
Irrigation Lateral 123.45-1.3-2.8 and Lateral 119.64-3.6 Division Box Replacement	-	-	1,275,000	-	-	1,275,000
Irrigation Lateral 123.45-1.3-2.8 Replacement	200,000	1,656,846	-	-	-	1,856,846
Irrigation Lateral 123.45-1.3-2.8 RT Replacement	-	-	-	175,000	3,500,000	3,675,000
Irrigation Lateral 123.45-1.3-3.2 RT Replacement	175,000	1,000,000	1,600,000	-	-	2,775,000
Irrigation Lateral 123.45-1.3-3.9 LT Replacement	-	-	-	-	190,000	190,000
Irrigation Lateral 123.45-1.3-3.9LT Replacement	-	-	-	150,000	2,250,000	2,400,000
Irrigation Lateral 123.45-5.4 Replacement	-	-	-	-	200,000	200,000
Irrigation Lateral 99.8-0.51-3.0 Replacement	-	-	180,000	6,000,000	-	6,180,000
<b>Subtotal Irrigation</b>	<b>\$4,423,000</b>	<b>\$12,608,846</b>	<b>\$5,807,323</b>	<b>\$10,016,520</b>	<b>\$13,670,520</b>	<b>\$46,526,209</b>
<b>Total Canal</b>	<b>\$15,005,100</b>	<b>\$21,409,246</b>	<b>\$15,560,323</b>	<b>\$10,016,520</b>	<b>\$13,670,520</b>	<b>\$75,661,709</b>

## Check Structure at MP 88.6 Replacement

C02102

### Project Description

This project includes the removal and replacement of the bridge and the Check Drop Structure located at Canal Station with a new modern double-gated check structure and new bridge deck. The new structure will also have side weirs for overflow around the gate. The existing check structure is equipped with a single radial gate that is operated to pass flows downstream while maintaining upstream water levels. The check structure's concrete walls have deteriorated to a point that the anchorage for the beam that supports the gate arms is unstable. The check structure is situated between an upstream connected bridge crossing and a downstream drop chute and stilling basin. The drop chute and stilling basin will remain in place.



### Project Objectives

Replace failing infrastructure to maintain the operability of the canal while improving and modernizing the operation of the radial gate providing redundancy for improved maintenance capability and increased safety in the event of failure or power outage

### Schedule

**Start :** 07/01/2020 **Complete :** 06/30/2021 **Project Status :** Design

Estimated Project Cost (\$)	2,525,000
Capitalized Labor	289,060
Construction	2,020,000
Other	15,000
Planning/Design	200,940

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	2,525,000	0	0	0	0

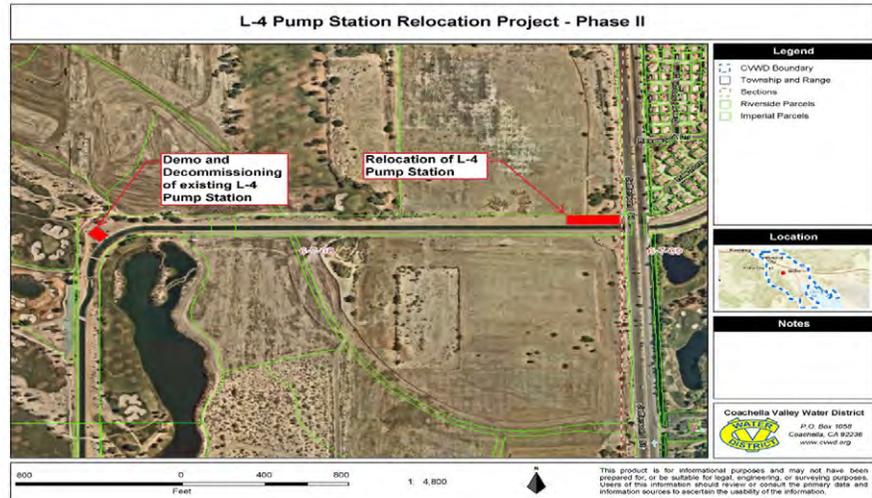
<b>Other Financial Impact</b>	No additional financial impact.		
<b>Operational Impact</b>	Reduced risk of failure, increased ability to perform maintenance on the radial gates and improved operation in case of power outage similar to other check structure rehabilitations.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

### L-4 Pump Station Relocation, Phase 2

C02101

#### Project Description

This project consists of construction for the relocation and replacement of the L4 Pump Station which will improve operational efficiency, add capacity for future customers and improve accessibility for operating and maintenance.



#### Project Objectives

Replace the L4 Pump Station on the Coachella Canal which is failing and in need of replacement. The new pump station will supply water to approximately seven La Quinta area golf courses and recreational parks, providing a substitute source for irrigation purposes, and reducing the pumping demands on the aquifer.

#### Schedule

Start : 07/01/2020 Complete : 06/30/2022 Project Status : Construction

Estimated Project Cost (\$)	6,600,000
Capitalized Labor	394,800
Construction	5,582,300
Other	10,200
Planning/Design	612,700

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	4,600,000	2,000,000	0	0	0

<b>Other Financial Impact</b>	No additional financial impact.	
<b>Operational Impact</b>	Replacement of the L4 Pump Station will improve operational efficiency, add capacity for future customers and improve accessibility for O&M.	
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b> <input checked="" type="checkbox"/>

## Mid-Canal Reservoir

C02103

### Project Description

This project includes the design of an in-line 728 acre-foot reservoir between Check 11 and 14 (Mile Post 54.6 and 59.5) at the mid-canal. The reservoir will be formed by removing the existing embankment between the existing lined canal with the original earthen canal section to form a single wide trapezoidal section. The canal undergoes ongoing repairs of cracked concrete panels due to the low permeability of the heavy clay layer behind the liner which also limits the operating conditions of the canal ponds in the area.



### Project Objectives

The objective of this project is to convert a portion of the Coachella Canal to in-line regulatory storage reservoir and eliminate the recurring lining repairs due to heavy clay layer causing ongoing damage to the concrete lining. The reservoir will regulate the flows and provide for improved control for flow/demand mismatches throughout the distribution system.

### Schedule

Start : 07/01/2020 Complete : 06/30/2023 Project Status : Design

Estimated Project Cost (\$)	7,800,000
Capitalized Labor	355,000
Construction	7,270,000
Other	15,000
Planning/Design	160,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	100,000	3,850,000	3,850,000	0	0

<b>Other Financial Impact</b>	Elimination of recurring lining repairs which have currently exceeded \$4,000,000.	
<b>Operational Impact</b>	Water storage to help manage large, rapid delivery flow changes that affect Coachella Canal operations.	
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b> <input checked="" type="checkbox"/>

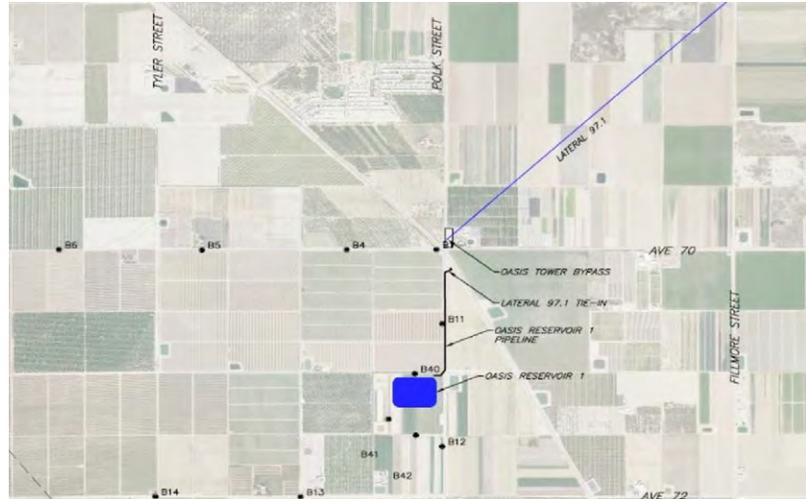
## Canal Water

### Oasis Tower Replacement

C01901

#### Project Description

This project includes the construction of a 60 acre-foot reservoir with a constant head regulating control structure, 2,830 linear feet of 72-inch steel pipe and a permanent bypass pipeline system to replace the Oasis Tower. This project is currently under construction.



#### Project Objectives

The objective of this project is to replace the Oasis Tower and improve the hydraulic conveyance ability of the Irrigation Lateral 97.1 distribution system. It will also provide 60 af of storage which will assist in managing flow mismatches throughout the distribution system, including the canal.

#### Schedule

Start :	07/01/2018	Complete :	03/12/2021	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	13,866,000
Capitalized Labor	429,500
Construction	13,053,500
Other	83,000
Planning/Design	300,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
212,000	11,592,000	2,062,000	0	0	0	0

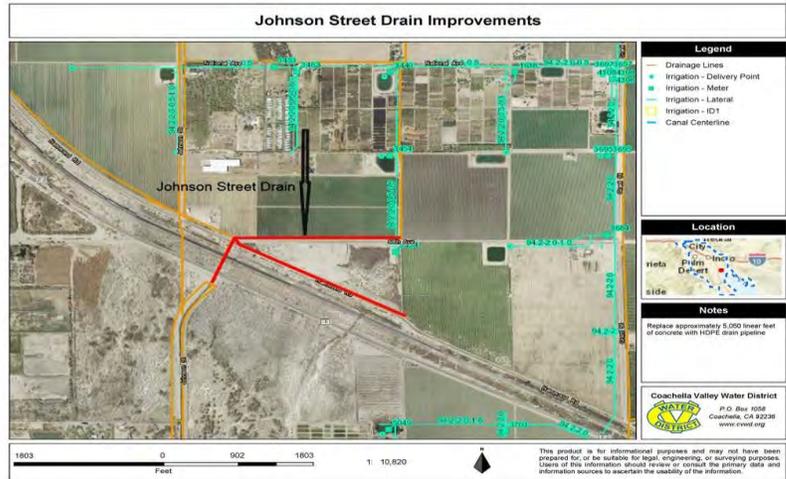
<b>Other Financial Impact</b>	Net decrease to operations and maintenance costs by eliminating the Oasis Tower and constructing new reservoir. Increased electrical costs due to added pump.	
<b>Operational Impact</b>	This project will expand the CVWD's service area for the delivery of Colorado River Water and supports the Source Substitution element (In-Lieu Recharge) within the Coachella Valley Water Management Plan.	
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b> <input checked="" type="checkbox"/>

## Johnson Street Drain Improvement

IR2101

### Project Description

This project includes replacement of approximately 5,050 linear feet of concrete drain pipeline with 18 inch HDPE pipeline and construct up to ten manholes. The pipeline is under capacity for the current agricultural flows.



### Project Objectives

The objective of this project is to replace aging infrastructure, accommodate increased incoming agricultural flows beyond the pipe's current capacity, and provide access via manholes to maintain the pipe.

### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2023	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	1,290,000
Capitalized Labor	130,000
Construction	1,065,750
Other	19,250
Planning/Design	75,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	90,000	1,200,000	0	0	0

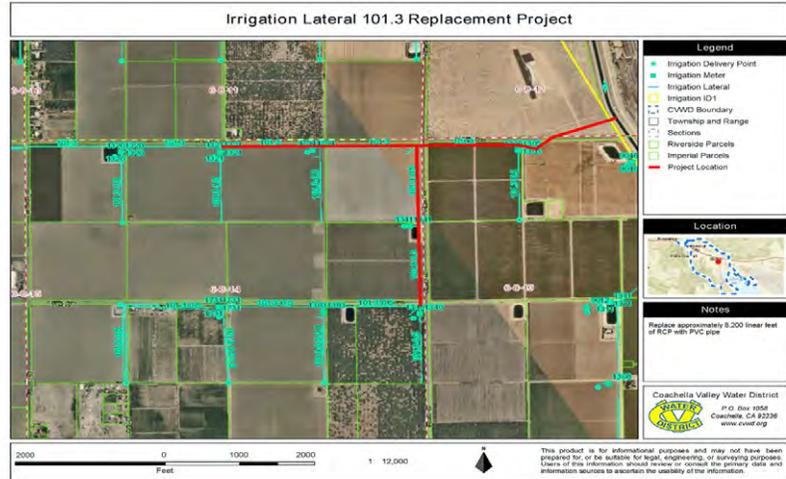
<b>Other Financial Impact</b>	Reduce operation and maintenance costs.
<b>Operational Impact</b>	This project improves O&M access and reduces jetting needs.
<b>Discretionary</b>	<input type="checkbox"/> Discretionary <input checked="" type="checkbox"/> Non-Discretionary

### Irrigation Lateral 101.3 Replacement

IR2105

#### Project Description

This project consists of improving the conveyance capacity of the drain pipeline and connecting the irrigation lateral pipeline to improve service. This project will replace approximately 8,200 linear feet of small concrete drain pipeline with PVC pipe and replace a meter and valving cluster.



#### Project Objectives

The objective of this project is to replace infrastructure designated as extreme or high risk in accordance with the Irrigation Master Plan.

#### Schedule

Start :	07/01/2020	Complete :	06/30/2022	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	2,550,000
Capitalized Labor	194,100
Construction	2,135,900
Other	20,000
Planning/Design	200,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	150,000	2,400,000	0	0	0

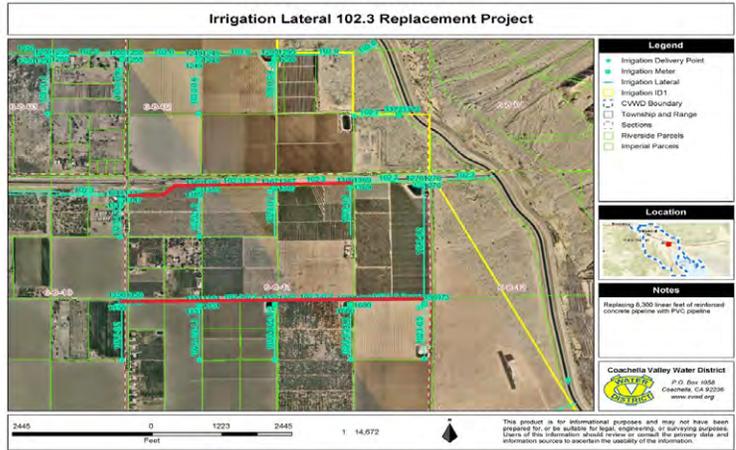
Other Financial Impact	Reduce operation and maintenance costs.	
Operational Impact	Reduce and prevent maintenance repairs.	
Discretionary	<input type="checkbox"/>	Non - Discretionary <input checked="" type="checkbox"/>

## Irrigation Lateral 102.3 Replacement

### IR2102

#### Project Description

This project includes the replacement of approximately 8,300 linear feet of concrete pipe with polyvinyl chloride (PVC) and the replacement of seven metered delivery points with in-line meters.



#### Project Objectives

The objective of this project is to improve customer service and replace aging concrete pipelines while minimizing water lost through leakage. Irrigation Lateral 102.3 is an old diameter concrete irrigation pipeline delivering water from the Coachella Canal to farmers. The mile-long pipeline is part of a gravity-fed system interspersed with above-ground baffle stands roughly every quarter mile where the farmers' sub-lateral connect. The aging gravity system is leaking water from the pipeline joints and the pipeline has experienced numerous leaks that impact the delivery of canal water to our customers. The improvements will result in increased operational efficiency, water conservation, and improved customer service.

#### Schedule

**Start :** 07/01/2021 **Complete :** 06/30/2024 **Project Status :** Design

Estimated Project Cost (\$)	2,300,000
Capitalized Labor	199,260
Construction	1,871,362
Other	29,378
Planning/Design	200,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	200,000	2,100,000	0	0	0

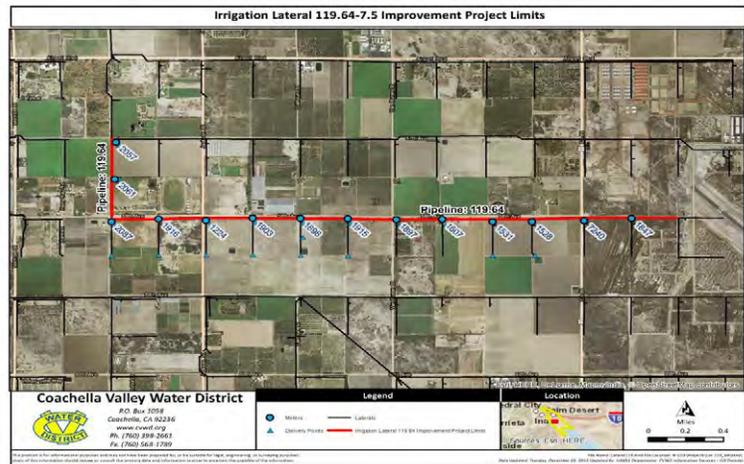
<b>Other Financial Impact</b>	None	
<b>Operational Impact</b>	The replacement of this pipeline will improve customer service while minimizing water lost through leakage.	
<b>Discretionary</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Non – Discretionary

### Irrigation Lateral 119.64-7.5 Replacement

IR1701

#### Project Description

This project includes the construction and replacement of approximately 18,500 linear feet of concrete pipe with polyvinyl chloride (PVC) pipe and removing the existing baffle stand, meter and meter vault installation, telemetry and SCADA installation, street improvements and jack and boring operation.



#### Project Objectives

The objective of this project is to improve customer service and replace aging concrete pipelines while minimizing water lost through leakage. Irrigation Lateral 119.64.75 is an old large diameter concrete irrigation pipeline delivering water from the Coachella Canal to farmers. The 3 1/2 mile long pipeline is part of a gravity fed system interspersed with above-ground baffle stands roughly every quarter mile where the farmers' sub-lateral connect. The aging gravity system is leaking water from the pipeline joints, surging water out of the baffle stands and spilling excess water impacting the delivery of canal water to our customers. These improvements will result in an increased operational efficiency, water conservation, and improved customer service. The irrigation lateral is located south of Avenue 58 between Arabia and Harrison Streets.

#### Schedule

<b>Start :</b>	05/07/2018	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	7,281,000
Capitalized Labor	264,840
Construction	6,568,000
Other	45,000
Planning/Design	403,160

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
241,000	40,000	2,963,000	4,037,000	0	0	0

<b>Other Financial Impact</b>	None
<b>Operational Impact</b>	The replacement aims to greatly reduce leakage, minimize mainline shutdowns and improve customer service and reliability.
<b>Discretionary</b>	<input type="checkbox"/> <b>Discretionary</b> <input checked="" type="checkbox"/> <b>Non – Discretionary</b>

## Irrigation Lateral 123.45-1.3 and Lateral 123.45-1.3-2.2 Division Box Replacement

IR1901

### Project Description

This project replaces two concrete division box structures and constructs a permanent bypass system for 24-inch to 72-inch concrete pipe while maintaining service to canal water customers. These division boxes are located along Irrigation Lateral 123.45 and are an essential element in serving canal water to 11,000 acres of farmland in the East Valley as well as roughly 35,000 acre feet per year to the Thomas E. Levy Recharge Facility. Power will be brought to the 123.45-1.3 site and both sites will incorporate new SCADA equipment and flow metering for additional flow data and monitoring. The project also involves acquiring additional easements.



### Project Objectives

Provide reliable canal water customer service into the future by replacing aging distribution system infrastructure which suffer from leaks and are in an overall state of disrepair. Additionally it is to provide enhanced monitoring and remote operating capabilities. Lastly, to establish a structural design standard for future division box replacements as this is first replacement of its kind.

### Schedule

<b>Start :</b>	07/01/2018	<b>Complete :</b>	06/30/2023	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	1,589,900
Capitalized Labor	123,560
Construction	1,000,000
Other	160,000
Planning/Design	306,340

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
249,000	90,900	75,000	500,000	675,000	0	0

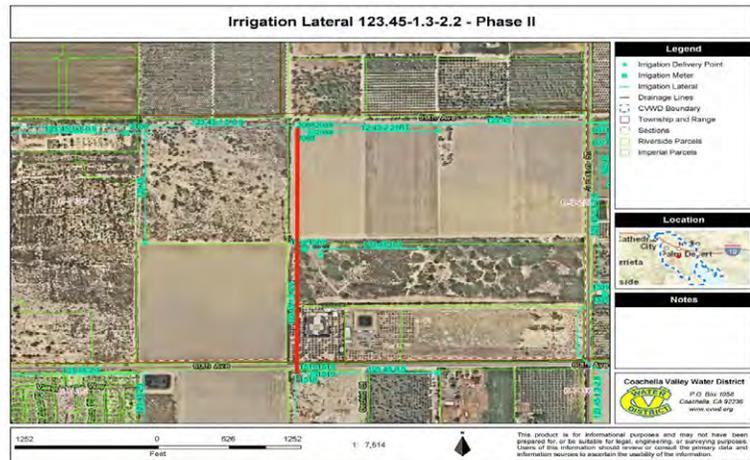
<b>Othe70000r Financial Impact</b>	\$2,500 annually for O&M.	
<b>Operational Impact</b>	Replacement of these two structures will improve CVWD's ability to maximize water delivery.	
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b> <input checked="" type="checkbox"/>

### Irrigation Lateral 123.45-1.3-2.2 , Phase 2

IR2005

#### Project Description

This project includes replacing approximately 2,500 linear feet of 24-inch concrete pipe with polyvinyl chloride (PVC) pipe and removing the existing baffle stand, which will result in increased operational efficiency, water conservation, and improved customer service.



#### Project Objectives

The objective of this project is to improve customer service and replace aging concrete pipelines while minimizing water lost through leakage. Irrigation Lateral 123.45-1.3-2.2 - Phase II is an old large-diameter concrete irrigation pipeline delivering water from the Coachella Canal to farmers. The 1/2 mile long pipeline is part of a gravity fed system interspersed with above-ground baffle stands roughly every quarter mile where the farmers' sub-lateral connect. The aging gravity system is leaking water from the pipeline joints and the pipeline has experienced numerous leaks which impacts the delivery of canal water to our customers.

#### Schedule

<b>Start :</b>	07/01/2019	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	1,500,000
Capitalized Labor	133,360
Construction	1,289,688
Other	6,952
Planning/Design	70,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	660,000	840,000	0	0	0

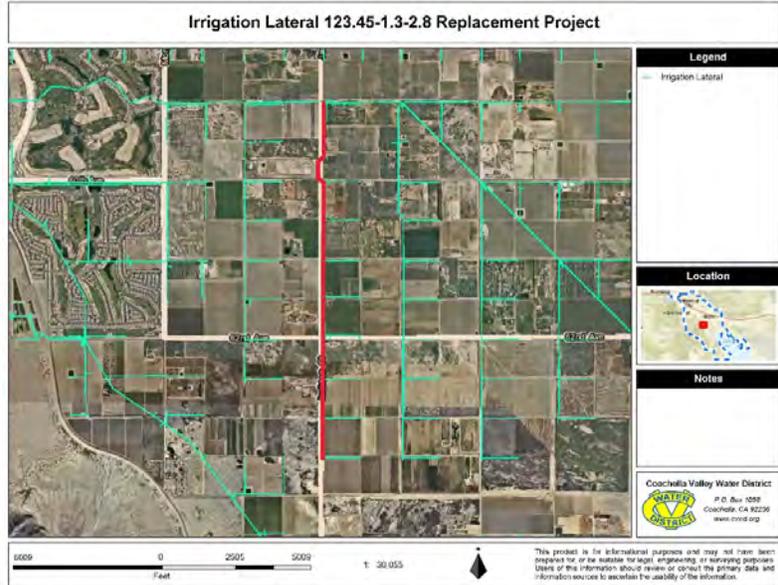
<b>Other Financial Impact</b>	None		
<b>Operational Impact</b>	The replacement aims to greatly reduce leakage, minimize mainline shutdowns and improve customer service and reliability.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non – Discretionary</b>	<input checked="" type="checkbox"/>

## Irrigation Lateral 123.45-1.3-2.8 Replacement

IR2103

### Project Description

This project includes replacement of approximately 7,010 linear feet of irrigation pipeline located east of Jackson Street between Avenue 59 and Avenue 62. The pipeline has experienced numerous leaks throughout, which have impacted canal water delivery.



### Project Objectives

The objective of this project is to replace failing infrastructure to maintain the operability of the canal while improving and modernizing the operation of the radial gate providing redundancy for improved maintenance capability and increased safety in the event of failure or power outage

### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Planning
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Estimated Project Cost (\$)	1,856,846
Capitalized Labor	92,980
Construction	1,605,700
Other	18,266
Planning/Design	139,900

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	200,000	1,656,846	0	0	0

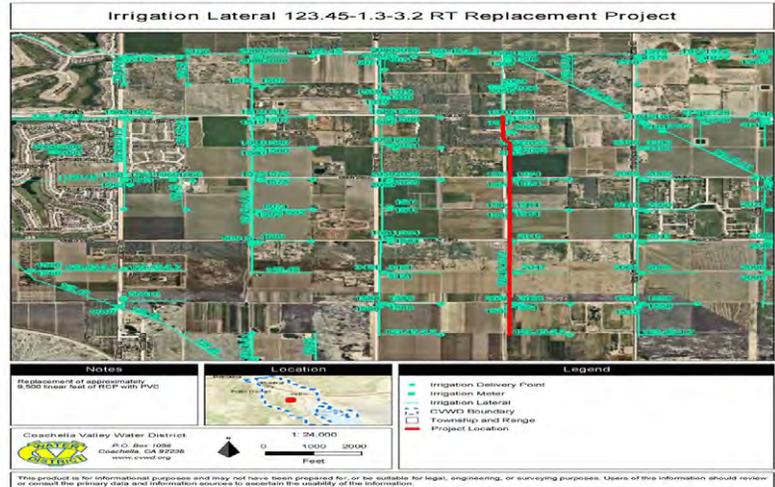
<b>Other Financial Impact</b>	None
<b>Operational Impact</b>	The replacement of this pipeline will improve customer service while minimizing water lost through leakage
<b>Discretionary</b>	<input type="checkbox"/> Non - Discretionary <input checked="" type="checkbox"/>

### Irrigation Lateral 123.45-1.3-3.2 RT Replacement

IR2104

#### Project Description

This project consists of the replacing of approximately 9,500 linear feet of irrigation pipeline located east of Jackson Street between Avenue 60 and Avenue 64. The existing pipeline has experienced numerous leaks throughout, which have impacted canal water delivery.



#### Project Objectives

The objective of this project is to replace infrastructure designated as extreme or high risk in accordance with the Irrigation Master Plan.

#### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2023	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	2,775,000
Capitalized Labor	189,100
Construction	2,365,900
Other	20,000
Planning/Design	200,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	175,000	1,000,000	1,600,000	0	0

<b>Other Financial Impact</b>	Reduce operation and maintenance costs.
<b>Operational Impact</b>	Reduce and prevent maintenance repairs.
<b>Discretionary</b>	<input type="checkbox"/> Discretionary <input checked="" type="checkbox"/> Non - Discretionary

# SANITATION

IRRIGATED BY  
**NON-POTABLE WATER**  
DO NOT DRINK  
NO BEBER



### SANITATION PROJECTS

Planned Sanitation Fund projects for fiscal 2021 amount to approximately \$34.5 million. Funding includes approximately \$33.2 million in cash, about \$175,000 in grants, with the balance of over \$1.1 million funded with Sanitation Capacity Charges.

#### CAPITAL IMPROVEMENT BUDGET - SANITATION

	Budget		Planned			Total 5-Year
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
Districtwide Project Allocation	\$1,050,890	\$812,460	\$511,700	\$ -	\$ -	\$2,375,050
<b>Subtotal Districtwide Project Allocation</b>	<b>\$1,050,890</b>	<b>\$812,460</b>	<b>\$511,700</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$2,375,050</b>
<b>WRP 10 Treatment</b>						
Biosolids Upgrade	\$ -	\$ -	\$ -	\$ -	\$400,000	\$400,000
Chemical System Safety Upgrade	978,000	-	-	-	-	978,000
Headwork's Improvements (Fine Screens, Pumps, Vortex Grit Chamber, Equalization Basin, Odor Control)	75,000	-	1,200,000	3,600,000	2,000,000	6,875,000
M-1 Twin Backup Generators and Automatic Transfer Switch	-	-	175,000	3,294,620	-	3,469,620
Old Septage Receiving Station Upgrades	-	25,000	-	-	-	25,000
Perimeter Security Wall	-	-	35,200	508,324	-	543,524
Phase 1 Expansion	-	-	-	750,000	2,000,000	2,750,000
Process Optimization (Ecowash filter, turbidity, pump overhaul, feasibility studies to convert Digester to 0.5M Storage & reuse Headworks structure)	725,000	-	-	-	-	725,000
Secondary Effluent Pump Station and Storage Ponds	9,000,000	-	-	-	-	9,000,000
Security System Upgrade	-	-	20,000	561,000	665,420	1,246,420
Solids Handling Upgrade (convert aerobic digesters to holding tank, Rotomx mixing, odor control)	-	200,000	1,500,000	1,500,000	3,899,717	7,099,717
<b>Subtotal WRP 10 Treatment</b>	<b>\$10,778,000</b>	<b>\$225,000</b>	<b>\$2,930,200</b>	<b>\$10,213,944</b>	<b>\$8,965,137</b>	<b>\$33,112,281</b>
<b>WRP 7 Treatment</b>						
Aeration Improvements	\$950,000	\$7,350,000	\$8,797,000	\$ -	\$ -	\$17,097,000
Chemical System Safety Upgrade	714,000	-	-	-	-	714,000
Process Optimization	75,000	-	-	-	-	75,000
Programmable Logic Controller Upgrade	322,200	-	-	-	-	322,200
Recycled Water Expansion (MP 113.2 Pump Station Upgrade, 2.5 MGD expansion, 5MG bladder, new secondary effluent storage pond)	400,000	550,000	2,500,000	2,500,000	5,000,000	10,950,000
Security System Upgrade	-	-	20,000	561,000	665,420	1,246,420
<b>Subtotal WRP 7 Treatment</b>	<b>\$2,461,200</b>	<b>\$7,900,000</b>	<b>\$11,317,000</b>	<b>\$3,061,000</b>	<b>\$5,665,420</b>	<b>\$30,404,620</b>
<b>WRP 4 Treatment</b>						
Administration Building	\$ -	\$ -	\$ -	\$637,000	\$2,000,000	\$2,637,000
Chemical System Safety Upgrade	910,000	-	-	-	-	910,000
Improvements Plant Process Improvements	-	-	-	1,250,000	2,000,000	3,250,000
Phase I Improvements Nonpotable Water Upgrades	1,000,000	5,000,000	6,000,000	6,500,000	-	18,500,000
Process Optimization	575,000	-	-	-	-	575,000
Security System Upgrade	-	-	20,000	561,000	665,420	1,246,420
<b>Subtotal WRP 4 Treatment</b>	<b>\$2,485,000</b>	<b>\$5,000,000</b>	<b>\$6,020,000</b>	<b>\$8,948,000</b>	<b>\$4,665,420</b>	<b>\$27,118,420</b>

CAPITAL IMPROVEMENT BUDGET - SANITATION (Continued)

	Budget	Planned				Total 5-Year
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
<b>Collection</b>						
Avenue 66 Grade Separation	\$10,000	\$ -	\$ -	\$ -	\$ -	\$10,000
Burr Street Force Main	50,000	6,500,000	750,000	-	-	7,300,000
First Tee Sewer and Manhole Rehabilitation	500,000	-	-	-	-	500,000
Jefferson St and Ave 50 Force Main, Phase 1 & Phase 2	300,000	-	-	-	-	300,000
Lift Station 55-10 (Citrus) Abandonment Project	-	-	220,000	1,874,641	-	2,094,641
Lift Station 55-11 Capacity Upgrade (Mecca)	-	4,750,000	1,200,000	-	-	5,950,000
Lift Station 55-12 Electrical and Site Upgrade (Home Depot)	-	128,000	902,814	-	-	1,030,814
Lift Station 80-03 Upgrade (Cook Street)	50,000	300,000	1,000,151	1,000,000	-	2,350,151
Lift Station 80-07 - Perimeter Wall (Paxton)	-	-	536,123	-	-	536,123
Lift Station 80-13 Upgrade (Grand Champion)	-	-	112,000	1,034,657	-	1,146,657
Lift Station 80-16 Upgrade (Bob Hope Drive)	-	-	64,000	831,499	-	895,499
Mecca Sewer and Manhole Replacement Rehabilitation	-	-	192,000	1,773,732	2,000,000	3,965,732
Sewer Lift Station Rehabilitation	-	-	-	-	350,000	350,000
Sewer Manhole Rehabilitation	-	150,000	1,500,000	1,500,000	1,500,000	4,650,000
Sewer Manhole Rehabilitation - Rancho Mirage, Palm Desert, and La Quinta	337,965	337,965	337,965	337,966	-	1,351,861
Sewer Pipeline and Manhole Rehabilitation (Palm Desert and Rancho Mirage)	40,000	-	-	-	-	40,000
Sewer Pipeline Rehabilitation	-	250,000	1,500,000	1,500,000	1,500,000	4,750,000
Sewer Pipeline Rehabilitation - Palm Desert and Thousands Palms	259,200	1,640,847	-	-	-	1,900,047
Sewer Pipeline Rehabilitation (Ave 50)	48,000	676,830	-	-	-	724,830
Sewer Pipeline Rehabilitation - Avenida Juarez	50,000	-	-	-	-	50,000
Sewer Pipeline Rehabilitation - Fred Waring Drive	10,000	1,329,000	250,000	-	-	1,589,000
Sewer Pipeline Rehabilitation - Cedar Crest	-	-	36,000	771,106	-	807,106
Sewer Pipeline Rehabilitation - Fairway Drive	48,000	636,000	-	-	-	684,000
Sewer Pipeline Relocation - Bob Hope Drive	-	-	96,000	367,715	-	463,715
<b>Subtotal Collection</b>	<b>\$1,703,165</b>	<b>\$16,698,642</b>	<b>\$8,697,053</b>	<b>\$10,991,316</b>	<b>\$5,350,000</b>	<b>\$43,440,176</b>

## Sanitation

### CAPITAL IMPROVEMENT BUDGET - SANITATION (Continued)

	Budget	Planned				Total
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5-Year
<b>Nonpotable Water Pipeline Connection</b>						
Annenberg (aka Sunnylands) Golf Club	\$150,000	\$ -	\$3,000,000	\$2,600,000	\$ -	\$5,750,000
Bermuda Dunes Country Club	1,525,000	1,500,000	-	-	-	3,025,000
Blended Water System Pump Stations	-	-	-	-	500,000	500,000
Desert Island Country Club	150,000	-	2,500,000	3,000,000	306,000	5,956,000
Emerald Desert Country Club	451,000	-	-	-	-	451,000
Forest Lawn	-	-	-	-	500,000	500,000
Garden Fellowship	100,000	500,000	-	-	-	600,000
Indian Wells Tennis Garden	250,000	-	2,000,000	1,500,000	-	3,750,000
Jack Ivey Ranch	150,000	-	1,500,000	500,000	-	2,150,000
Marriott Desert Springs North Course	25,000	25,000	145,000	2,000,000	4,000,000	6,195,000
Marriott Shadow Ridge (including low pressure pipeline)	25,000	25,000	145,000	145,000	3,137,000	3,477,000
Mission Hills Country Club	-	-	-	-	238,000	238,000
Outdoor Resort RV Park	-	-	-	-	238,000	238,000
Palm Desert Resort Country Club	1,500,000	250,000	-	-	-	1,750,000
Palm Royale Country Club	150,000	-	1,500,000	500,000	-	2,150,000
Rancho Mirage Country Club	-	200,000	-	1,100,000	4,500,000	5,800,000
Shadow Hills High School	-	150,000	500,000	-	-	650,000
Shadow Hills North Golf Course	-	-	215,000	2,340,000	-	2,555,000
Southwest Community Church/Gerald Ford School	200,000	-	1,300,000	-	-	1,500,000
Springs Country Club	-	200,000	-	3,000,000	2,600,000	5,800,000
Suncrest Country Club	150,000	-	150,000	2,600,000	-	2,900,000
T1 Pump Station Replacement	4,800,000	9,500,000	4,500,000	-	-	18,800,000
Tamarisk Country Club	150,000	-	-	-	150,000	300,000
The Eagle (Crystal Lagoon)	-	100,000	-	-	-	100,000
The Oasis Country Club	4,800,000	474,000	-	-	-	5,274,000
Tri-Palms Country Club	150,000	-	1,500,000	500,000	-	2,150,000
Westin Mission Hills Country Club	-	-	-	-	238,000	238,000
Woodhaven Country Club	1,373,000	250,000	-	-	-	1,623,000
Young's Farmland	750,000	-	-	-	-	750,000
<b>Subtotal Nonpotable Water Pipeline Connection</b>	<b>\$16,849,000</b>	<b>\$13,174,000</b>	<b>\$18,955,000</b>	<b>\$19,785,000</b>	<b>\$16,407,000</b>	<b>\$85,170,000</b>
<b>Grant</b>						
Airport Blvd Sewer Consolidation Project	\$75,000	\$450,000	\$4,500,000	\$ -	\$ -	\$5,025,000
Avenue 66 Trunk Sewer	50,000	-	25,000	2,150,000	3,500,000	5,725,000
Monroe Street Trunk Sewer	50,000	250,000	2,875,000	-	-	3,175,000
Pierce Street Trunk Sewer	-	-	-	250,000	3,500,000	3,750,000
<b>Subtotal Grant</b>	<b>\$175,000</b>	<b>\$700,000</b>	<b>\$7,400,000</b>	<b>\$2,400,000</b>	<b>\$7,000,000</b>	<b>\$17,675,000</b>
<b>Total Sanitation</b>	<b>\$35,502,255</b>	<b>\$44,510,102</b>	<b>\$55,830,953</b>	<b>\$55,399,260</b>	<b>\$48,052,977</b>	<b>\$239,295,547</b>

## WRP 10 Chemical System Safety Upgrade

WR1030

### Project Description

This project includes design and construction upgrades to the chlorination building to conform to chemical system safety requirements of the 2013 California Fire Code. The project will also include design and installation of Closed Circuit Television cameras for the chlorine building, installation of a new fire sprinkler system, access control, and video monitoring system for site security and safety. This project is currently under construction



### Project Objectives

The objective of this project is to meet the requirements of 2013 California Fire Code and improve worker safety during operation and maintenance of the chlorination system.

### Schedule

**Start :** 06/06/2015 **Complete :** 12/31/2020 **Project Status :** Construction

Estimated Project Cost (\$)	5,983,000
Capitalized Labor	173,610
Construction	5,323,510
Other	35,880
Planning/Design	450,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
1,685,000	3,320,000	978,000	0	0	0	0

<b>Other Financial Impact</b>	\$20,000 per year - Operation of new chlorine scrubber will increase O&M cost for electricity, material replacement, and labor.		
<b>Operational Impact</b>	New scrubber system will ensure regulatory compliance and aid to worker safety.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## Sanitation

### WRP 10 Headworks Improvements (Fine Screens, Pumps, Vortex Grit Chamber, Equalization Basin, Odor Control)

WR1042

#### Project Description

The project includes the design and construction of preliminary treatment systems, which includes site work, influent pumps, vortex grit chamber, influent equalization basin, and odor control. The project will maximize treatment capacity and process performance while increasing redundancy/reliability.



#### Project Objectives

The objective of the project is to increase headworks capacity, increase process control and improve reliability of the treatment process, and improve the ability of the plant to treat septage loading.

#### Schedule

**Start :** 07/01/2020 **Complete :** 05/09/2025 **Project Status :** Design

Estimated Project Cost (\$)	9,800,000
Capitalized Labor	248,276
Construction	8,351,724
Other	0
Planning/Design	1,200,000

Funding Source	%
Pay-as-you-go	50
SCC Treatment	50

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	75,000	0	1,200,000	3,600,000	2,000,000

<b>Other Financial Impact</b>	Financial impact is expected to improve through more efficient treatment that will allow for reduced energy costs. Construction of this project will be performed beyond fiscal 2025 in the estimated amount of \$3 million.		
<b>Operational Impact</b>	Operational impact will be improved through less pump maintenance and failures and improved process performance.		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

### WRP 10 Process Optimization

WR1036

#### Project Description

This project includes implementing wastewater treatment process recommendations by the Energy Coalition for WRP 10. The optimization project will reduce annual electrical usage by implementing control measures to provide more efficient process operation, and provide capacity for additional growth.



#### Project Objectives

The objective of this project is to Install equipment to increase energy efficiency through replacement of lighting with LED lighting, to optimize control of the activated sludge process in Plant A by installation of ammonia and RAS/WAS monitoring equipment, to control the tertiary filter scouring operation to reduce backwash time, and to refurbish T2 pumps to increase overall pumping efficiency. In addition, retrofit the T2 filtration system with the Parkson Dynasand Ecowash Filter.

#### Schedule

<b>Start :</b>	07/01/2019	<b>Complete :</b>	06/30/2021	<b>Project Status :</b>	Planning
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Estimated Project Cost (\$)	1,816,000
Capitalized Labor	45,222
Construction	0
Other	1,620,778
Planning/Design	150,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
603,000	488,000	725,000	0	0	0	0

<b>Other Financial Impact</b>	Reduced energy costs.		
<b>Operational Impact</b>	Improved process performance.		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

## Sanitation

### WRP 10 Secondary Effluent Pump Station and Storage Ponds

WR1035

#### Project Description

This project includes construction of a new secondary effluent pump station and storage ponds at WRP 10 to replace the existing secondary effluent pump station that has reached capacity and is nearing the end of its useful life. Construction of a new pump station and additional effluent storage ponds will result in more efficient operation and enable CVWD to be able to meet future effluent pumping needs. The expanded storage component of this project is needed to replace the ponds taken out of service for the Palm Desert Groundwater Replenishment Facility Project. This project is currently under construction.



#### Project Objectives

The objective of this project is to increase secondary effluent storage capacity, provide operational flexibility to store and use secondary effluent, replace failing pumps and equipment, and increase pumping capability to optimize plant performance.

#### Schedule

<b>Start :</b>	08/06/2018	<b>Complete :</b>	06/30/2021	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	27,103,000
Capitalized Labor	349,736
Construction	25,604,112
Other	39,500
Planning/Design	1,109,652

Funding Source	%
Pay-as-you-go	50
SCC Treatment	50

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
953,000	17,150,000	9,000,000	0	0	0	0

<b>Other Financial Impact</b>	Project will add electricity and labor costs to maintain new meter vaults and monitoring equipment.				
<b>Operational Impact</b>	The project will facilitate operation of the plant by allowing flexibility to store and use secondary effluent.				
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>		

### WRP 7 - Aeration Improvements

#### WR7020

#### Project Description

This project includes design and construction of new blowers and a new aeration building. The project, also includes replacement of RAS/WAS pumps, electrical and instrumentation control equipment. The project will maximize treatment capacity, improve process efficiency, increase redundancy, and provide additional capacity for growth. WRP 7's aeration system has reached capacity and is nearing the end of its useful life. This project is currently under construction.



#### Project Objectives

The objective of this project is to improve the reliability of the treatment process, increase efficiency and reliability of aeration system (blowers), increase operational flexibility, and prepare for possible regulatory changes.

#### Schedule

<b>Start :</b>	11/18/2019	<b>Complete :</b>	06/30/2023	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	17,434,000
Capitalized Labor	438,000
Construction	15,866,000
Other	0
Planning/Design	1,130,000

Funding Source	%
Pay-as-you-go	50
SCC Treatment	50

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	337,000	950,000	7,350,000	8,797,000	0	0

<b>Other Financial Impact</b>	Additional labor and electricity cost to operate and maintain the equipment.	
<b>Operational Impact</b>	The implementation of the new process, equipment, and upgrades will allow CVWD to reliably treat projected influent flows and will allow for process flexibility to prepare WRP 7 for potentially stricter discharge limits including nutrient removal.	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b> <input type="checkbox"/>

## Sanitation

### WRP 7 Chemical System Safety Upgrade

WR7015

#### Project Description

This project includes the design and construction upgrades to the chlorination building to conform to chemical system safety requirements of the 2013 California Fire Code. The project will also include design and installation of Closed Circuit Television cameras for the chlorine building and installation of a new fire sprinkler system, access control, and a video monitoring system for site security and safety. This project is currently under construction.



#### Project Objectives

The objective of this project is to meet the requirements of 2013 California Fire Code and improve worker safety during operation and maintenance of the chlorination system.

#### Schedule

<b>Start :</b>	06/06/2015	<b>Complete :</b>	12/31/2020	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	4,613,000
Capitalized Labor	173,610
Construction	3,963,510
Other	25,880
Planning/Design	450,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
1,149,000	2,750,000	714,000	0	0	0	0

<b>Other Financial Impact</b>	\$20,000 per year - Operation of new chlorine scrubber will increase O&M cost for electricity, material replacement, and labor.		
<b>Operational Impact</b>	New scrubber system will ensure regulatory compliance and aid to worker safety.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## WRP 7 Process Optimization

### WR7021

#### Project Description

This project includes an energy efficiency and optimization study to identify energy saving measures at WRP 7 in support of the WRP Energy Optimization strategic initiative.



#### Project Objectives

The objective of this project is to evaluate opportunities for energy cost savings through an energy efficiency site survey.

#### Schedule

<b>Start :</b>	03/16/2020	<b>Complete :</b>	06/30/2021	<b>Project Status :</b>	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	75,000
Capitalized Labor	2,816
Construction	0
Other	0
Planning/Design	72,184

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	75,000	0	0	0	0

<b>Other Financial Impact</b>	Reduced energy costs through measures identified.		
<b>Operational Impact</b>	Increased process control through measures identified.		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

## Sanitation

### WRP 7 Programmable Logic Controller Upgrade

WR7019

#### Project Description

This project includes the rehabilitation and replacement of all obsolete Programmable Logic Controllers (PLC) and control panels at WRP 7. It will also expand the plant's fiber optic communication system to allow for future treatment expansions and facilitate integration with the new SCADA System. Additionally it will include a thorough investigation and evaluation of the existing condition of equipment and wiring to provide an accurate as-built representation of the electrical controls system. This project is currently under construction.



#### Project Objectives

The objective of this project is to replace obsolete equipment with new equipment capable of providing a necessary safeguard to the WRP 7 sanitation treatment process against preventable electrical systems failures and add a new redundant fiber optic cable communication path that will provide enough bandwidth for all future plant expansions. Verify existing wiring to ensure continuous failure free due to faulty wires for the next 10+ years.

#### Schedule

<b>Start :</b>	02/01/2019	<b>Complete :</b>	08/14/2020	<b>Project Status :</b>	Construction
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Estimated Project Cost (\$)	4,289,200
Capitalized Labor	321,200
Construction	3,380,000
Other	88,000
Planning/Design	500,000

Funding Source	%
Pay-as-you-go	50
SCC Treatment	50

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
567,000	3,400,000	322,200	0	0	0	0

<b>Other Financial Impact</b>	None					
<b>Operational Impact</b>	Current PLC configuration does not provide any electrical protection to the individual I/O modules, this leaves the system susceptible to catastrophic failures capable of crippling the treatment process. The new system will provide enough protection to ensure the continuous treatment process.					
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non – Discretionary</b>		<input checked="" type="checkbox"/>		

## WRP 7 Recycled Water Expansion and MP 113.2 Upgrades

WR7022

### Project Description

The project includes an expansion of the tertiary system by 2.5 MGD for a total capacity of 5.0 MGD, adds a 5 million gallon tertiary water storage bladder, re-purposes a land disposal pond to accept secondary effluent for re-treatment, and upgrades the capacity of the MP 113.2 canal water pump station.



### Project Objectives

The objective of this project is to increase use of recycled water in the WRP 7 service area to meet goals of the CVWMP for source substitution, reduce land disposal of secondary effluent, improve plant process performance by reducing fluctuations in daily flow by capturing secondary effluent and re-introducing it to the plant process, and upgrading the MP 113.2 canal water pump station to improve delivery of canal water to the plant site.

### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2027	<b>Project Status :</b>	Planning
----------------	------------	-------------------	------------	-------------------------	----------

<b>Estimated Project Cost (\$)</b>	<b>16,950,000</b>
Capitalized Labor	1,051,120
Construction	13,898,880
Other	0
Planning/Design	2,000,000

<b>Funding Source</b>	<b>%</b>
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	400,000	550,000	2,500,000	2,500,000	5,000,000

<b>Other Financial Impact</b>	Increase in chemical, energy and labor costs. Construction of this project will be performed beyond fiscal 2025 in the estimated amount of \$6 million.	
<b>Operational Impact</b>	Improved plant performance	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	Non - Discretionary <input type="checkbox"/>

## Sanitation

### WRP 4 Chemical System Safety Upgrade

WR4013

#### Project Description

The project includes the design and construction upgrades to the chlorination and sulfonation buildings to conform to chemical system safety requirements of the 2013 California Fire Code. The project will also include design and installation of Closed Circuit Television cameras for the chlorine and sulfur buildings, installation of a new fire sprinkler system, access control, and video monitoring system for site security and safety. This project is currently under construction.



#### Project Objectives

The objective of this project is to meet the requirements of 2013 California Fire Code and improve worker safety during operation and maintenance of the chlorination and sulfonation systems.

#### Schedule

Start :	06/06/2015	Complete :	12/31/2020	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	5,113,620
Capitalized Labor	137,740
Construction	4,500,000
Other	25,880
Planning/Design	450,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
1,685,000	2,518,620	910,000	0	0	0	0

<b>Other Financial Impact</b>	\$20,000 per year - Operation of new chlorine scrubber will increase O&M cost for electricity, material replacement, and labor.		
<b>Operational Impact</b>	New scrubber system will ensure regulatory compliance and aid to worker safety.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

### WRP 4 Phase 1 Improvements - Nonpotable Water Upgrades

#### WR4016

##### Project Description

This project includes design and construction of a new tertiary filtration treatment system including filters, chlorine contact basins, effluent pump station, equalization ponds, odor control, site improvements and recycled water distribution piping.



##### Project Objectives

The objective of this project is to supply East Valley demand with nonpotable water (NPW) from WRP 4 to support the groundwater substitution program, an element of implementing the CVWMP to satisfy CVWD's Groundwater Sustainability Agency obligations. In addition, the project will mitigate costs associated with potential advanced treatment of discharges to the Coachella Valley Stormwater Channel and Salton Sea.

##### Schedule

<b>Start :</b>	07/01/2019	<b>Complete :</b>	06/28/2024	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

<b>Estimated Project Cost (\$)</b>	<b>18,715,000</b>
Capitalized Labor	492,328
Construction	16,419,372
Other	55,300
Planning/Design	1,748,000

<b>Funding Source</b>	<b>%</b>
SCC Treatment	40
Pay-as-you-go	60

##### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	215,000	1,000,000	5,000,000	6,000,000	6,500,000	0

<b>Other Financial Impact</b>	Potential to mitigate costs associated with potential advanced treatment facilities for discharges to the Coachella Valley Stormwater Channel and the Salton Sea.		
<b>Operational Impact</b>	Increased operational costs including labor, chemicals and electricity.		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

## Sanitation

### WRP 4 Process Optimization

WR4015

#### Project Description

This project includes purchase and installation of the Blue Frog or Lagoon Master aeration treatment system in Module 4 to evaluate the technology with respect to energy efficiency and improvements in effluent discharge. The project also includes an energy efficiency study.



#### Project Objectives

The objectives of this project are to evaluate cost savings due to reduced energy consumption and reduced maintenance with respect to pond dredging while meeting WRP 4 discharge permit limits and an energy efficiency site survey to identify other energy saving opportunities.

#### Schedule

**Start :** 07/01/2019 **Complete :** 06/30/2021 **Project Status :** Construction

Estimated Project Cost (\$)	745,000
Capitalized Labor	31,544
Construction	514,456
Other	0
Planning/Design	199,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	170,000	575,000	0	0	0	0

<b>Other Financial Impact</b>	Reduced energy costs and reduced maintenance costs by eliminating pond dredging and other energy efficiency measures identified.	
<b>Operational Impact</b>	Reduced time for pond maintenance.	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Non – Discretionary

## Avenue 66 Grade Separation – Gravity Sewer Relocation

SA1904

### Project Description

This project includes removing and replacing 850 linear feet of 8-inch Sewer Gravity Pipeline as part of the Riverside County Avenue 66 Grade Separation at Union Pacific Railroad (UPRR). Design, Engineering and Construction cost to be reimbursed by the County.



### Project Objectives

The objective of this project is to relocate a small section of sewer pipeline at the north/east segment of the Ave 66 Grade Separation Site. The new improvements will allow for continuous sewer service to the residents of Mecca and protect existing sewer system infrastructure from new traffic loading. The county will reimburse CVWD for the cost of this project.

### Schedule

<b>Start :</b>	07/01/2019	<b>Complete :</b>	09/30/2020	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	240,000
Capitalized Labor	25,000
Construction	180,000
Other	5,000
Planning/Design	30,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
11,043	218,957	10,000	0	0	0	0

<b>Other Financial Impact</b>	None		
<b>Operational Impact</b>	None		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non – Discretionary</b>	<input type="checkbox"/>

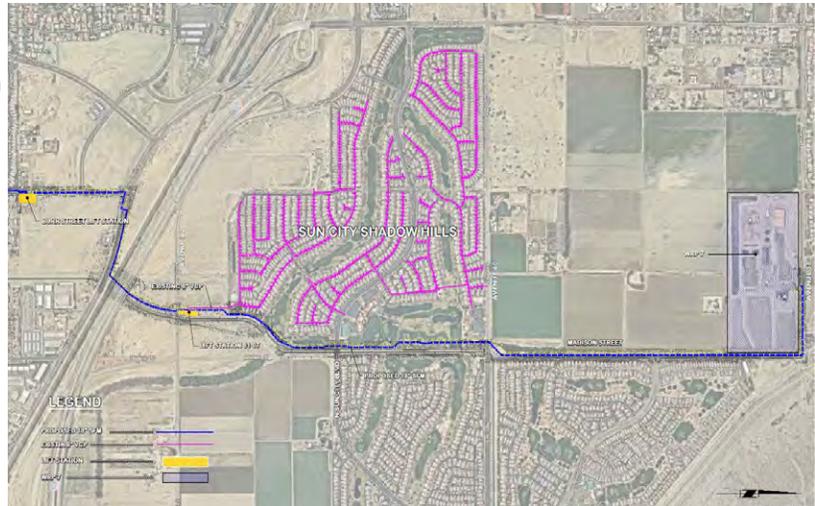
## Sanitation

### Burr Street Force Main

SA1902

#### Project Description

This project includes the design and construction of approximately 17,000 linear feet of 18-inch diameter force main from the new Lift Station 81-03 (Burr Street) to WRP 7. The pipeline will provide redundancy to the existing 18-inch diameter force main, which is approximately 28 years old and requires periodic maintenance.



#### Project Objectives

The objective of this project is to provide redundancy to the existing 18-inch diameter force main, which is approximately 28 years old and requires periodic maintenance. The existing Burr Street Force Main is in poor condition. The proposed force main will act as redundant force main.

#### Schedule

Start :	01/01/2019	Complete :	06/28/2024	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	7,433,000
Capitalized Labor	113,900
Construction	6,841,000
Other	178,100
Planning/Design	300,000

Funding Source	%
Pay-as-you-go	50
SCC Collection	50

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
133,000	0	50,000	6,500,000	750,000	0	0

<b>Other Financial Impact</b>	Construction of the proposed force main will eliminate the emergency repairs and overtime due to emergency calls. New force main will provide redundancy.		
<b>Operational Impact</b>	The project will improve the overall operations of the sewer collection system and ensure compliance with regulatory requirements		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

### First Tee Sewer and Manhole Rehabilitation

#### SA2101

##### Project Description

This project includes rehabilitation of existing sewer manholes and junction boxes within the Golf Center of Palm Desert which experienced severe deterioration from corrosion.



##### Project Objectives

The objective of this project is to rehabilitate six existing sewer manholes with structural manhole insets and rehabilitate junction structures no. 32 and no. 17 with rectangular structural inserts.

##### Schedule

Start :	07/01/2020	Complete :	06/30/2021	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	575,000
Capitalized Labor	9,310
Construction	438,190
Other	27,500
Planning/Design	100,000

Funding Source	%
Pay-as-you-go	100

##### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	75,000	500,000	0	0	0	0

<b>Other Financial Impact</b>	Reduce annual operating costs for labor and equipment necessary to clean the sewer pipeline to maintain level of service.
<b>Operational Impact</b>	The project will maximize collection capacity and increase redundancy/reliability. The improvements will eliminate the potential for Sanitary System Overflows (SSO's), which may result in Clean Water Act fines up to \$25,000 per day.
<b>Discretionary</b>	<input checked="" type="checkbox"/> <b>Discretionary</b> <span style="margin-left: 150px;"><input type="checkbox"/> <b>Non - Discretionary</b></span>

## Sanitation

### Jefferson Street and Avenue 50 Force Main, Phase 1 and 2

SA1903

#### Project Description

This project includes construction of a new sewer main bypass on Jefferson Street at Avenue 48 and Avenue 50 intersections. The new bypass will enable collection staff to discharge flows from the sewer force main to the gravity line during peak seasonal flows and for maintenance purposes. The improvement will increase the reliability of the force main system.



#### Project Objectives

The objective of this project is to increase the reliability of service and reduce the potential of SSOs and associated regulatory fines by increasing the system flow capacity and adding redundancy for future growth.

#### Schedule

Start : 02/01/2019 Complete : 06/30/2021 Project Status : Construction

Estimated Project Cost (\$)	800,000
Contractor	531,400
CVWD Staff	52,200
Legal Services	10,000
Outside Services	206,400

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
184,420	315,580	300,000	0	0	0	0

<b>Other Financial Impact</b>	The project will improve system performance by installing new valves and fittings and reduce potential for SSOs and related regulatory fines.		
<b>Operational Impact</b>	New bypass will enable collection staff to discharge flows from sewer force main to gravity line during peak seasonal flows and for maintenance purposes. The improvement will increase the flow capacity of force main and support future population growth.		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

## Lift Station 80-03 Upgrade - Cook Street

LS2101

### Project Description

This project includes design and construction of a new 12-foot diameter wet well, pumps, piping, electrical cabinets, generator, controls, perimeter block wall and other site features. The lift station improvements will accommodate growth in the community of Palm Desert per the Sewer Collection System Master Plan



### Project Objectives

The objective of this project is to replace 21-year old infrastructure that is reaching capacity. The lift station improvements will accommodate growth in the community of Palm Desert per the Sewer Collection System Master Plan.

### Schedule

<b>Start :</b>	07/01/2021	<b>Complete :</b>	06/28/2024	<b>Project Status :</b>	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	2,350,151
Capitalized Labor	148,940
Construction	1,824,750
Other	76,461
Planning/Design	300,000

Funding Source	%
SCC Collection	50
Pay-as-you-go	50

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	50,000	300,000	1,000,151	1,000,000	0

<b>Other Financial Impact</b>	Additional electrical energy will be consumed and additional time to operate and maintain the new equipment on an annual basis.					
<b>Operational Impact</b>	The project will maximize collection capacity and increase redundancy/reliability. The improvements will eliminate the potential for Sanitary System Overflows (SSO's), which may result in Clean Water Act fines up to \$25,000 per day.					
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>			

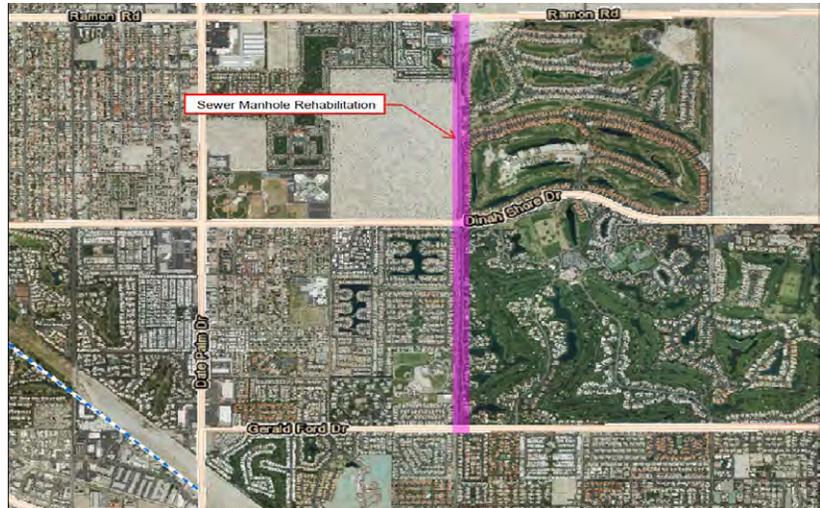
## Sanitation

### Sewer Manhole Rehabilitation - Rancho Mirage, Palm Desert, and La Quinta

SA2102

#### Project Description

This project includes replacing approximately 39 deteriorating sewer manholes within the City of Rancho Mirage, Palm Desert and La Quinta. The sewer manholes are currently deteriorating, requiring complete removal and replacement.



#### Project Objectives

The objective of this project is to increase the reliability of service and reduce the potential of SSOs and associated regulatory fines by replacement or rehabilitation of severely corroded manholes.

#### Schedule

Start : 06/30/2020 Complete : 06/28/2024 Project Status : Design

Estimated Project Cost (\$)	1,351,861
Capitalized Labor	97,136
Construction	1,131,860
Other	7,865
Planning/Design	115,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	337,965	337,965	337,965	337,966	0

Other Financial Impact	The project will reduce O&M costs associated with frequent sewer line cleaning and CCTV assessment.		
Operational Impact	The project will increase reliability of service and meet customer satisfaction goals.		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>

### Sewer Pipeline and Manhole Rehabilitation - Palm Desert and Rancho Mirage

SA2001

#### Project Description

This project includes rehabilitation and replacement of corroded ductile iron pipe (DIP) sewer lines and concrete manholes in the City of Palm Desert. Approximately 200 feet of DIP sewer main and 10 concrete manholes will be rehabilitated to increase the reliability of service in the Town Center Plaza commercial complex.



#### Project Objectives

The objective of this project is to increase the reliability of service and reduce the potential of SSOs and associated regulatory fines by replacement or rehabilitation of severely corroded sewer pipelines and manholes.

#### Schedule

<b>Start :</b>	07/01/2019	<b>Complete :</b>	09/25/2020	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	589,000
Contractor	370,000
CVWD Staff	49,340
Legal Services	10,000
Material/Direct Purchases	0
Outside Services	159,660
Permits	0

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
43,146	505,854	40,000	0	0	0	0

<b>Other Financial Impact</b>	The project will reduce O&M costs associated with frequent sewer line cleaning and CCTV assessment.		
<b>Operational Impact</b>	The project will increase reliability of service and meet customer satisfaction goals.		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

## Sanitation

### Sewer Pipeline Rehabilitation - Palm Desert and Thousands Palms

SA2104

#### Project Description

This project includes refurbishing 25 manholes and installing approximately 9,500 linear feet of cured-in-place pipe within the communities of Palm Desert and Thousand Palms. The project will address existing sags/longitudinal cracks within the sewer pipeline and deteriorating sewer manholes.



#### Project Objectives

The objective of this project is to increase sewer pipeline reliability, prevent potential sewer spills, and repair sags in pipe and deteriorated manholes.

#### Schedule

Start : 07/01/2020 Complete : 07/29/2022 Project Status : Planning

Estimated Project Cost (\$)	1,900,047
Capitalized Labor	116,199
Construction	1,582,400
Other	11,448
Planning/Design	190,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	259,200	1,640,847	0	0	0

<b>Other Financial Impact</b>	Reduce annual operating costs for labor and equipment necessary to clean the sewer pipeline to maintain level of service.					
<b>Operational Impact</b>	The project will maximize collection capacity and increase reliability. The improvements will eliminate the potential for Sanitary System Overflows (SSO's), which may result in Clean Water Act fines up to \$25,000 per day.					
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>			

### Sewer Pipeline Rehabilitation - Avenue 50

#### SA2103

#### Project Description

This project includes replacing approximately 800 linear feet of existing 18-inch diameter gravity sewer pipeline and appurtenances within the City of La Quinta. The sewer rehabilitation will address existing sags and longitudinal cracks.



#### Project Objectives

The objective of this project is to increase sewer pipeline reliability, prevent potential sewer spills, and repair sags in pipe.

#### Schedule

<b>Start :</b>	01/01/2021	<b>Complete :</b>	05/14/2022	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

<b>Estimated Project Cost (\$)</b>	<b>724,830</b>
Capitalized Labor	64,240
Construction	539,000
Other	21,590
Planning/Design	100,000

<b>Funding Source</b>	<b>%</b>
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	48,000	676,830	0	0	0

<b>Other Financial Impact</b>	Reduce annual operating costs for labor and equipment necessary to clean the sewer pipeline to maintain level of service.	
<b>Operational Impact</b>	The project will maximize collection capacity and increase reliability. The improvements will eliminate the potential for Sanitary System Overflows (SSO's), which may result in Clean Water Act fines up to \$25,000 per day.	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b> <input type="checkbox"/>

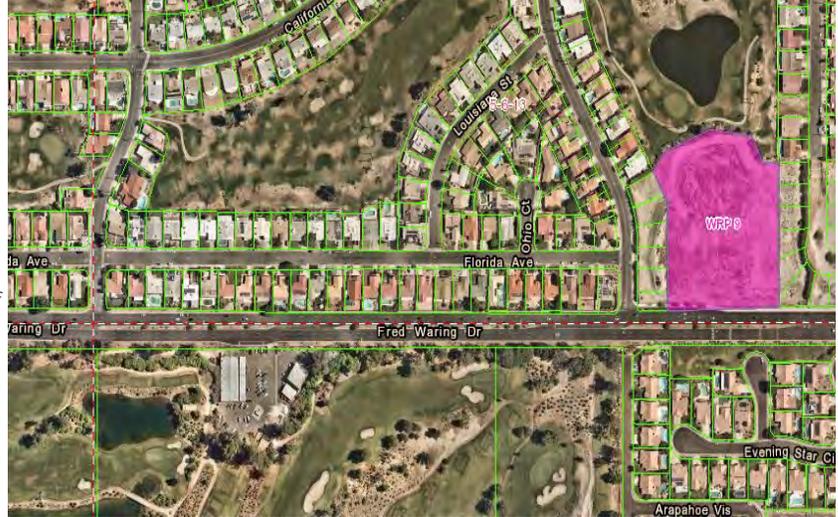


## Sewer Pipeline Rehabilitation Project - Fred Waring Drive

SA1403

### Project Description

This project includes replacing approximately 1,800 linear feet of an existing 10-inch gravity sewer pipeline and appurtenances within the City of Palm Desert. The sewer rehabilitation will address existing sags and longitudinal cracks. Construction of this project will also ensure reliability of service within the City of Palm Desert and reduce the possibility of potential SSOs in the event of failure.



### Project Objectives

The objective of this project is to replace existing, deteriorated 10" VCP sewer main in the City of Palm Desert to increase the reliability of service and reduce the potential of accidental failure leading to SSOs.

### Schedule

<b>Start :</b>	06/14/2016	<b>Complete :</b>	06/30/2023	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

<b>Estimated Project Cost (\$)</b>	<b>1,744,000</b>
Construction	1,492,460
CVWD Labor	96,540
Other	10,000
Planning/Design	145,000

<b>Funding Source</b>	<b>%</b>
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
105,000	50,000	10,000	1,329,000	250,000	0	0

<b>Other Financial Impact</b>	Construction of new pipeline will reduce operations cost and also reduce the potential of SSOs and associated regulatory fines.		
<b>Operational Impact</b>	New pipeline will reduce needs for frequent sewer line cleaning and CCTV assessment potentially saving \$20,000 in O&M costs per year.		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

## Sanitation

### Sewer Pipeline Rehabilitation - Fairway Drive

SA1603

#### Project Description

This project includes replacing approximately 1,600 linear feet of existing 10-inch diameter gravity sewer pipeline and appurtenances within the City of Indian Wells. The sewer rehabilitation will address existing sags and longitudinal cracks.



#### Project Objectives

The objective of this project is to increase sewer pipeline reliability, prevent potential sewer spills, and repair sags in pipe.

#### Schedule

Start : 06/30/2019 Complete : 06/30/2022 Project Status : Design

Estimated Project Cost (\$)	684,000
Capitalized Labor	68,080
Construction	526,600
Other	26,000
Planning/Design	63,320

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	48,000	636,000	0	0	0

<b>Other Financial Impact</b>	Reduce annual operating costs for labor and equipment necessary to clean the sewer pipeline to maintain level of service.
<b>Operational Impact</b>	The project will maximize collection capacity and increase reliability. The improvements will eliminate the potential for Sanitary System Overflows (SSO's), which may result in Clean Water Act fines up to \$25,000 per day.
<b>Discretionary</b>	<input checked="" type="checkbox"/> <b>Discretionary</b> <input type="checkbox"/> <b>Non - Discretionary</b>

### Annenberg (aka Sunnylands) Golf Club NPW Connection

NP2004

#### Project Description

This project includes the design and construction of a non-potable water pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Annenberg (aka Sunnylands) Golf Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes.



#### Project Objectives

The objective of this project is to expand CVWD's Nonpotable Water service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 1,262 af of groundwater per year.

#### Schedule

Start : 01/01/2021 Complete : 06/30/2024 Project Status : Planning

Estimated Project Cost (\$)	5,754,500
Capitalized Labor	160,620
Construction	5,336,880
Other	10,000
Planning/Design	247,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	4,500	150,000	0	3,000,000	2,600,000	0

<b>Other Financial Impact</b>	Additional electricity and labor cost to maintain the new meter vault and monitoring equipment.					
<b>Operational Impact</b>	This project will expand the CVWD's service area for the delivery of non-potable water. Connecting this project to NPW delivery system will save approximately 1,006 acre-feet of groundwater per year.					
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>			

## Sanitation

### Bermuda Dunes Country Club NPW Connection

C01506

#### Project Description

This project includes the design and construction of a non-potable water pipeline, meter connection, and pump capacity upgrade from WRP 10's non-potable water distribution system to Bermuda Dunes Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes.



#### Project Objectives

The objective of this project is to expand CVWD's Nonpotable Water service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 1,283 af of groundwater per year.

#### Schedule

<b>Start :</b>	01/01/2021	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

<b>Estimated Project Cost (\$)</b>	<b>3,595,000</b>
Capitalized Labor	107,080
Construction	3,277,920
Other	10,000
Planning/Design	200,000

<b>Funding Source</b>	<b>%</b>
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
550,000	20,000	1,525,000	1,500,000	0	0	0

<b>Other Financial Impact</b>	\$5,000 per year. - for additional electricity and material cost to maintain the new meter vault and monitoring equipment.				
<b>Operational Impact</b>	\$5,000 per year - for labor related to maintenance/calibration of control valve and meter.				
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>		

## Desert Island Country Club (aka The S) NPW Connection

NP2005

### Project Description

This project includes the design and construction of a non-potable water pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Desert Island Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes.



### Project Objectives

The objective of this project is to expand CVWD's Nonpotable Water service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 979 af of groundwater per year.

### Schedule

**Start :** 07/01/2020 **Complete :** 06/30/2025 **Project Status :** Planning

Estimated Project Cost (\$)	5,960,500
Capitalized Labor	160,620
Construction	5,539,880
Other	10,000
Planning/Design	250,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	4,500	150,000	0	2,500,000	3,000,000	306,000

<b>Other Financial Impact</b>	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.	
<b>Operational Impact</b>	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b> <input type="checkbox"/>

## Sanitation

### Emerald Desert Country Club NPW Connection

NP1602

#### Project Description

This project includes the design and construction of a non-potable water pipeline and meter connection from the 24-inch high pressure distribution piping system to Emerald Desert RV Resort. The connection will allow the resort to reduce its reliance on groundwater for turf irrigation purposes and help CVWD achieve groundwater sustainability goals.



#### Project Objectives

The objective of this project is to expand CVWD's Nonpotable Water service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 144 acre-feet of groundwater per year.

#### Schedule

<b>Start :</b>	01/01/2015	<b>Complete :</b>	06/30/2021	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	652,000
Capitalized Labor	56,800
Construction	495,200
Other	0
Planning/Design	100,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
191,000	10,000	451,000	0	0	0	0

<b>Other Financial Impact</b>	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.				
<b>Operational Impact</b>	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.				
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>		

## Garden Fellowship NPW Connection

NP2101

### Project Description

This project includes the design and construction of an 8-inch diameter nonpotable water (NPW) pipeline and meter connection for the turf irrigation for the Garden Fellowship. The new pipeline will be extended from the proposed new 8-inch diameter pipeline to be designed and constructed for the Young's family farms.



### Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for turf irrigation.

### Schedule

Start :	07/01/2020	Complete :	06/28/2024	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

<b>Estimated Project Cost (\$)</b>	<b>600,000</b>
Capitalized Labor	104,400
Construction	235,600
Other	10,000
Planning/Design	250,000

<b>Funding Source</b>	<b>%</b>
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	100,000	500,000	0	0	0

<b>Other Financial Impact</b>	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.	
<b>Operational Impact</b>	\$5,000 per year - for labor related to maintenance/calibration of control valve and meter.	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	Non - Discretionary <input type="checkbox"/>

## Sanitation

### Indian Wells Tennis Gardens NPW Connection

NP2006

#### Project Description

This project includes the design and construction of a nonpotable water pipeline and meter connection from the Mid-Valley Pipeline to the Indian Wells Tennis Garden. The connection will allow the stadium complex to reduce its reliance on groundwater for turf irrigation purposes.



#### Project Objectives

The objective of this project is to expand CVWD's Nonpotable Water (NPW) service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 359 af of groundwater per year.

#### Schedule

Start :	01/01/2021	Complete :	06/30/2024	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	3,754,500
Capitalized Labor	107,080
Construction	3,437,420
Other	10,000
Planning/Design	200,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	4,500	250,000	0	2,000,000	1,500,000	0

Other Financial Impact	None
Operational Impact	None
Discretionary	<input checked="" type="checkbox"/> Non-Discretionary <input type="checkbox"/>



## Sanitation

### Marriott Desert Springs North Course NPW Connection

NP1702

#### Project Description

This project includes the design and construction of a non-potable water pipeline and meter connection from the 24-inch low pressure distribution piping system to Marriott Desert Springs North Course. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes.



#### Project Objectives

The objective of this project is to expand CVWD's Nonpotable Water service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 1,383 af of groundwater per year.

#### Schedule

Start : 06/14/2016 Complete : 06/30/2025 Project Status : Construction

Estimated Project Cost (\$)	6,245,000
Capitalized Labor	214,160
Construction	5,982,840
Other	0
Planning/Design	48,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
30,000	20,000	25,000	25,000	145,000	2,000,000	4,000,000

<b>Other Financial Impact</b>	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.		
<b>Operational Impact</b>	\$5,000 per year - for labor related to maintenance/calibration of control valve and meter.		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

## Marriott Shadow Ridge NPW Connection

NP1701

### Project Description

This project includes the design and construction of a non-potable water pipeline and meter connection from the future 18-inch low pressure distribution piping system to Marriott Shadow Ridge. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes.



### Project Objectives

The objective of this project is to expand CVWD's Nonpotable Water service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 1,375 af of groundwater per year.

### Schedule

<b>Start :</b>	06/16/2016	<b>Complete :</b>	06/30/2025	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	3,829,000
Capitalized Labor	107,080
Construction	3,360,920
Other	10,000
Planning/Design	351,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
337,000	15,000	25,000	25,000	145,000	145,000	3,137,000

<b>Other Financial Impact</b>	\$5,000 per year. - for additional electricity and material cost to maintain the new meter vault and monitoring equipment.	
<b>Operational Impact</b>	\$5,000 per year - for labor related to maintenance/calibration of control valve and meter.	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b> <input type="checkbox"/>

## Sanitation

### Palm Desert Resort Country Club NPW Connection

NP1802

#### Project Description

This project includes the construction of a non-potable water pipeline, meter connection, and pump capacity upgrade from WRP 10's non-potable water distribution system to Palm Desert Resort Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes.



#### Project Objectives

The objective of this project is to expand CVWD's Nonpotable Water service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 874 af of groundwater per year.

#### Schedule

Start : 06/13/2017 Complete : 06/30/2022 Project Status : Construction

Estimated Project Cost (\$)	1,993,000
Capitalized Labor	160,620
Construction	1,570,380
Other	10,000
Planning/Design	252,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
223,000	20,000	1,500,000	250,000	0	0	0

Other Financial Impact	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.					
Operational Impact	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.					
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary	<input type="checkbox"/>			

## Palm Royale Country Club NPW Connection

NP2008

### Project Description

This project includes the construction of a non-potable water pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Palm Royale Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes.



### Project Objectives

The objective of this project is to expand CVWD's Nonpotable Water service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 411 af of groundwater per year.

### Schedule

<b>Start :</b>	01/01/2020	<b>Complete :</b>	06/28/2024	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	2,154,500
Capitalized Labor	104,400
Construction	1,793,100
Other	10,000
Planning/Design	247,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	4,500	150,000	0	1,500,000	500,000	0

<b>Other Financial Impact</b>	\$5,000 per year. - for additional electricity and material cost to maintain the new meter vault and monitoring equipment.				
<b>Operational Impact</b>	\$5,000 per year - for labor related to maintenance/calibration of control valve and meter.				
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>		

## Sanitation

### Southwest Community Church/Gerald Ford School NPW Connection

NP2012

#### Project Description

This project includes the design and construction of a non-potable water pipeline and meter connections from the Mid-Valley Pipeline to Southwest Community Church and Gerald Ford School. The connection will allow the irrigation users to reduce their reliance on groundwater for turf irrigation purposes.



#### Project Objectives

The objective of this project is to expand CVWD's Nonpotable Water service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 212 af of groundwater per year.

#### Schedule

Start : 01/04/2021 Complete : 06/30/2025 Project Status : Planning

Estimated Project Cost (\$)	1,504,500
Capitalized Labor	80,310
Construction	1,217,190
Other	10,000
Planning/Design	197,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	4,500	200,000	0	1,300,000	0	0

Other Financial Impact	None
Operational Impact	None
Discretionary	<input checked="" type="checkbox"/> Non - Discretionary <input type="checkbox"/>

### Suncrest Country Club NPW Connection

NP2009

#### Project Description

This project includes the design and construction of a non-potable water pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Suncrest Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes.



#### Project Objectives

The objective of this project is to expand CVWD's Nonpotable Water service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 410 af of groundwater per year.

#### Schedule

<b>Start :</b>	01/01/2021	<b>Complete :</b>	06/28/2024	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	2,904,500
Capitalized Labor	61,210
Construction	2,626,290
Other	20,000
Planning/Design	197,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	4,500	150,000	0	150,000	2,600,000	0

<b>Other Financial Impact</b>	\$5,000 per year. - for additional electricity and material cost to maintain the new meter vault and monitoring equipment.				
<b>Operational Impact</b>	\$5,000 per year - for labor related to maintenance/calibration of control valve and meter.				
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>		

## Sanitation

### T1 Pump Station Replacement

NP1807

#### Project Description

This project includes replacing an existing, outdated T-1 pump station and constructing a replacement pump station to provide approximately 7,300 GPM additional flow capacity for the low-pressure non-potable water (NPW) system and 9,000 GPM additional flow capacity for the high-pressure NPW delivery system. Both low and high-pressure NPW delivery systems will also be equipped with one standby pump. The new pump station will also require construction of a new MCC building, wet well, and interconnecting piping between the recycled water pipeline and existing equalization basin. This project is required to support the expansion of the NPW delivery to 5 new projects on the high-pressure system and 2 new projects on the low-pressure system.



#### Project Objectives

The objective of this project is to replace the existing, out-of-service T-1 pump station and expand the capacity to support additional customers for the expansion of low and high-pressure NPW service area.

#### Schedule

<b>Start :</b>	06/13/2017	<b>Complete :</b>	06/30/2023	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	19,493,000
Capitalized Labor	511,400
Construction	17,846,600
Other	35,000
Planning/Design	1,100,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
538,000	155,000	4,800,000	9,500,000	4,500,000	0	0

<b>Other Financial Impact</b>	When fully utilized, the operation and maintenance cost will increase by up-to \$200,000/year for electricity and pump maintenance.	
<b>Operational Impact</b>	This project is required to support expansion of NPW delivery to 5 new projects on the high-pressure system and 2 new projects on the low-pressure system. The project will also support future customers on high and low pressure NPW service area.	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b> <input type="checkbox"/>

## Tamarisk Country Club Connection

NP2010

### Project Description

This project includes the design and construction of a non-potable water pipeline, meter connection, and pump capacity upgrade from WRP 10's NPW distribution system to Tamarisk Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes.



### Project Objectives

The objective of this project is to expand CVWD's Nonpotable Water service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 697 af of groundwater per year.

### Schedule

Start :	01/01/2021	Complete :	06/30/2025	Project Status :	Planning
---------	------------	------------	------------	------------------	----------

Estimated Project Cost (\$)	6,154,500
Capitalized Labor	233,520
Construction	5,603,980
Other	20,000
Planning/Design	297,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	4,500	150,000	0	0	0	150,000

Other Financial Impact	Construction of this project will be performed beyond fiscal 2025 in the estimated amount of \$5.9 million.	
Operational Impact		
Discretionary	<input checked="" type="checkbox"/>	Non - Discretionary <input type="checkbox"/>

## Sanitation

### The Oasis Country Club NPW Connection

NP1803

#### Project Description

This project includes the design and construction of a nonpotable water pipeline, meter connection, and pump capacity upgrade from WRP 10's non-potable water distribution system to The Oasis Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes.



#### Project Objectives

The objective of this project is to expand CVWD's Non-potable Water service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 673 af of groundwater per year.

#### Schedule

Start :	06/13/2017	Complete :	06/30/2022	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	5,680,000
Capitalized Labor	160,620
Construction	5,259,380
Other	10,000
Planning/Design	250,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
386,000	20,000	4,800,000	474,000	0	0	0

<b>Other Financial Impact</b>	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.	
<b>Operational Impact</b>	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	Non - Discretionary <input type="checkbox"/>



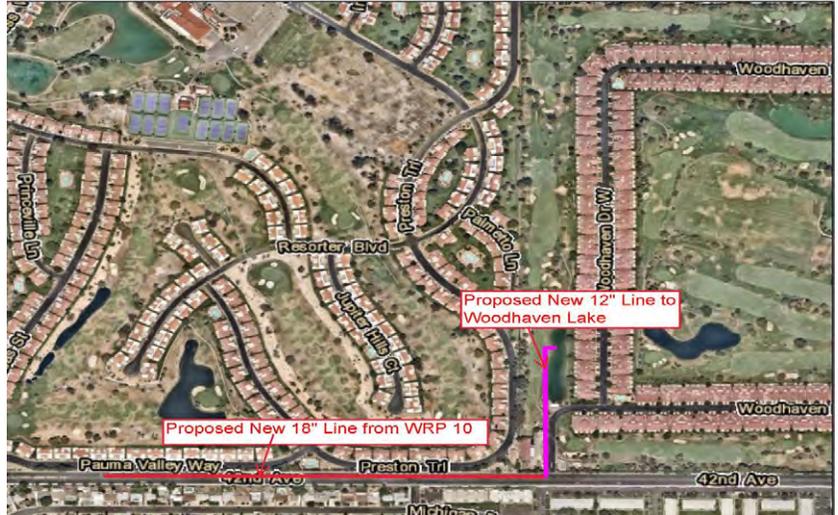
## Sanitation

### Woodhaven Country Club NPW Connection

NP1804

#### Project Description

This project includes the construction of a non-potable water pipeline, meter connection, and pump capacity upgrade from WRP 10's nonpotable water distribution system to Woodhaven Country Club. The connection will allow the golf course to reduce its reliance on groundwater for turf irrigation purposes.



#### Project Objectives

The objective of this project is to expand CVWD's Nonpotable Water service area and reduce reliance on groundwater for turf irrigation. Connecting this project to NPW delivery system will save approximately 870 af of groundwater per year.

#### Schedule

Start :	06/13/2017	Complete :	06/30/2022	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	1,840,000
Capitalized Labor	160,620
Construction	1,417,380
Other	10,000
Planning/Design	252,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
197,000	20,000	1,373,000	250,000	0	0	0

<b>Other Financial Impact</b>	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.					
<b>Operational Impact</b>	\$5,000 per year for labor related to maintenance/calibration of control valve and meter.					
<b>Discretionary</b>	<input checked="" type="checkbox"/>	Non - Discretionary			<input type="checkbox"/>	

## Young's Farmland NPW Connection

NP2002

### Project Description

This project includes design and construction of an 8-inch diameter nonpotable water (NPW) pipeline and meter connection from the existing 18-inch diameter pipeline located at the intersection of Avenue 38 and Jefferson Street in the City of Indio to the Young's family farms. The connection will allow the agricultural farmland to reduce its reliance on groundwater for irrigation purposes.



### Project Objectives

The objective of this project is to expand CVWD's NPW service area and reduce reliance on groundwater for agricultural irrigation.

### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2021	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	910,000
Capitalized Labor	104,400
Construction	545,600
Other	10,000
Planning/Design	250,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	160,000	750,000	0	0	0	0

<b>Other Financial Impact</b>	\$5,000 per year for additional electricity and material cost to maintain the new meter vault and monitoring equipment.	
<b>Operational Impact</b>	\$5,000 per year - for labor related to maintenance/calibration of control valve and meter.	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b> <input type="checkbox"/>

## Sanitation

### Airport Boulevard Sewer Consolidation

SA2004

#### Project Description

This project includes grant funding support, preliminary engineering, plan design, and the environmental report for new sewer pipeline within disadvantage communities. The Sanitation Master Plan has developed thirteen new projects to provide service to disadvantage communities. The sewer planning efforts are consistent with the East Coachella Valley Water Supply plans. The DAC Task Force will develop a priority listing of sewer projects from these planning efforts. This is a septic-to-sewer conversion project to expand CVWD's service area and utilize available grant funding opportunities.



#### Project Objectives

The objective of this project is to use 100% grant funding for septic-to-sewer conversion within disadvantaged communities. The project will result in significant cost savings for sanitation services for the community.

#### Schedule

<b>Start :</b>	07/08/2020	<b>Complete :</b>	06/30/2023	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	5,025,000
Capitalized Labor	60,000
Construction	4,500,000
Other	15,000
Planning/Design	450,000

Funding Source	%
Grant	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	75,000	450,000	4,500,000	0	0

<b>Other Financial Impact</b>	The project will provide reliable, centralized service to disadvantaged communities.				
<b>Operational Impact</b>	Approximately \$10,000 additional operation and maintenance cost for the pipeline and pump station.				
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>		

## Avenue 66 Trunk Sewer

### SA2003

#### Project Description

This project includes grant funding support and preliminary engineering for a new sewer pipeline along Avenue 66 from Polk Street to Harrison Street and along Harrison Street from Echols Road to Avenue 66. The project will seek grant funding for the septic-to-sewer conversion and expand CVWD's service area. New sewer service is also planned along Martinez Road.



#### Project Objectives

The objective of this project is to use 100% grant funding for septic-to-sewer conversion within the disadvantaged community. The project will result in significant cost savings for the sanitation services for the community.

#### Schedule

<b>Start :</b>	07/20/2020	<b>Complete :</b>	06/30/2025	<b>Project Status :</b>	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	5,725,000
Capitalized Labor	118,560
Construction	5,350,000
Other	6,440
Planning/Design	250,000

Funding Source	%
Grant	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	50,000	0	25,000	2,150,000	3,500,000

<b>Other Financial Impact</b>	The project will provide reliable centralized sewer service to the DAC community and expand CVWD's sewer service through available grant funding.		
<b>Operational Impact</b>	Additional operating and maintenance of \$10,000 for the maintenance of pipeline and pump station.		
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>

## Sanitation

### Monroe Street Trunk Sewer

SA1905

#### Project Description

This project includes grant funding support and preliminary engineering for a new sewer pipeline along Monroe Street from Avenue 62 to Avenue 64. This is a septic-to-sewer conversion project to expand CVWD's service area using available grant funding opportunities.



#### Project Objectives

The objective of the project is to use 100% grant funding for septic-to-sewer conversion within the disadvantaged community. The project will result in significant cost savings for the sanitation services of the community.

#### Schedule

**Start :** 07/13/2020 **Complete :** 06/30/2023 **Project Status :** Design

Estimated Project Cost (\$)	3,175,000
Capitalized Labor	83,120
Construction	2,860,000
Other	1,880
Planning/Design	230,000

Funding Source	%
Grant	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	50,000	250,000	2,875,000	0	0

<b>Other Financial Impact</b>	The project will provide reliable centralized sewer service to the DAC community and expand CVWD's sewer service through available grant funding.					
<b>Operational Impact</b>	Additional operating and maintenance of \$10,000 for the maintenance of pipeline and pump station.					
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>			<input type="checkbox"/>	

# STORMWATER



## Stormwater

### STORMWATER PROJECTS

Planned Stormwater Fund projects for fiscal 2021 amount to approximately \$14.8 million. Funding includes approximately \$13.8 million in cash, and a minimum of about \$980,000 in temporary financing.

#### CAPITAL IMPROVEMENT BUDGET - STORMWATER

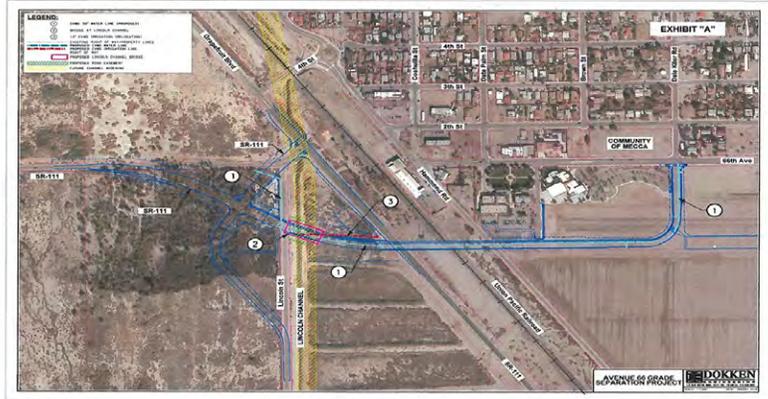
	Budget		Planned			Total 5-Year
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
Districtwide Project Allocation	\$150,170	\$108,380	\$30,100	\$ -	\$ -	\$288,650
<b>Subtotal Districtwide Project Allocation</b>	<b>\$150,170</b>	<b>\$108,380</b>	<b>\$30,100</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$288,650</b>
<b>Stormwater</b>						
Avenue 66 Grade Separation	\$1,000,000	\$1,072,000	\$ -	\$ -	\$ -	\$2,072,000
Coachella Valley Stormwater Channel Bank Protection -Ave 62 to Ave 64 and Fillmore Ditch Outfall	4,383,600	50,000	-	-	-	4,433,600
CV MSHCP Constructed Wetlands	100,000	-	-	-	-	100,000
East Side Dike Improvement, Phase 1 (Dune Palms to Interstate 10)	3,000,000	622,876	-	-	-	3,622,876
East Side Dike Realignment between Wasteway No. 3 and Dillon Road	200,000	853,100	-	-	-	1,053,100
East Side Dike, Phase 2 (Interstate 10 to North Shore)	300,000	200,000	100,000	1,000,000	7,758,041	9,358,041
Evaluation and Installation of Rainfall Gages	50,000	50,000	50,000	50,000	50,000	250,000
Flood Easement Renewal - White Water River Stormwater Channel	300,000	240,700	-	-	-	540,700
Kings Road Regional Stormwater Facility for the Oasis Area	-	500,000	500,000	800,000	1,000,000	2,800,000
Levee Certification for Whitewater River Stormwater Channel/CVSC (Vista Chino to Monroe Street)	800,000	-	-	-	-	800,000
Levee Certification for WWRSC from Ramon Road Bridge to Country Club Drive, Phase 2	300,000	600,000	-	-	-	900,000
Martinez Canyon (Avenue 68) Regional Stormwater Facility for the Oasis Area	-	500,000	500,000	800,000	122,200	1,922,200
North Cathedral City Stormwater Master Plan, Phase 1	200,000	4,000,000	4,300,000	4,900,000	-	13,400,000
Thousand Palms Channel Improvement from Sun City Shadow Channel to the Coachella Valley Stormwater Channel	300,000	200,000	100,000	3,900,000	10,000	4,510,000
Thousand Palms Flood Control	250,000	250,000	500,000	500,000	20,000,000	21,500,000
Whitewater River Channel Bank Protection Upstream of Cook Street	1,100,000	-	-	-	-	1,100,000
Whitewater River Stormwater Channel Bank Slope Protection Adjacent to WRP 10	500,000	1,500,000	-	-	-	2,000,000
<b>Subtotal Stormwater</b>	<b>\$12,783,600</b>	<b>\$10,638,676</b>	<b>\$6,050,000</b>	<b>\$11,950,000</b>	<b>\$28,940,241</b>	<b>\$70,362,517</b>
<b>Water Infrastructure Finance and Innovation Act Loan</b>						
Coachella Valley Stormwater Channel Improvements - Avenue 54 to the Thermal Drop Structure	\$1,000,000	\$15,000,000	\$15,000,000	\$17,523,329	\$347,700	\$48,871,029
North Indio Regional Flood Control System	1,000,000	17,000,000	18,000,000	19,104,000	-	55,104,000
<b>Subtotal Water Infrastructure Finance and Innovation Act Loan</b>	<b>\$2,000,000</b>	<b>\$32,000,000</b>	<b>\$33,000,000</b>	<b>\$36,627,329</b>	<b>\$347,700</b>	<b>\$103,975,029</b>

### Avenue 66 Grade Separation

SW2101

#### Project Description

This project includes reimbursing the County of Riverside for 70% (\$2.9M) of the cost to construct a bridge over the existing Lincoln Street Stormwater Channel (Lincoln Channel Bridge) to allow increased future conveyance capacity to accommodate a peak flow of approximately 7,000 cfs. The peak flow is consistent with the 100-Year Flood information completed for the Mecca and North Shore Area Stormwater Master Plan. The reimbursement is based on the executed Agreement between CVWD and the County for the Avenue 66 Grade Separation project, and the County covers the remainder 30% (\$1,270,000) of the bridge cost.



#### Project Objectives

The objective of this project is to provide adequate stormwater flow cross section area under the County's proposed bridge over the existing Lincoln Street Stormwater Channel, and reimburse the County 70% of the bridge cost per the executed agreement for the Project. The project will provide enough conveyance area for the 100-year flood of 7,000 cfs.

#### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	3,100,000
Capitalized Labor	129,645
Construction	2,960,000
Other	10,355
Planning/Design	0

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	1,000,000	2,100,000	0	0	0

#### Other Financial Impact

**Operational Impact** Access to the remainder portion of the Lincoln Street Stormwater Channel will be limited by the County's grade separation Project.

#### Discretionary

**Non - Discretionary**

## Stormwater

### Coachella Valley Stormwater Channel Bank Protection Ave 62 to Ave 64 and Fillmore Ditch Outfall

SW1701

#### Project Description

This project includes constructing concrete bank protection on the west bank of the Coachella Valley Stormwater Channel (CVSC) adjacent to Wastewater Reclamation Plant No. 4 (WRP 4) facility. The project also includes the construction of Fillmore Irrigation Ditch Outfall to connect the constructed Fillmore Street Irrigation Ditch (channel) with the CVSC. It is located between Avenue 62 and Avenue 64 in the unincorporated portion of Riverside County in California. This project is currently under construction.



#### Project Objectives

The objective of this project is to complete the protection of the Wastewater Reclamation Plant No. 4 (WRP 4) facility from regional stormwater flooding as well as provide protection from associated erosion and scour.

#### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	11,185,301
Capitalized Labor	279,773
Construction	10,401,104
Other	20,000
Planning/Design	484,424

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
365,000	6,386,701	4,383,600	50,000	0	0	0

<b>Other Financial Impact</b>	There will be an additional annual O&M cost of \$5,000 or less.		
<b>Operational Impact</b>	Annual operation and maintenance of the Fillmore Irrigation Ditch Outfall including sediment removal following significant flooding will be required once the project is constructed.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

### Coachella Valley Multiple Species Habitat Conservation Plan Constructed Wetlands

SW0044

#### Project Description

This project includes design, construction, and establishment of permanent riparian and wetland habitat within the Coachella Valley Stormwater Channel and Delta Conservation Area in accordance with the Coachella Valley Multiple Species Habitat Conservation Plan.



#### Project Objectives

Design, construct, and establish permanent riparian and wetland habitat within the Coachella Valley Stormwater Channel and Delta Conservation Area in accordance with the Coachella Valley Multiple Species Habitat Conservation Plan.

#### Schedule

<b>Start :</b>	07/01/2015	<b>Complete :</b>	06/30/2026	<b>Project Status :</b>	Planning/Design
----------------	------------	-------------------	------------	-------------------------	-----------------

Estimated Project Cost (\$)	9,605,200
Capitalized Labor	223,250
Construction	8,766,950
Other	15,000
Planning/Design	600,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
495,000	30,000	100,000	0	0	0	0

<b>Other Financial Impact</b>	Construction of this project will be performed beyond fiscal 2025 in the estimated amount of \$8.9 million.		
<b>Operational Impact</b>	None		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## Stormwater

### East Side Dike Improvement , Phase 1 (Dune Palms to Interstate 10)

SW1601

#### Project Description

This project consists of construction of the proposed improvements to the western end portion of the East Side Dike (Dike) levee (3,500 linear feet) and certifying the Dike from Dune Palms Road to Interstate 10 to the Federal Emergency Management Agency (FEMA) as a regional stormwater facility. This will be followed by a submittal of a Letter of Map Revision (LOMR) report to FEMA to revise FEMA's flood insurance rate maps and remove the Talavera Development and Wastewater Reclamation Plant No. 7 from a Special Flood Hazard Area.



#### Project Objectives

Construct the proposed improvements and certify the East Side Dike for compliance with FEMA's 100-Year Flood design standard. It also helps to remove existing developments such as the Talavera Development and Wastewater Reclamation Plant No. 7 from a special flood hazard area.

#### Schedule

Start : 07/01/2020 Complete : 12/30/2022 Project Status : Construction

Estimated Project Cost (\$)	4,276,050
Capitalized Labor	175,050
Construction	3,518,000
Other	25,000
Planning/Design	558,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
641,000	12,174	3,000,000	622,876	0	0	0

**Other Financial Impact** O&M cost is expected to increase by about \$10,000 per year following levee certification.

**Operational Impact** Additional O&M and annual levee inspection report required to maintain certification.

**Discretionary**  **Non - Discretionary**

## East Side Dike Realignment between Wasteway No. 3 and Dillon Road

SW2103

### Project Description

This project includes the design for modifying and realigning a portion of the East Side Dike (Dike) between Wasteway No. 3 and Dillon Road to allow for vehicular access and maintenance on the southern slope of the Dike.

Currently, about 3,600 linear feet of the Dike has development that encroached up to the USBR right of way along the southerly slope which impedes access for maintenance.



### Project Objectives

Realign a portion of the East Side Dike between Wasteway No. 3 and Dillon Road to provide vehicular access for a long-term maintenance of the southerly slope of the Dike.

### Schedule

Start :	07/01/2020	Complete :	06/30/2022	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	1,053,100
Capitalized Labor	83,100
Construction	765,000
Other	60,000
Planning/Design	145,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	200,000	853,100	0	0	0

Other Financial Impact	No additional financial impact is expected.	
Operational Impact	It improves or makes O&M cost effective for the long-term	
Discretionary	<input type="checkbox"/>	Non - Discretionary <input checked="" type="checkbox"/>

## Stormwater

### East Side Dike, Phase 2 (Intersate 10 to North Shore)

SW2001

#### Project Description

The project includes preparing design and environmental documentation based on the finalized hydrology, hydraulic analyses, scour analyses and geotechnical investigation performed for the 17-mile East Side Dike (Dike). The goal is to identify and mitigate required improvements to certify the Dike as a regional stormwater facility to the Federal Emergency Management Agency (FEMA).



#### Project Objectives

The objective of this project is to identify mitigation needs and construct required improvements to certify the East Side Dike as compliant to the FEMA's 100-Year Flood design standard. It also helps to provide regional stormwater protection to the Coachella Canal and adjacent lands in Mecca and North Shore.

#### Schedule

<b>Start :</b>	07/01/2019	<b>Complete :</b>	06/30/2025	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	9,916,200
Capitalized Labor	168,200
Construction	8,053,000
Other	345,000
Planning/Design	1,350,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	558,159	300,000	200,000	100,000	1,000,000	7,758,041

<b>Other Financial Impact</b>	The funding for this phase can be augmented through WIFIA loan or grants.		
<b>Operational Impact</b>	The operation and maintenance cost for the improved facility is not expected to be more than the existing O&M cost.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

### Evaluation and Installation of Rainfall Gages

SW1606

#### Project Description

Install additional rainfall gauges within the Coachella Valley to increase coverage of rainfall data collection.



Typical Rain Gauge (Photo Courtesy of CVWD)



Typical Rain Gauge in Remote Location (Photo Courtesy of CVWD)

#### Project Objectives

Increase the coverage of rainfall gauges in the valley to better analyze storm events that impact the valley, and to develop a database for planning efforts into the future.

#### Schedule

Start :	5/01/2016	Complete :	06/30/2025	Project Status :	Construction
---------	-----------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	438,000
Capitalized Labor	48,000
Construction	75,000
Other	315,000
Planning/Design	0

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
153,600	34,400	50,000	50,000	50,000	50,000	50,000

<b>Other Financial Impact</b>	No additional financial impact.	
<b>Operational Impact</b>	The addition of rainfall gauging stations will provide a better representation of the aerial distribution of observed rainfall storms within the Coachella Valley.	
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b> <input type="checkbox"/>

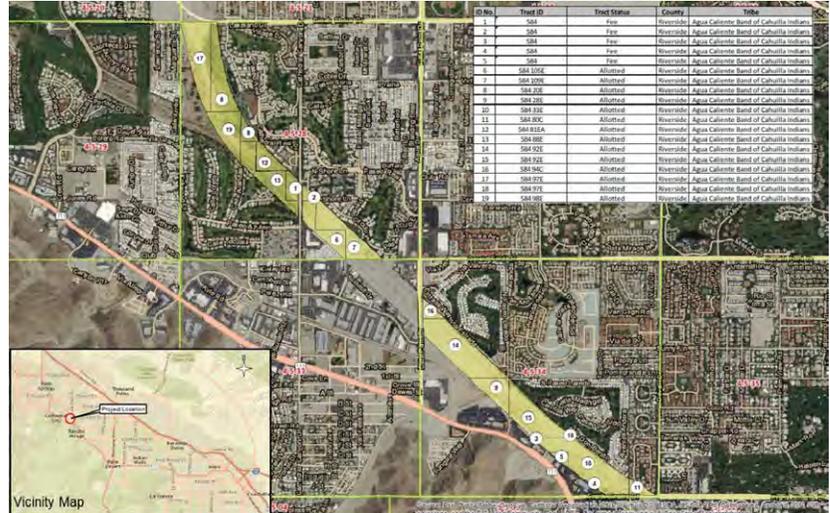
## Stormwater

### Flood Easement Renew - Whitewater River Stormwater Channel

SW0045

#### Project Description

Renew of flood easements along the Whitewater River Stormwater Channel (WWRSC) and other flood conveyance channels within the Coachella Valley.



#### Project Objectives

Coordinate the establishment of new flooding easements in areas of existing flooding with the valley.

#### Schedule

<b>Start :</b>	07/01/2019	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	877,700
Capitalized Labor	17,000
Contracted ROW Consultant	183,700
Legal and Plats	132,000
ROW Easement	525,000
Temporary Access Fees	20,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
197,000	140,000	300,000	240,700	0	0	0

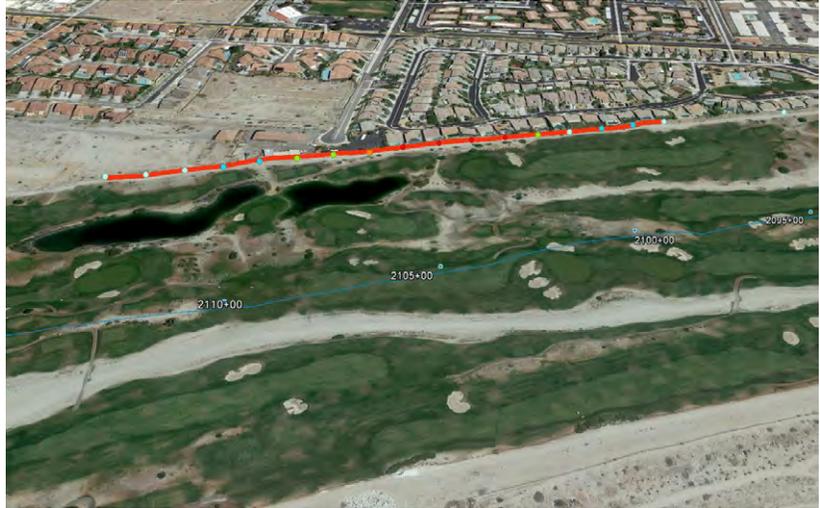
<b>Other Financial Impact</b>	
<b>Operational Impact</b>	None
<b>Discretionary</b>	<input type="checkbox"/> <b>Discretionary</b> <input checked="" type="checkbox"/> <b>Non - Discretionary</b>

### Levee Certification for Whitewater River Stormwater Channel Coachella Valley Stormwater Channel - Vista Chino to Monroe Street

SW1602

#### Project Description

Engage a consultant to prepare design plans and specifications for the deficient levees of the Whitewater River Stormwater Channel between Vista Chino and Ramon Road. Hydraulic and geotechnical studies were completed which identified the locations of deficiencies in the levee.



#### Project Objectives

Meet Federal Emergency Management Agency (FEMA) and CVWD requirements for levee certification.

#### Schedule

<b>Start :</b>	06/12/2018	<b>Complete :</b>	06/30/2021	<b>Project Status :</b>	Construction
----------------	------------	-------------------	------------	-------------------------	--------------

Estimated Project Cost (\$)	1,226,600
Capitalized Labor	84,800
Construction	730,700
Other	61,100
Planning/Design	350,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
367,000	59,600	800,000	0	0	0	0

<b>Other Financial Impact</b>	No additional financial impact.		
<b>Operational Impact</b>	The project will ensure compliance with the Federal Emergency Management Agency's (FEMA's) 100-Year Standard for regional flood protection.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## Stormwater

### Levee Certification for WWRSC from Ramon Road Bridge to Country Club Drive, Phase 2

SW2102

#### Project Description

Engage consultants to prepare a geotechnical report, design plans, and specifications for the deficient levees of the Whitewater River Stormwater Channel (WWRSC) from Ramon Road to Country Club Drive.



#### Project Objectives

Identify deficiencies of height in the existing levees downstream of Ramon Road, and mitigate those deficiencies by elevating the identified locations to meet FEMA and CVWD regulations.

#### Schedule

Start :	06/30/2020	Complete :	06/30/2023	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	900,000
Capitalized Labor	67,600
Construction	531,300
Other	101,100
Planning/Design	200,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	300,000	600,000	0	0	0

**Other Financial Impact** The project will ensure compliance with the Federal Emergency Management Agency's (FEMA's) 100-Year design Standard for regional flood protection.

**Operational Impact** Reduced operation and maintenance costs for slope maintenance.

**Discretionary**

**Non - Discretionary**

### North Cathedral City Stormwater Master Plan, Phase 1

SW0001

#### Project Description

This project consists of preparation of design plans, specifications, and environmental documentation to construct Phase I of the North Cathedral City Stormwater Master Plan (SMP). The scope includes the design and construction of improvements to convey a portion of the 100-Year Flood from the Morongo Wash south of Interstate 10 to the Whitewater River Stormwater Channel.



#### Project Objectives

Construct a concrete channel beneath the existing UPRR bridge to convey stormwater flows from upstream of I-10 to the Whitewater River Stormwater Channel (WWRSC).

#### Schedule

**Start :** 06/26/2018 **Complete :** 06/30/2025 **Project Status :** Design

Estimated Project Cost (\$)	49,598,000
Capitalized Labor	554,000
Construction	45,109,000
Other	2,435,000
Planning/Design	1,500,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
1,388,000	10,000	200,000	4,000,000	4,300,000	4,900,000	0

<b>Other Financial Impact</b>	The design, environmental documentation and construction of Phase 2 of this project is beyond 2024 in the amount of \$34.8M					
<b>Operational Impact</b>	The design and construction of the Phase 1 of the SMP plan will provide protection to existing development in Northern Cathedral City from the 100-year flood including a portion of riverine flows currently conveyed to Thousand Palms. The construction of the project will also provide biological benefits through improved wildlife connectivity and sand transport between the Willow Hole and Whitewater Floodplain Conservation Areas.					
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>		<input checked="" type="checkbox"/>		

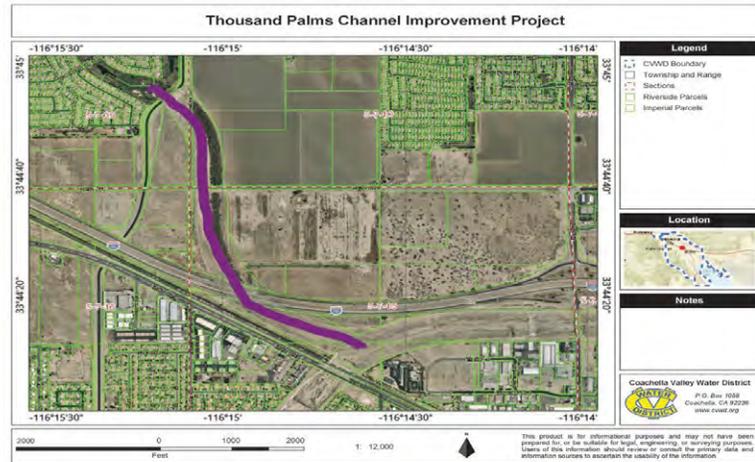
## Stormwater

### Thousand Palms Channel Improvement from Sun City Shadow Channel to the Coachella Valley Stormwater Channel

SW2104

#### Project Description

The project includes providing engineering design services and preparation of environmental documentation for the Thousand Palms Channel Improvement Project from Coachella Siphon crossing the Sun City Shadow Hills (SCSH) channel to the Coachella Valley Stormwater Channel (CVSC). The project when constructed will provide final connectivity to convey regional stormwater flows from SCSH channel to the CVSC.



#### Project Objectives

The objective of this project is to design and prepare environmental documentation and required environmental permits for the construction of the Thousand Palms Channel improvements. This project when constructed will provide regional stormwater flow connectivity from the SCSH channel to the CVSC.

#### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2025	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	4,510,000
Capitalized Labor	173,300
Construction	4,021,700
Other	30,000
Planning/Design	285,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	300,000	200,000	100,000	3,900,000	10,000

<b>Other Financial Impact</b>	Additional cost in the amount of \$5,000 or less is expected due to regular O&M following construction of the project.		
<b>Operational Impact</b>	There will be no additional operation impact expected other than required O&M.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## Thousand Palms Flood Control

SW0004

### Project Description

This project includes designing and constructing a series of levees and channels to protect a portion of the Thousand Palms community. The project will collect flows from the alluvial fans to the north and convey them to the existing Sun City Palm Desert flood control channel system.



### Project Objectives

The objective of this project is to provide regional flood protection to a portion of the Thousand Palms community and maintain a sand transport system for the Coachella Valley Fringe-Toed lizard Preserve.

### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2027	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	80,000,000
Capitalized Labor	891,300
Construction	64,700,000
Land Acquisition/Other	10,550,000
Planning/Design	3,858,700

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
4,624,000	149,125	250,000	250,000	500,000	500,000	20,000,000

**Other Financial Impact** The construction of the project will be constructed in four phases starting from 2024 in the amount of \$74.2 million.

**Operational Impact** The O&M cost following the construction of the project will increase by more than \$10,000 annually.

<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>
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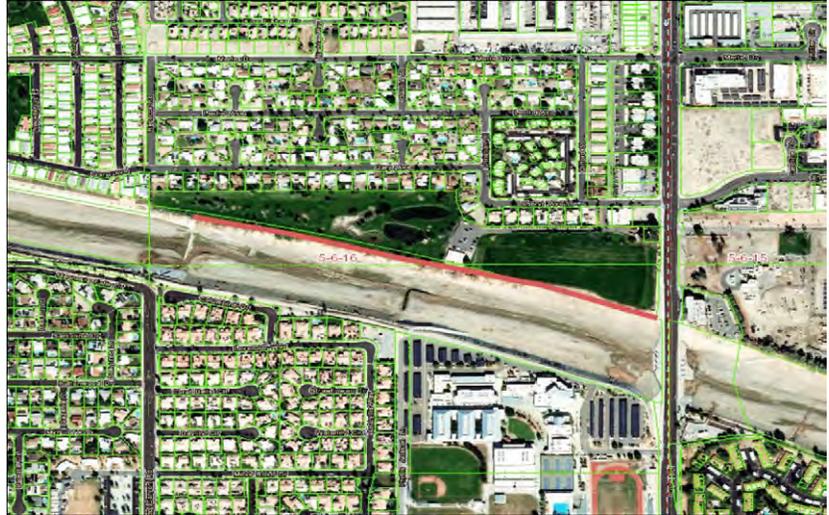
## Stormwater

### Whitewater River Channel Bank Protection Upstream of Cook Street

SW2003

#### Project Description

The project includes design and construction of concrete slope protection for the Whitewater River Stormwater Channel (WWRSC) near Cook Street.



#### Project Objectives

The objective of this project is to mitigate the potential for scour within the channel slope near Cook Street by reinforcing the slope with concrete slope protection.

#### Schedule

**Start :** 07/01/2019 **Complete :** 06/30/2021 **Project Status :** Construction

Estimated Project Cost (\$)	1,257,000
Capitalized Labor	57,000
Construction	1,000,000
Other	50,000
Planning/Design	150,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	157,000	1,100,000	0	0	0	0

<b>Other Financial Impact</b>	No additional financial impact.	
<b>Operational Impact</b>	This project reduces the operation and maintenance costs of slope maintenance for this reach of the WWRSC.	
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b> <input checked="" type="checkbox"/>

### Whitewater River Stormwater Channel Bank Slope Protection Adjacent to Water Reclamation Plant No. 10

SW2002

#### Project Description

This project consists of constructing 2,750 linear feet of slope protection along the northern bank of the Whitewater River Stormwater Channel (WWRSC) adjacent to Water Reclamation Plant No. 10. This project will be constructed in conjunction with the Palm Desert Groundwater Replenishment Facility.



#### Project Objectives

The objective of this project is to protect the WRP 10 site from lateral scour and erosion during regional stormwater flooding within the WWRSC. In addition, this project will protect the pipeline extension from the Mid-Valley Pipeline that will be the water source for the Palm Desert Groundwater Replenishment Facility.

#### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	2,000,000
Capitalized Labor	100,290
Construction	1,849,710
Other	50,000
Planning/Design	0

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	500,000	1,500,000	0	0	0

<b>Other Financial Impact</b>	Minimal
<b>Operational Impact</b>	Minimal
<b>Discretionary</b>	<input type="checkbox"/> Non - Discretionary <input checked="" type="checkbox"/>

## Stormwater

### Coachella Valley Stormwater Channel Improvements Avenue 54 to the Thermal Drop Structure

SW0042

#### Project Description

This project includes constructing the proposed improvements to the Coachella Valley Stormwater Channel (CVSC) from Avenue 54 to the Thermal Drop Structure to increase the conveyance capacity of the CVSC to the 100-year flood design standard (39,000 cfs).

The project when completed will provide regional flood protection to life and property on adjacent lands in compliance with both FEMA and CVWD design standards. It will also result in revisions of the effective FEMA flood insurance rate maps by removing about 4,577 acres of adjacent land areas from a special flood hazard area.



#### Project Objectives

The objective of this project is to increase regional flood conveyance capacity of the CVSC to the 100-year flood design standard and satisfy the requirements of CVWD and FEMA for regional flood protection to life and property.

#### Schedule

Start : 07/01/2020 Complete : 06/30/2025 Project Status : Construction

Estimated Project Cost (\$)	51,347,700
Capitalized Labor	622,700
Construction	48,764,500
Other	35,000
Planning/Design	1,925,500

Funding Source	%
Pay-as-you-go	51
WIFIA Loan	49

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
1,495,000	981,461	1,000,000	15,000,000	15,000,000	17,523,539	347,700

<b>Other Financial Impact</b>	This project is selected to receive WIFIA loan that could cover 49% of the capital improvement cost for the Project.		
<b>Operational Impact</b>	The project when constructed will require an additional cost of \$10,000 for O&M to maintain conveyance capacity.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## North Indio Regional Flood Control System

SW0005

### Project Description

The project includes completing land acquisition and constructing the Phase 2 improvements following the completion of land acquisition. The construction of Phase 1 was completed in FY 2020. It consists of constructing regional flood control conveyance channels for the North Indio area to convey the 100-year flood from Sun City Palm Desert to Sun City Shadow Hills.



### Project Objectives

The objective of this project is to construct regional stormwater channels and associated improvements and capture regional stormwater flows from Sun City Palm Desert to convey them through Sun City Shadow Hills for ultimate discharge into the Coachella Valley Stormwater Channel.

### Schedule

Start :	07/01/2020	Complete :	06/30/2024	Project Status :	Construction
---------	------------	------------	------------	------------------	--------------

Estimated Project Cost (\$)	68,284,000
Capitalized Labor	854,500
Construction, Phase 1	9,407,782
Construction, Phase 2	41,117,309
Land Acquisition/Other	11,629,409
Planning/Design	5,275,000

Funding Source	%
Pay-as-you-go	51
WIFIA Loan	49

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
12,280,000	900,000	1,000,000	17,000,000	18,000,000	19,104,000	0

<b>Other Financial Impact</b>	The project is selected to receive WIFIA Loan to cover 49% of the capital improvement cost.
<b>Operational Impact</b>	Annual O&M for the stormwater system following construction will be required.
<b>Discretionary</b>	<input type="checkbox"/> Discretionary <input checked="" type="checkbox"/> Non - Discretionary

Stormwater



Whitewater

# REPLENISHMENT



## Replenishment

### REPLENISHMENT PROJECTS

Planned East and West Whitewater Replenishment Funds projects for fiscal 2021 amount to approximately \$700,000 and \$1.9 million, respectively. All funding is from cash.

#### CAPITAL IMPROVEMENT BUDGET - REPLENISHMENT

	Budget		Planned			Total 5-Year
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
<b>East Whitewater Replenishment</b>						
Districtwide Project Allocation	\$135,170	\$83,380	\$30,100	\$ -	\$ -	\$248,650
<b>Subtotal Districtwide Project Allocation</b>	<b>\$135,170</b>	<b>\$83,380</b>	<b>\$30,100</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$248,650</b>
Eagle Falls Golf Course Connection	\$ -	\$90,000	\$770,000	\$ -	\$ -	\$860,000
Madison Club - Avenue 54 Meter Connection	100,000	510,000	-	-	-	610,000
Nonpotable Water Connection - Rancho Casa Blanca	-	119,873	860,127	-	-	980,000
Nonpotable Water Golf Course Connection - The Quarry Country Club	-	-	-	150,000	2,400,000	2,550,000
Oasis In-Lieu Recharge, Phase 2	500,000	15,000,000	15,000,000	15,000,000	-	45,500,000
PGA West Weiskopf Course	100,000	1,900,000	-	-	-	2,000,000
<b>Subtotal East Whitewater Replenishment</b>	<b>\$700,000</b>	<b>\$17,619,873</b>	<b>\$16,630,127</b>	<b>\$15,150,000</b>	<b>\$2,400,000</b>	<b>\$52,500,000</b>
<b>Total East Whitewater</b>	<b>\$835,170</b>	<b>\$17,703,253</b>	<b>\$16,660,227</b>	<b>\$15,150,000</b>	<b>\$2,400,000</b>	<b>\$52,748,650</b>
<b>West Whitewater Replenishment</b>						
Districtwide Project Allocation	\$132,170	\$84,380	\$30,100	\$ -	\$ -	\$246,650
<b>Subtotal Districtwide Project Allocation</b>	<b>\$132,170</b>	<b>\$84,380</b>	<b>\$30,100</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$246,650</b>
Automated Delivery for the Palm Desert Ground Water Replenishment Facility	\$35,000	\$173,000	\$ -	\$ -	\$ -	\$208,000
Nonpotable Water Connection - El Dorado Country Club Connection	-	-	50,000	140,000	1,900,000	2,090,000
Nonpotable Water Connection - Indian Wells Country Club (Cove and Classic) - Deep Canyon Branch	-	-	50,000	140,000	1,900,000	2,090,000
Nonpotable Water Connection - La Rocca Condominiums Resort (Indian Wells)	-	-	-	-	190,000	190,000
Nonpotable Water Connection - Marrakesh Country Club Connection	-	-	-	-	190,000	190,000
Nonpotable Water Connection - Shadow Mountain Country Club Connection	-	-	-	-	190,000	190,000
Nonpotable Water Connection - Vintage Country Club Connection	-	-	90,000	200,000	1,850,000	2,140,000
Palm Desert Ground Water Replenishment Facility	1,825,000	3,650,000	-	-	-	5,475,000
<b>Subtotal West Whitewater Replenishment</b>	<b>\$1,860,000</b>	<b>\$3,823,000</b>	<b>\$190,000</b>	<b>\$480,000</b>	<b>\$6,220,000</b>	<b>\$12,573,000</b>
<b>Total West Whitewater</b>	<b>\$1,992,170</b>	<b>\$3,907,380</b>	<b>\$220,100</b>	<b>\$480,000</b>	<b>\$6,220,000</b>	<b>\$12,819,650</b>

### Automated Delivery for Palm Desert Groundwater Replenishment Facility

NP2001

#### Project Description

This project includes the installation of conduit for future installation of telemetry and probes for automated delivery. The Nonpotable Water Crew is to operate the replenishment facility and work nine hours per day. The ponds, however, will take 24/7 monitoring. Automated delivery of canal water to the replenishment ponds will save man-hours and eliminate human error for timing of filling and turning valves at alternating ponds to ensure the ponds are continuously being filled.



#### Project Objectives

Automate processes for more efficient operation of the Palm Desert Groundwater Replenishment Facilities. Reduce manual operational cost and manual operation reliability. Make Palm Desert replenishment ponds operational information available in CVWD's SCADA.

#### Schedule

<b>Start :</b>	07/15/2019	<b>Complete :</b>	06/01/2021	<b>Project Status :</b>	Planning
----------------	------------	-------------------	------------	-------------------------	----------

Estimated Project Cost (\$)	208,000
Capitalized Labor	52,800
Construction	155,200
Other	0
Planning/Design	0

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	35,000	173,000	0	0	0

<b>Other Financial Impact</b>	Reduce manual monitoring man-hours.				
<b>Operational Impact</b>	Increase operational performance of the Palm Desert Groundwater Replenishment Facilities.				
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>		

## Replenishment

### Palm Desert Groundwater Replenishment Facility, Phase 2

NP1801

#### Project Description

The Palm Desert Ground Water Replenishment Facility Project, Phase 2, will provide for recharging Colorado River Water (CRW) within the Whitewater River Storm Channel. A groundwater replenishment facility will serve to help mitigate historical groundwater level declines and improve groundwater quality within the West Whitewater River Sub-basin Area. Preliminary evaluations by CVWD indicate that approximately 15,000 acre-feet per year (AFY) of CRW may be delivered via the Mid-Valley Pipeline for possible recharge in the Whitewater River Storm Channel.



#### Project Objectives

Mitigate historical groundwater level declines, improve groundwater quality within the West Whitewater Sub-basin Area, and provide recharge capacity of 15,000 AFY of Colorado River Water at the Whitewater River Storm Channel.

#### Schedule

<b>Start :</b>	07/16/2018	<b>Complete :</b>	06/20/2022	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	6,278,907
400 - Slope Protection	0
Capitalized Labor	909,157
Construction	4,614,750
Planning/Design	755,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
671,756	132,151	1,825,000	3,650,000	0	0	0

<b>Other Financial Impact</b>	The project will add labor costs for operation (ten month expected operation period) and maintenance (two month expected maintenance period) of replenishment ponds.				
<b>Operational Impact</b>	The project will add operational cost - replenishment ponds will be designed to be operated manually.				
<b>Discretionary</b>	<input checked="" type="checkbox"/>	<b>Non - Discretionary</b>	<input type="checkbox"/>		

## Madison Club - Avenue 54 Meter Connection

C02104

### Project Description

This project includes design of an irrigation meter from Irrigation Lateral 121.6 to the Madison Club Golf Course. The connection will allow Madison Club to reduce its reliance on groundwater for turf irrigation purposes.



### Project Objectives

The objective of this project is to allow the Madison Club Golf Course to reduce the reliance on groundwater for turf irrigation purposes.

### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	610,000
Capitalized Labor	89,140
Construction	465,000
Other	0
Planning/Design	55,860

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	0	100,000	510,000	0	0	0

<b>Other Financial Impact</b>	No additional impacts		
<b>Operational Impact</b>	None		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

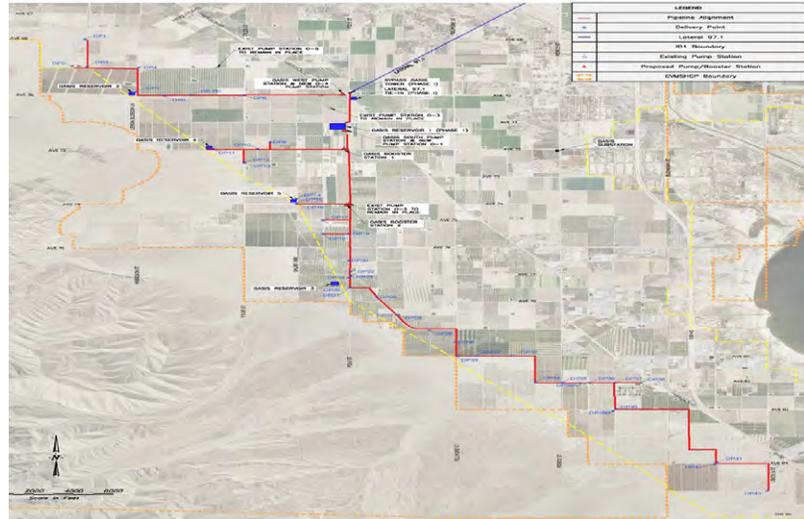
## Replenishment

### Oasis In-Lieu Recharge, Phase 2

C02001

#### Project Description

This project includes the design and land acquisition for four reservoirs, five pump stations and approximately 18 miles of distribution pipeline and an expansion of the irrigation distribution system to serve an additional 4,520 acres of land in the Oasis area. This will provide in-lieu recharge by converting groundwater pumping to Colorado River water.



#### Project Objectives

The objective of this project is to facilitate in-lieu recharge by providing approximately 32,000 acre-feet per year of Colorado River Water as a substitute to groundwater pumping.

#### Schedule

Start :	07/01/2019	Complete :	06/30/2024	Project Status :	Design
---------	------------	------------	------------	------------------	--------

Estimated Project Cost (\$)	45,950,000
Capitalized Labor	684,000
Construction	42,500,000
Other	1,880,000
Planning/Design	886,000

Funding Source	%
Pay-as-you-go	100

#### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
0	450,000	500,000	15,000,000	15,000,000	15,000,000	0

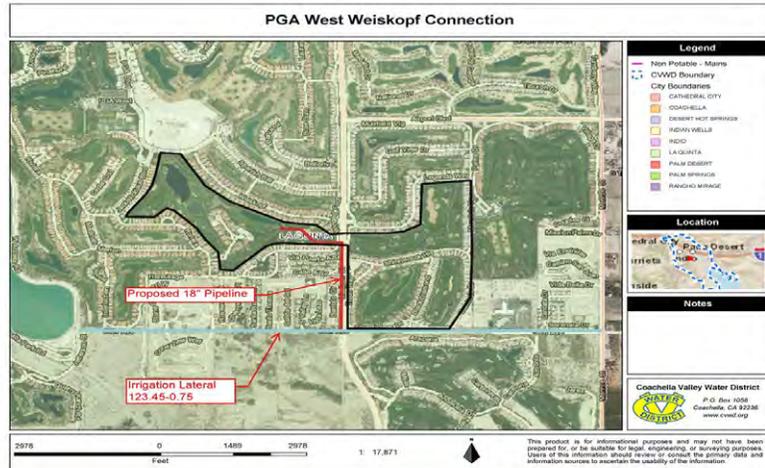
<b>Other Financial Impact</b>	This project will include four reservoirs, five pump stations, and over 18 miles of pipe distribution system.		
<b>Operational Impact</b>	This project will expand the CVWD's service area for the delivery of Colorado River Water and complies with the Source Substitution element (In-Lieu Recharge) within the Coachella Valley Water Management Plan.		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

## PGA West Weiskopf Course

C01504

### Project Description

This project includes the design of approximately 7,500 linear feet of 18-inch PVC irrigation pipeline from Irrigation Lateral 123.45-0.75 to the Weiskopf Course within PGA West Golf Course. The connection will allow The Weiskopf Course to reduce its reliance on groundwater for turf irrigation purposes.



### Project Objectives

The objective of this project is to connect The Weiskopf Golf Course to Colorado River Water and reduce the golf course's reliance on groundwater for turf irrigation purposes. This project supports the source substitution element of the Coachella Valley Water Management Plan.

### Schedule

<b>Start :</b>	07/01/2020	<b>Complete :</b>	06/30/2022	<b>Project Status :</b>	Design
----------------	------------	-------------------	------------	-------------------------	--------

Estimated Project Cost (\$)	2,060,000
Capitalized Labor	112,000
Construction	1,793,000
Other	10,000
Planning/Design	145,000

Funding Source	%
Pay-as-you-go	100

### Budget

Expenses Through Previous Year (\$)	Estimated Expenses Current Year (\$)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
60,000	0	100,000	1,900,000	0	0	0

<b>Other Financial Impact</b>	Additional \$5,000 for O&M		
<b>Operational Impact</b>	New asset to operate and maintain		
<b>Discretionary</b>	<input type="checkbox"/>	<b>Non - Discretionary</b>	<input checked="" type="checkbox"/>

Replenishment



*Replenishment Pond at Whitewater River Groundwater Replenishment Facility*

# MOTORPOOL



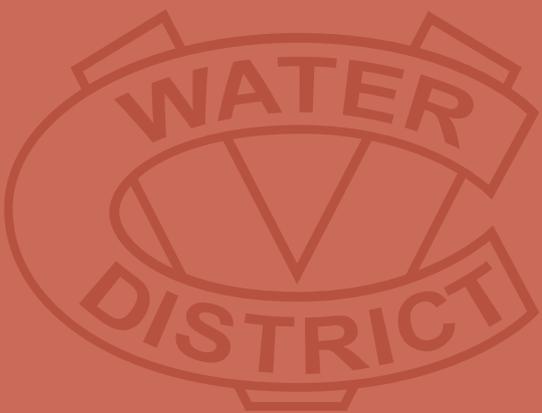
## Motorpool

### MOTORPOOL

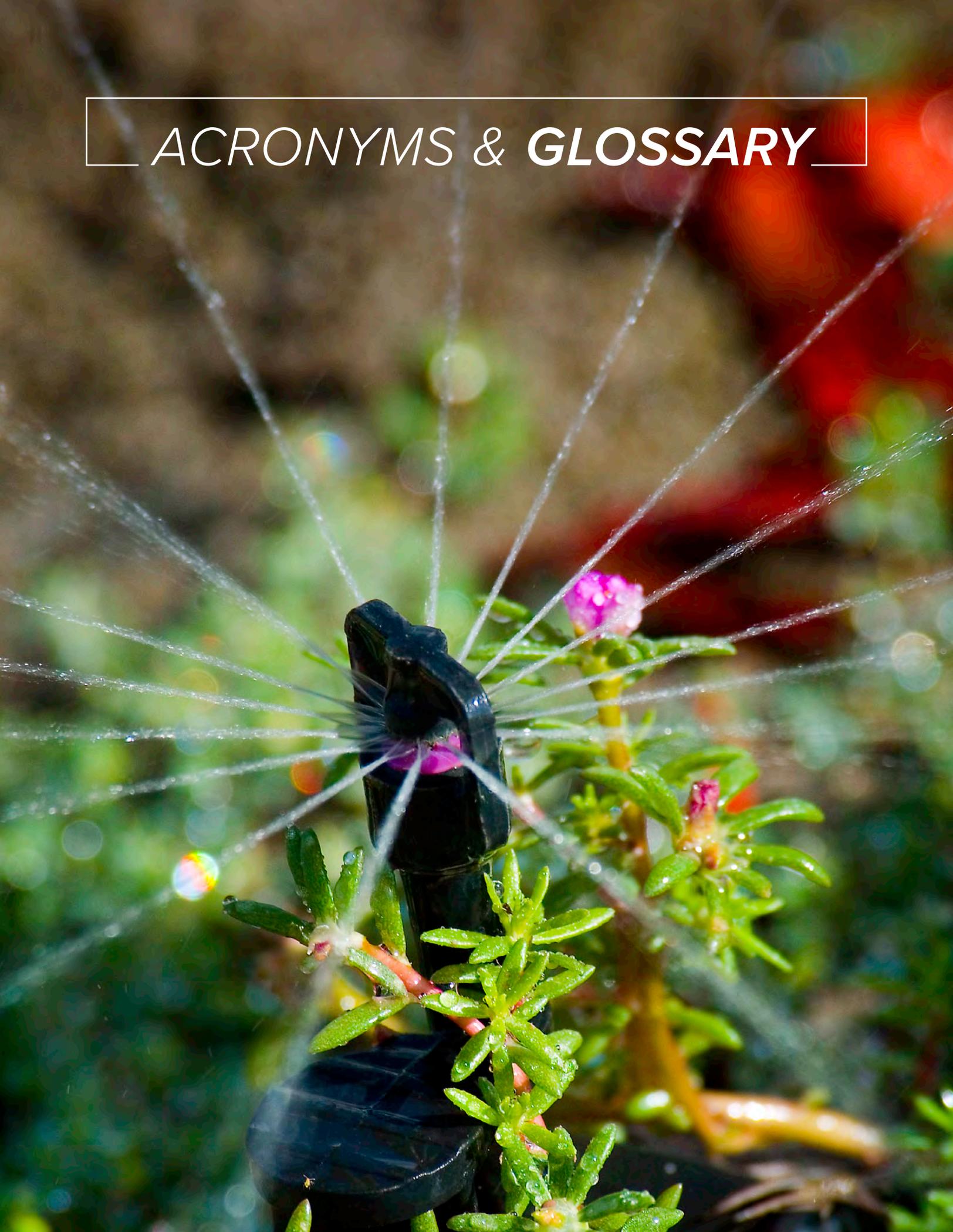
Planned purchases for vehicles and heavy equipment for fiscal 2021 amount to approximately \$2.4 million. New vehicles and heavy equipment for the various departments are budgeted in the Motorpool Fund. At year-end funds are transferred into the Motorpool Fund from the District's enterprise funds, based on actual benefit of equipment received.

#### CAPITAL IMPROVEMENT BUDGET - MOTORPOOL

Districtwide Project Allocation				Budget FY 2021
Districtwide Project Allocation				\$30,000
<b>Subtotal Districtwide Project Allocation</b>				<b>\$30,000</b>
Department Vehicle and Equipment Replacements	Division	Year/Make/Model of Vehicle Being Replaced	Replacement Vehicle Type	Budget FY 2021
Facilities & Maintenance	Grounds Keepers	2003 Pioneer 4x2 Gas Cart	Electric Work Truck	\$26,030
Finance	Warehouse	1987 TDN Electric Cart	Electric Work Truck	26,030
Facilities & Maintenance	Grounds Keepers	2000 TDN Electric Cart	Electric Work Truck	26,030
Finance	Warehouse	2000 TDN Electric Cart	Electric Work Truck	26,030
Facilities & Maintenance	Grounds Keepers	2012 Toro Rotary Mower	Mower	13,019
Facilities & Maintenance	Canal Maintenance	2001 Ingersoll Rand Compressor	Towable Air Compressor	24,016
Facilities & Maintenance	Stormwater Drainage	2000 Sterling Dump Truck 58K	58K GVWR Dump Truck	163,592
Operations	Sanitation Collections	2000 Sterling Dump Truck 58K	58K GVWR Dump Truck	163,592
Operations	Domestic Leak Repair	2000 Sterling Dump Truck 58K	58K GVWR Dump Truck	163,592
Facilities & Maintenance	Grounds Keepers	2007 Ford Pickup 4x2 1/2 Ton	1/2 Ton Pickup 4x2	32,536
Facilities & Maintenance	Zanjeros	2013 Ford Pickup 4x4 1/2 Ton	1/2 Ton Pickup 4x4	36,873
Facilities & Maintenance	Zanjeros	2016 Ford Pickup 4x4 1/2 Ton	1/2 Ton Pickup 4x4	36,873
Service	Meter Readers	2013 Ford Pickup 4x2 1/2 Ton	1/2 Ton Pickup 4x2	32,536
Operations	Sanitation Collections	2013 Ford Pickup 4x2 1/2 Ton	1/2 Ton Pickup 4x4	36,873
Operations	WRP 10	2007 Ford Pickup 4x2 1/2 Ton	1/2 Ton Pickup 4x2	32,540
Operations	Domestic Backflow	2006 Ford Utilbed Truck 12K	F350 60" CA 14K GVWR 4x2 Utility Body	78,080
Operations	Domestic Backflow	2006 Ford Utilbed Truck 12K	F350 60" CA 14K GVWR 4x2 Utility Body	78,080
Facilities & Maintenance	Canal Maintenance	2010 F350 Utilbed Truck 13K	F550 84" CA 19K GVWR 4x4 Utility Body w/Front Winch	92,177
Facilities & Maintenance	Stormwater Drainage	2007 F550 Fuel Truck 4x4 17K	F550 84" CA 19K GVWR 4x4 Utility Body	92,177
Operations	Domestic Meter Repair	2006 F350 Utilbed Truck 12K	F350 60" CA 14K GVWR 4x2 Utility Body	78,080
Operations	Domestic Production	2013 F350 Utilbed Truck 13K	F350 14K 60" CA GVWR Utilbed Truck, 4x4 w/Liftgate	78,080
Facilities & Maintenance	Autoshop	2002 F450 Utilbed Truck 15K	T370 26K GVWR Utilbed Truck, Crane-Lube Skid 4x4	162,654
Operations	Domestic Production	2014 F350 Utilbed Truck 14K	F350 60" CA 14K GVWR Utilbed Truck, 4x4 w/Liftgate	83,502
Operations	Domestic Production	2014 F350 Utilbed Truck 14K	F350 60" CA 14K GVWR Utilbed Truck, 4x4 w/Liftgate	83,502
Operations	Domestic Production	2014 F350 Utilbed Truck 14K	F350 60" CA 14K GVWR Utilbed Truck, 4x4 w/Liftgate	83,502
Operations	Domestic Paving	2003 F550 Utilbed Truck 4x2 17K	F550 84" CA 19K GVWR Utilbed Truck, 4x4	92,176
Operations	Collections Construction	2001 Sterling Flatbed TK 25K	26K GVWR Flatbed	119,283
Operations	Domestic Leak Construction	2002 Sterling Flatbed TK 25K	35K GVWR 8 Yard Dumptruck	124,704
Operations	Domestic West Shores		F550 84" CA 19K GVWR 4x4 Utilbed	108,440
Operations	Domestic West Shores		F550 84" CA 19K GVWR 4x4 Utilbed	108,440
Communications & Conservation	Outreach & Education	Passenger	Dodge Caravan	36,873
Facilities & Maintenance	Electronics	2014 Ford Van 4x2	Chevrolet Express Cargo	56,391
<b>Subtotal Vehicle</b>				
<b>Equipment Replacement</b>				<b>\$2,396,303</b>
<b>Total Motorpool</b>				<b>\$2,426,303</b>



# ACRONYMS & GLOSSARY



A/C	Air Conditioner	CMC	Concrete Mortar Coated
ACH	Automated Clearing House	CML	Concrete Mortar Lined
ACVWDM	Association of Coachella Valley Water District Managers	CMMS	Computerized Maintenance Management System
ADR	Automated Demand Response	CMU	Concrete Masonry Unit
AED	Automated External Defibrillator	COBRA	Consolidated Omnibus Budget Reconciliation Act
af	Acre-Foot or Acre-Feet	COLAs	Cost-of-Living Adjustments
ALAE	Allocated Loss Adjustment Expenses	COP	Certificates of Participation
AMI	Advanced Meter Infrastructure	CPI	Consumer Price Index
AMP	Asset Management Program	CPR	Cardiopulmonary Resuscitation
AMR	Automated Meter Reading	Cr6	Chromium-6
AMWA	Association of Metropolitan Water Agencies	CRM	Customer Relationship Management
AOB	Area of Benefit	CVB	Convention and Visitors Bureau
APN	Assessor's Parcel Number	CVCWD	Coachella Valley County Water District
AQMD	Air Quality Management District	CVILC	Coachella Valley Irrigated Lands Coalition
ARC	Annual Required Contribution	CVMSHCP	Coachella Valley Multiple Species Habitat Conservation Plan
ASSET	Association of Supervisory Support Evaluation Team	CVRWMG	Coachella Valley Regional Water Management Group
AWWA	American Water Works Association	CVSC	Coachella Valley Stormwater Channel
BDCP	Bay-Delta Conservation Plan	CVWD	Coachella Valley Water District
BIA	Bureau of Indian Affairs	CVWDEA	Coachella Valley Water District Employees Association
BLM	Bureau of Land Management	CVWMP	Coachella Valley Water Management Plan
BMP	Best Management Practice	CWSRF	Clean Water State Revolving Fund
BPS	Booster Pump Station	DAC	Disadvantage Community
CAD	Computer-Aided Design	DCP	Drought Contingency Plan
CAFR	Comprehensive Annual Financial Report	DCSC	Deep Canyon Stormwater Channel
CalPERS	California Public Employee's Retirement System	DDW	Division of Drinking Water
CARB	California Air Resources Board	DHCCP	Delta Habitat Conservation and Conveyance Program
Ccf	One Hundred Cubic Feet	DIP	Ductile Iron Pipe
CCLP	Coachella Canal Lining Project	DMS	Document Management System
CCTV	Closed Circuit Television	DWA	Desert Water Agency
CDSM	Cement Deep Soil Mixing	DWR	Department of Water Resources
CEQA	California Environmental Quality Act	DWSRF	Drinking Water State Revolving Fund
CHRIS	California Historical Resources Information System		
CIB	Capital Improvement Budget		
CIP	Capital Improvement Plan		
CLOMR	Conditional Letter of Map Revision		

EAP	Employee Assistance Program	IIPP	Injury Illness Prevention Program
ECM	Enterprise Content Management	I/O	Input/Output
EDU	Equivalent Dwelling Unit	IP	Internet Protocol
EMS	Energy Management System	IRWMP	Integrated Regional Water Management Plan
EOC	Emergency Operation Center	IS	Information Systems
EPA	Environmental Protection Agency	ISMND	Initial Study Mitigated Negative Declaration
ERP	Enterprise Resource Planning	ISO	Insurance Services Office
ESS	Employee Self-Serve Solution	ITIL	IT Infrastructure Library
ESU	Equivalent Sewer Unit	IXTP	Ion Exchange Treatment Plant
ETL	Extract, Transform, and Load	JHA	Job Hazard Analysis
EUM	Effective Utility Management	KW	Kilowatt
FCC	Federal Communication Commission	L4	La Quinta 4 Pump Station
FEMA	Federal Emergency Management Agency	LAMP	Levee Analysis Mapping Procedure
FIRM	Flood Insurance Rate Maps	LAN	Local Area Network
FSA	Flexible Spending Account	LIMS	Laboratory Information Management System
FTE	Full-Time Equivalent	LLPT	Local Levee Partnership Team
FTP	File Transfer Protocol	LOMR	Letter of Map Revision
GAAP	Generally Accepted Accounting Principles	LS	Lift Station
GASB	Governmental Accounting Standards Board	maf	Million Acre Feet
GE	General Electric	MCC	Motor Control Center
GFOA	Government Finance Officers Association	MHPZ	Mission Hills Pressure Zone
GIS	Geographic Information System	MMRP	Mitigation Monitoring & Reporting Program
GO	Grant Officer	MND	Mitigated Negative Declaration
GPM	Gallons Per Minute	MOU	Memorandum of Understanding
GPS	Global Positioning System	MP	Mile Post
GRF	Groundwater Replenishment Facility	MVP	Mid-Valley Pipeline
HDHP	High Deductible Health Plan	MWD	Metropolitan Water District
HDPE	High Density Polyethylene	NEPA	National Environmental Protection Act
HMI	Human Machine Interface	NFIP	National Flood Insurance Program
HMO	Health Maintenance Organization	NFPA	National Fire Protection Association
HOA	Homeowner's Association	NIL	Noninterference Letter per the Subdivision Map Act
HP	Horsepower	NIRL	Noninterference Review Letter
HSA	Health Savings Account	NPDES	National Pollutant Discharge Elimination System
HVAC	Heating, Ventilation, and Air Conditioning	NPW	Nonpotable Water
ID	Improvement District	O&M	Operations & Maintenance
IID	Imperial Irrigation District		

OGMHP	Oasis Gardens Mobile Home Park	SLA	Service Level Agreement
OMPR	Operation, Maintenance, Power, & Replacement	SMP	Stormwater Master Plan
OPEB	Other Post-Employment Benefits	SMPZ	Sky Mountain Pressure Zone
OSHA	Occupational Safety & Health Administration	SNMP	Salt and Nutrient Management Plan
PC	Pumping Charge	SSMP	Sanitary Sewer Master Plan
PCD	Pressure Control Device	SSORP	Sanitary Sewer Overflow Response Plan
PCI	Payment Card Industry	SWP	State Water Project
PDR	Preliminary Design Report	SWRCB	State Water Resources Control Board
PDRF	Palm Desert Replenishment Facility	SWSC	Supplemental Water Supply Charge
PEPRA	Public Employee Pension Reform Act	T1	Tertiary Plant 1
PBX	Private Branch Exchange	T2	Tertiary Plant 2
PLC	Programmable Logic Controller	T7	Tertiary Plant 7
PPB	Parts per Billion	TAF	Thousand Acre Feet
PPO	Preferred Provider Organization	TEL	Thomas E. Levy Groundwater Replenishment Facility
PUC	Public Utilities Commission	TOU	Time of Use
PUE	Public Utility Easement	UPRR	Union Pacific Railroad
PVC	Polyvinyl Chloride	USBR	United States Bureau of Reclamation
QSA	Quantification Settlement Agreement	USGS	United States Geological Survey
RAC	Replenishment Assessment Charge	UWMP	Urban Water Management Plan
RAS	Return Activated Sludge	VCP	Vitrified Clay Pipe
RDA	Redevelopment Agency	VFD	Variable Frequency Drive
RFP	Request for Proposal	VMRS	Vehicle Maintenance Reporting System
RMP	Risk Management Plan	VPN	Virtual Private Network
ROW	Right-of-Way	VPZ	Valley Pressure Zone
RTU	Remote Terminal Unit	WAN	Wide Area Network
RWQCB	Regional Water Quality Control Board	WAS	Waste Activated Sludge
SBA	Strong Base Anion	WDR	Waste Discharge Requirements
SCADA	Supervisory Control and Data Acquisition	WIFIA	Water Infrastructure Finance and Innovation Act
SCC	Sanitation Capacity Charge	WQL	Water Quality Laboratory
SCE	Southern California Edison	WRP	Wastewater Reclamation Plant
SCIF	State Compensation Insurance Fund	WSBFC	Water System Backup Facility Charge
SCPD	Sun City Palm Desert	WWRSC	Whitewater River Stormwater Channel
SDCWA	San Diego County Water Authority	WWSA	Whitewater Spreading Area
SGMA	Sustainable Groundwater Management Act		
SHPO	State Historical Preservation Office		

**ACCRUAL BASIS OF ACCOUNTING** Method of accounting that recognizes the financial effect of transactions, events and interfund activity when they occur, regardless of the timing of related cash flows. Revenues are recorded when earned and expenses recognized when incurred.

**ACTIVE** The asset is functioning.

**ACRE-FOOT** A unit of volume of water in irrigation. The amount covering one acre to a depth of one foot, equal to 43,560 cubic feet or 325,851 gallons.

**ADSORPTION** The process in which atoms, ions or molecules from a substance (it could be gas, liquid or dissolved solid) adhere to a surface of the adsorbent.

**ADEQUACY** 1. When the asset is able to do the job that it is assigned to do (e.g., flow capacity relative to required capacity); 2. Delivery of an acceptable quantity and quality of water at a suitable pressure in response to customer requirements.

**ADVANCED METER INFRASTRUCTURE (AMI)** Provides more information including data from other sensors, extended meter history or unusual patterns captured by the meter.

**ADVANCED TREATMENT** A treatment process that involves sophisticated methods to bring about high quality water. Advanced treatment is often associated with drinking water, reuse, or wastewater treatment.

**AERATION** A gas transfer unit process that allows for the absorption of gas (most commonly oxygen) by water.

**AERATOR** A device that brings air into contact with a liquid for the purpose of mixing or transferring gasses from air into the liquid phase.

**AIR RELIEF VALVE** A valve that allows accumulating gases to escape at the top of the valve and seal closed when displaced by liquid.

**ALL AMERICAN CANAL** An 80-mile (130 km) long aqueduct, located in southeastern California. It conveys water from the Colorado River into the Imperial Valley and to nine cities. It is the Imperial Valley's only water source.

**ALLUVIAL FAN** A fan- or cone-shaped deposit of sediment crossed and built up by streams.

**ALLUVIAL FAN FLOODING** Flooding occurring on the surface of an alluvial fan or similar landform, which originates at the highest spot and is characterized by high-velocity flows; active processes of erosion, sediment transport, and deposition; and unpredictable flowpaths.

**APPROPRIATION** Authorization of funds restricting expenditure to a designated purpose within a specified time frame.

**APPURTENANCES** Something added to another, more important thing; an appendage.

**AQUEDUCT** A conduit, at or above ground level, to convey water by gravity.

**AQUIFER** An underground layer of water bearing permeable rock or unconsolidated materials (gravel, sand, silt from which groundwater can be extracted.)

**ARCGIS** A geographic information system (GIS) for working with maps and geographic information. It is used for creating and using maps, compiling geographic data, analyzing mapped information, sharing and discovering geographic information, using maps and geographic information in a range of applications, and managing geographic information in a database.

**ARTESIAN WELL** A well in which water flows to the surface under natural pressure without pumping.

**ASSET** Anything of value such as an area of land, or a building, or an item of plant or equipment or infrastructure that provides service potential or future economic benefits over a period greater than one year, and has a cost that is material (at least \$10,000). Assets are typically classified as either physical, financial (e.g., cash, stocks, debt instruments), or intangible (e.g., intellectual property, goodwill).

**AUTOMATED METER READER (AMR)** A method of conveying water meter reading without interfacing directly with the meter or a contact point, normally through radio transmitters.

**BALANCED BUDGET** The District's current operating expenses will be paid from current revenues and reserves carried forward from the prior year.

**BIOSOLIDS** Nutrient-rich organic materials resulting from the treatment of domestic sewage in a treatment facility.

**BLOWER** Mechanical equipment used to pump air.

**BUREAU OF RECLAMATION (USBR)** formerly the United States Reclamation Service. An agency under the U.S. Department of the Interior, which oversees water resource management, specifically as it applies to the oversight and/or operation of numerous diversion, delivery and storage projects it built throughout the western United States for irrigation, water supply, and attendant hydroelectric power generation.

**BYPASS LINE** A pipe designed to divert flow around a pipe segment, typically to enable maintenance or another activity to be performed.

**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)** A California statute passed in 1970, shortly after the United States federal government passed the National Environmental Policy Act (NEPA), to institute a statewide policy of environmental protection. CEQA does not directly regulate land uses, but instead requires state and local agencies within California to follow a protocol of analysis and public disclosure of environmental impacts of proposed projects and adopt all feasible measures to mitigate those impacts.

**CHANNEL** An open (nonpressurized) waterway that conveys water between two points.

**CHECK VALVE** A controlling device connected to a pipe that only permits flow in one direction.

**CHLORINATION** The process of adding the element chlorine to water for oxidation and disinfection. Chlorine systems can use chlorine gas, hypochlorite solution, or onsite hypochlorite generation.

**CHLORINATOR** A device used to add chlorine to water.

**CHROMIUM-6 (Cr-6)** A form of the metallic element chromium that is found naturally in common minerals. Also known as hexavalent chromium.

**CLASSIC MEMBER** An existing CalPERS member as of December 31, 2012; or a member that has a break in service of more than six months, but returns to service with the same employer.

**COACHELLA CANAL** A 123-mile (196 km) aqueduct that conveys Colorado River water for irrigation from the All-American Canal to the Coachella Valley in Riverside County, California.

**COLLAPSE** A failed segment of a sanitary sewer in which a portion of the pipe has broken away and invariably blocks the passage of wastewater.

**CONTROLLER** A device that controls the starting, stopping, or operation of a device or piece of equipment.

**CONVEYANCE SYSTEM** The combination of assets used to deliver an adequate supply of the selected material (water) from one point to another. The conveyance can include piping, pumps, controls (valves), and storage.

**COOLING TOWER** A tower-like device in which atmospheric air circulates and cools warm water, generally by direct contact (evaporation).

**COVID-19** Coronavirus Pandemic

**CYBER ATTACK** Any type of offensive maneuver employed by individuals or whole organizations that target computer information systems, infrastructures, computer networks and/or personal computer devices by various means of malicious acts, usually originating from an anonymous source that either steals, alters, or destroys a specified target by hacking into a susceptible system

**DELIVERY SYSTEM** The piping, valves and related assets that convey water from one point in the operation to another. For example, a delivery system can take water from the intake to the plant or from plant to the customer.

**DEPRECIATION** The reduction in value of a long lived asset from use or obsolescence. The decline in value is recognized by a periodic allocation of the original cost of the asset to current operations on an income statement. The District does not show depreciation on its budgetary Statement of Revenues, Expenses, and Changes in Reserve because it is not a cash item.

**DIFFUSER** A device to inject a gas or liquid into water, so that it disperses evenly.

**DOWNTIME** The time that water mains or service lines are unavailable for use. Can be a function of a failure and the time to restore service, or can refer to the time required to renew the main or service.

**DRAIN** A gravity system the carries water from a higher level of flow to a lower level, usually via pipe.

**DRY WELL** A dry compartment of a pumping station where pumps are located.

**EFFECTIVE UTILITY MANAGEMENT (EUM)** A nationally recognized framework designed to help water and wastewater utility managers make practical, systematic changes to achieve excellence in utility performance.

**EFFLUENT** An outflow or discharge of liquid waste from a sewer or sewage system.

**ENTERPRISE FUND** Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

**ENVIRONMENTAL PROTECTION AGENCY (EPA OR SOMETIMES USEPA)** An agency of the United States federal government which was created for the purpose of protecting human health and the environment by writing and enforcing regulations, based on laws passed by Congress.

**ESTUARY** An arm of the sea that extends inland to meet the mouth of a river.

**FILTER** A unit designed with a physical barrier (media or screen) to remove particulate matter from a liquid stream but allows a stream to pass through. May operate by gravity or applied pressure.

**FILTER PRESS** A device used to dewater sludge by applying pressure between two plates or belts to force water out and leave a sludge cake.

**FLOCCULATION** A sanitation treatment process that applies gentle stirring to bring suspended particles together so that they will form larger, more settleable clumps called floc.

**FLOCCULATION BASIN** A tank used for formation of floc by gentle stirring.

**FOREBAY** A small reservoir at the head of the pipeline that carries water to the consumer.

**FULL-TIME EQUIVALENT (FTE)** A measure of labor requirement equal to the full time use of one worker (e.g., could be one person full time or two people half time).

**FUND** Fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources; including all related liabilities and residual equities or balances, with changes segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**GAUGE** A device or instrument for measuring and registering a physical property (e.g., pressure gauge).

**GEOGRAPHIC INFORMATION SYSTEM (GIS)**  
A computer system for capturing storing, checking, and displaying data related to positions on the Earth's surface.

**GDP PRICE DEFLATOR** An economic metric that accounts for inflation by converting output measured at current prices into constant-dollar GDP.

**HEADWORKS** Structures and devices located at the diversion point of a pipe, channel, or treatment process. The beginning or point of origin of a treatment process.

**HYDRAULIC** Operated by the pressure created by forcing water through a comparatively narrow pipe or orifice.

**HYDROLOGIC** Of or dealing with the science of occurrence, circulation, distribution, and properties of the waters of the earth and its atmosphere.

**INFLOW** Sewage that enters into a sewer system at points of direct connection from various sources.

**INFLUENT** A stream of liquid that enters a location; such as a water plant intake.

**INTAKE** A structure or device placed in a surface water source to permit the withdrawal of water.

**INTERRUPTION** An event in which the customer is deprived of a proper level of service. For water service, it typically implies loss of flow and pressure to a few customers for brief periods.

**ION EXCHANGE** A reversible chemical process to exchange ions in solution with ions from an insoluble solid medium.

**LAGOON** A detention or holding pond used to contain sludge that may promote evaporation, sedimentation, or biological oxidation.

**MANHOLE** The opening in a vault to allow access for maintenance, inspections, and operations to pipelines. In sewer lines, this can interface directly with the run of flow through adjacent sewer pipe.

**METER** A device that measures and records the quantity of a substance, such as water or energy that has passed through it during a specified period.

**METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (MWD)** The largest supplier of treated water in the US. It is a cooperative of 14 cities and 12 municipal water districts that indirectly provides water to 18 million people in its 5,200-square-mile (13,000 km<sup>2</sup>) service area.

**ODOR CONTROL** The elimination of odors by aeration, chemical oxidation, adsorption, or other means.

**OFFSET** A reduction in one or more budget line items (accounts).

**OUTAGE** An event in which the customer is deprived of a proper level of service. For water service, it typically implies loss of flow and pressure to multiple customers for extended periods.

**OVERFLOW** A sewer overflow is a discharge of untreated, raw sewage into local waterways. Overflows occur when there is too much wastewater for the sewer system or treatment plants to handle, such as after heavy rainstorms.

**PEAK DEMAND** The experienced or calculated maximum required to manage wastewater or delivery of water expressed as a unit of time (year, month, day, hour, minute).

**PEPRA MEMBER** A new hire who has no prior membership in any California public retirement system prior to January 1, 2013; or who is rehired by a different CalPERS employer after a break in service of greater than six months.

**PIPE** A conduit that conducts or diverts water from one location to another.

**PRODUCER PRICE INDEX (PPI)** This program measures the average change over time in the selling prices received by domestic producers for their output.

**PRESSURE ZONE (PZ)** An area within a distribution system in which the pressure is maintained by pumps, tank levels, or regulators independent from any adjacent pressure zone (separated by valves).

**PUMP** A mechanical device for raising or lifting water, pushing it, and changing flow and pressure.

**PUMP STATION** A structure containing pumps and appurtenant piping, valves, and other mechanical and electrical equipment for pumping raw water. Also called a lift station.

**QUAGGA MUSSEL** A subspecies of freshwater mussel, an aquatic bivalve mollusk. It is one of seven Dreissena species and has an average life span of 3 to 5 years. Quagga Mussels were discovered in Lake Mead on January 6, 2007 and all reservoirs, lakes and watersheds receiving raw Colorado River water have been exposed to Quagga Mussels.

**QUALITY** Measures the performance of assets to perform their function toward meeting regulatory and nonregulatory goals; these are often associated with water quality.

**REDEVELOPMENT AGENCY (RDA)** Created for the purpose of improving, upgrading, and revitalizing areas within the City that had become blighted because of deterioration, disuse, and unproductive economic conditions. It is a legal and separate public body, with separate powers and a separate budget from the City. In February 2012 all Redevelopment Agencies within the State of California were dissolved.

**REGULATOR** A device for controlling flow, movement, or pressure.

**RELEASE PIPING SYSTEM** A piping system, including pipes, fittings, and valves, for discharging stored water from a dam or impoundment; as opposed to a spillway that discharges only when the water level reaches an overflow level.

**RELIABILITY** The probability that a system performs a specified function or mission under given conditions for a prescribed time.

**REPLENISH** A hydrologic process where water, usually from an imported source, is moved through layers of sand, dirt, and rock to groundwater.

**RESERVES** The amount of cash and investments in a fund, plus the accounts receivable, less the accounts payable, and amounts due to others in that fund.

**RESERVOIR** An impounded body of water or controlled lake, in which water can be collected and stored.

## **SACRAMENTO-SAN JOAQUIN RIVER DELTA OR CALIFORNIA DELTA**

An expansive inland river delta and estuary in Northern California. The Delta is formed at the western edge of the Central Valley by the confluence of the Sacramento and San Joaquin rivers, lying just east of where the rivers enter Suisun Bay.

**SCREEN** A device to retain or remove debris and suspended solids.

**SECONDARY CLARIFIER** A process designed to facilitate gravity removal of suspended matter from a liquid by settling (usually after flocculation in water treatment).

**SEPTAGE RECEIVING FACILITY** A structure used to accept and process septic system waste.

**SERVICE LINE** Pipe from the common distribution main to provide water to individual customers for domestic or fire service.

**SIPHON** A closed conduit in which enough pressure is created to permit a fluid to flow upward, then transferred across a higher elevation to a discharge point at a lower elevation.

**SLUDGE** The by-product of drinking water and wastewater treatment processes that contains most of the solids (residuals). Sludge contains water, and many processes are used to remove the sludge from the liquid treatment, as well as significant portions of the water in the by-product.

**STATE WATER PROJECT (SWP)** The world's largest publicly built and operated water and power development and conveyance system. The original purpose of the project was to provide water for arid Southern California, which lacks adequate local water resources to provide for the growth the region has experienced.

**STORAGE** A vessel that can provide a readily available water supply and can be used to account for variations in demand.

**STORAGE TANK** A container for storing liquids or gases.

**SUBMERSIBLE PUMP** A device designed to fit inside a tank or well casing used to operate below the water level and lift water to facilities above ground, or directly to customers.

**SUBSIDENCE** The gradual sinking of landforms to a lower level resulting from earth movements.

#### **SUPERVISORY CONTROL AND DATA**

**ACQUISITION (SCADA)** A computer monitored alarm, response, control, and data acquisition system used by drinking water facilities to monitor operations.

**SUPPLEMENTAL REQUEST** A budget request for funds to purchase items that exceed a department's base budget. A supplemental request may be recurring or nonrecurring.

**TANK** A vessel or container used to hold water or other liquid.

**TAP** The connection to a main for a lateral service line, hydrant, or other inlet or outlet.

**TELEMETRY** Communication technologies that allow the remote measurement and status reporting of information.

**TRANSMISSION MAIN** A large water main that transports water from the main supply or source, to a distant area where the water is then further distributed. Finished water transmission mains usually have no or few connections.

**TUNNEL** An underground passage for conveyance of water, vehicles, piping, or conduit.

**VALVE** A device to regulate or isolate the flow of water.

**VAULT** An underground structure to house pumps, meters, etc.

**WASTEWATER TREATMENT** The planned actions taken on sewer discharges that may remove solids, particulate matter, chemical contaminants, or render biological organisms inert for placement of water back into the environment and proper handling of sludge.

**WATER DISTRIBUTION** A network of pipe, pumps, and storage facilities to transport potable water from the source or treatment facility to the consumer.

**WATER METER** A device designed to accurately measure flow passing through it. Meters are of various types and materials, and function with accuracy within certain flow ranges.

**WATER QUALITY** Various measures by which materials (contaminants) and appearance (aesthetics) are compared against what are considered appropriate levels for acceptable water.

**WATER QUALITY MONITORING** Instrumentation for measuring the quality of water.

**WATERSHED** The area of land that catches rain and snow, and drains or seeps into a marsh, stream, river, lake, or groundwater aquifer.

**WATER TENDER** A trailer with a small pump used to store water. It is used to provide water to affected customers during emergency water outages and for community outreach and special events.

**WATER TREATMENT** Any process that intentionally alters and improves the chemical, biological, or physical characteristics of water.

**WELL** 1. A subsurface source of water that is generally accessed through a drilled casing and pipe into the aquifer; 2. The entire system of the underground water source, pipe casing, pump, etc. Also called a borehole.

**WELLHEAD PROTECTION** A system of deterrents to guard against potential groundwater contamination through the well casing. Includes well curb or cap, fences, etc.

**WET WELL** A chamber in which water or wastewater is collected and to which a suction pump is connected.

**WETLAND** An area saturated by surface or groundwater at sufficient frequency and duration to support vegetation adapted for life in saturated soil conditions.

**WHITewater RIVER** A small permanent stream in western Riverside County and southwestern San Bernardino County, California.

**WHITewater RIVER STORMWATER CHANNEL** The naturally occurring portion of the storm channel that runs from the Whitewater area north of Palm Springs to Washington Street.

**WORKING CAPITAL** The amount of cash and investments in a fund, plus the accounts receivable, less the accounts payable and amounts due to others in that fund. Also referred to as reserves



# 2019 *by the* NUMBERS

**568** full-time & **2** part-time employees budgeted as of 6/30/2020

**\$66,557,394,787**

combined assessed valuation for property within the CVWD service boundaries as of 6/30/2020

MG: Million gallons | MGD: Million gallons per day | AF: Acre feet

## DOMESTIC (DRINKING) WATER

### SERVICE INFORMATION

Population Served	300,000
Active Accounts <sup>1</sup>	110,133
Average Daily Demand	75.9 MGD
Total Water Delivered	84,974 AF

### SYSTEM INFORMATION

Active Wells	97
Total Daily Well Pumping Capacity	244 MGD
Distribution Reservoirs	64
Storage Capacity	153.2 MG
Distribution Piping System	2,024 Miles

## CANAL WATER

### SERVICE INFORMATION

Irrigable Acres for Service	76,364
Active Accounts	1,277
Total Water Delivered	335,760 AF
Average Daily Demand	914 AF
Maximum Daily Demand	1,635 AF

### SYSTEM INFORMATION

Reservoirs	1
Storage Capacity	1,301 AF
Distribution System	485 Miles
Pumping Plants	16
Length of Canal	123 Miles

## BLENDED, MVP, RECYCLED WATER<sup>2</sup>

### SERVICE INFORMATION

Active Accounts	24
Average Daily Flow	18 MGD

### SYSTEM INFORMATION

Wastewater Reclamation Plants	2
Total Daily Tertiary Capacity	17.5 MGD
Distribution Piping System	31 Miles

## AGRICULTURAL DRAINAGE

Total on-farm drains	2,298 Miles
Acreage with farm drains	37,425 Acres
District open drains	21 Miles
District pipe drains	166 Miles

## WASTEWATER

### SERVICE INFORMATION

Population Served	254,420
Active Accounts	94,937
Average Daily Flow	16.71 MGD

### SYSTEM INFORMATION

Wastewater Reclamation Plants	5
Total Daily Plant Capacity	33.1 MGD
Collection Piping System	1,160 Miles

## GROUNDWATER MANAGEMENT

*In cooperation with Desert Water Agency*

Replenishment facilities	4
Replenishment from imported water	282,998 AF
Imported supply since 1973 through 2019	4,269,239 AF



Aquifer Replenishment Ponds

## STORMWATER PROTECTION

**SERVICE AREA 381,479 ACRES**

### SYSTEM INFORMATION

Stormwater Channels	17
Length of Whitewater River/Coachella Stormwater Channel	50 Miles
Length of all Regional Flood Protection Facilities	169 Miles

<sup>1</sup> The number of active service connections excludes fire service.

<sup>2</sup> **Blended:** Recycled water blended with Colorado River water  
**MVP:** Colorado River water accessed from the Mid-Valley Pipeline  
**Recycled:** Reclaimed wastewater from Wastewater Reclamation Plants 7 and 10



**YourWater**  
is our promise.

**COACHELLA VALLEY WATER DISTRICT**

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