

**LA HABRA HEIGHTS COUNTY
WATER DISTRICT**

BOARD MEETING

APRIL 22, 2025

**AGENDA FOR REGULAR MEETING
BOARD OF DIRECTORS
LA HABRA HEIGHTS COUNTY WATER DISTRICT
April 22, 2025 @ 4:00PM**

- 1. Roll call of Directors by Secretary**
- 2. Notation of staff members and others present**
- 3. Public Communications** (Comments will be limited to 3 minutes)
- 4. Directors Report – Individual, Subcommittees and/or Attended Events**
- 5. Consent Items:** It is recommended these items be acted upon simultaneously unless separate discussion or action is requested by a member of the public or a Director.
 - a. Minutes of regular Board meeting for March 25, 2025 (approve)
 - b. Financial Reports – February 2025 (approve)
 - c. Financial Reports – March 2025 (approve)
 - d. Status of Investments – March 2025 (approve)
- 6. Approval of warrants and authorize signatures per warrant list**
- 7. Report of Superintendent**
- 8. Report and recommendations of General Manager:**
 - a. Discuss and Approve– Proposed Fiscal Year 2025/2026 Budget
 - b. Discuss and Approve- Proposed Fiscal Year 2025/2026 Salary and Benefits
 - c. Discuss and Action – Approve WRD Reimbursement Agreement for NEPA consultation

- d. Discuss and Approve – Request for Proposals for PFAS Treatment Plant equipment purchase.
- e. Discuss and Action – Approve the District's revised Cross Connection Control Plan
- f. Discuss and Adopt– Resolution 25-05 Revising the District's Rates, Rules, and Regulations, Section 42- Cross Connection Control Program.
- g. Discuss and Approve – Audit Proposal for fiscal year ending June 30, 2025, 2026, and 2027.
- h. Discuss and Action – Pursuing possible grant funding from San Gabriel & Lower Los Angeles Rivers & Mountains Conservancy to fund Skyline Drive water main replacement
- i. Monthly report on PFAS

9. Closed Session

a. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION:

Discussions with legal counsel re. potential initiation of litigation pursuant to § 54956.9(c): One case.

10. Adjournment

Any documents that are provided to the Board of Directors regarding items on this agenda less than 72 hours prior to this meeting will be available for public inspection at the front counter of the District office located at 1271 N. Hacienda Road, La Habra Heights, California 90631

MINUTES

MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS
LA HABRA HEIGHTS COUNTY WATER DISTRICT
March 25, 2025

A regular meeting of the Board of Directors of La Habra Heights County Water District was held on March 25, 2025, at 4:00 p.m., at the office of the District, located at 1271 North Hacienda Road, La Habra Heights.

Item 1. Roll call of Directors by Secretary/General Manager, Joe Matthews.

PRESENT: Directors, Cooke, Crabb, McVicar, and Perumean

ABSENT: Director Baroldi

(Director Baroldi entered the meeting at 4:10 p.m.)

Item 2. Staff members and others present. Staff: Joe Matthews, Secretary/General Manager, and. Ivan Ramirez, Superintendent. Others present: Michael Silander, District Counsel.

Item 3. Public Communications – None

Item 4. Directors Report – Individual, Subcommittees and/or Attended Events.

Director McVicar reported on Investment committee meeting and Treasury Bill purchase.

Item 5. a. Minutes of Regular Board meeting for February 25, 2025. After discussion there was a motion by Director McVicar and seconded by Director Perumean to approve minutes. The vote was as follows:

AYES: Directors Baroldi, Cooke, Crabb, McVicar, and Perumean

NOES: None

ABSENT: None

Item 5.b Financial Reports – February 2025- After discussion, this item was continued until the April 2025 board meeting.

Item 6. Approval of warrants and authorized signatures per warrant list. After discussion, there was a motion made by Director McVicar and seconded by Director Baroldi

that warrant numbers 47629 through 47695 in the amount of \$360,686.55 and EFT transfers in the amount of \$13,058.34 be approved and signatures be authorized. The vote was as follows:

AYES: Directors Baroldi, Cooke, Crabb, McVicar, and Perumean

NOES: None

ABSENT: None

Item 7. Report of Superintendent. The Superintendent informed that three service leaks were repaired. One fire hydrant retaining wall was installed allowing the fire department and the District better access for maintenance. GJR electric relocated the transfer switch wiring at Plant 1 pump 1 to work efficiently with our portable emergency generator. On March 17, 2025, Plant 5 booster 1 motor was installed. April 1, 2025, GJR Electric will work with Halco Electrical and the District to measure 30 days of Edison incoming power.

Item 8.a. Discuss and Approve – Mou between Water Replenishment District and the District for funding from the EPA (per the latest version provided by the District Counsel). After discussion, there was a motion by Director McVicar and seconded by Director Baroldi to approve the MOU. The vote was as follows:

AYES: Directors Baroldi, Cooke, Crabb, McVicar, and Perumean

NOES: None

ABSENT: None

Item 8.b. Discuss and Approve - Resolution 25-03 District Credit Card Policy. After discussion, there was a motion by Director McVicar and seconded by Director Baroldi to approve Resolution 25-03. The vote was as follows:

AYES: Directors Baroldi, Cooke, Crabb, McVicar, and Perumean

NOES: None

ABSENT: None

Item 8.c. Discuss and Action – Resolution 25-04 Amend the District's Employee Policies and Procedures manual to comply with the D.O.T. requirements. After discussion, there was a motion by Director McVicar and seconded by Director Baroldi to approve Resolution 25-04. The vote was as follows:

AYES: Directors Baroldi, Cooke, Crabb, McVicar, and Perumean

NOES: None

ABSENT: None

Item 8.d. Discuss and Adopt – D.O.T. Policy. After discussion, there was a motion by Director McVicar and seconded by Director Baroldi to approve D.O.T. Policy. The vote was as follows:

AYES: Directors Baroldi, Cooke, Crabb, McVicar, and Perumean

NOES: None

ABSENT: None

Item 8.e. Discuss and Action- Proposed Fiscal Year 2025/2026 Budget. After discussion, no action was taken, and this item was continued until the next board meeting in April 2025

Item 8.f. General Manager Monthly report on PFAS. The general manager provided a brief update on PFAS. No action was taken.

Closed Session:

Item 9.a. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION: re. potential initiation of litigation pursuant to § 54956.9(c): One case
No reportable action was taken.

Item 10. There being no further business to come before the Board, a motion was made by Director Cooke and seconded by Director McVicar that the meeting be adjourned at 6:03 p.m. The vote was as follows:

AYES: Directors Baroldi, Cooke, Crabb, McVicar, and Perumean

NOES: None

ABSENT: None

Dated: April 22, 2025

Brad Cooke, President

(SEAL)

Joe Matthews, Secretary

WARRANTS

La Habra Heights County Water District

AP Check Register (Current by Bank)

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
BANK ID: 13100 - EFT TRANSFERS					
1002875057	04/01/25	M	0130	CALPERS	\$5,000.68
1002875058	04/01/25	M	0130	CALPERS	\$1,582.13
1002885297	04/11/25	M	0130	CALPERS	\$5,000.68
1002885298	04/11/25	M	0130	CALPERS	\$1,582.13
BANK 13100 REGISTER TOTAL:					\$13,165.62

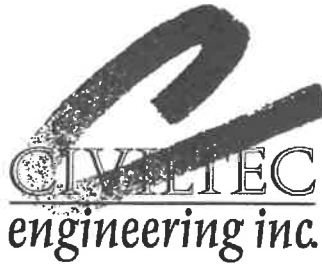
BANK ID: 13110 - CHECKING- WELLS FARGO

47696	03/25/25	P	0013	CANNINGS HARDWARE	\$48.67
47697	03/25/25	P	0441	CINTAS CORPORATION	\$36.06
47698	03/25/25	P	0145	CIVILTEC ENGINEERING INC	\$4,382.50
47699	03/25/25	P	0558	CONEXWEST	\$230.42
47700	03/25/25	P	0283	CONTINENTAL UTILITY SOLUTIONS	\$17.30
47701	03/25/25	P	0355	CYMA SYSTEMS, INC	\$1,393.69
47702	03/25/25	P	0197	DELTA MOTOR CO, INC	\$9,491.00
47703	03/25/25	P	0464	ENVIROKLEEN USA	\$650.00
47704	03/25/25	P	0389	FRONTIER COMMUNICATIONS	\$900.00
47705	03/25/25	P	0049	GOLDEN METERS SERVICE INC	\$2,267.67
47706	03/25/25	P	0099	GRAINGER INC	\$2,100.65
47707	03/25/25	P	0521	IMPERIAL CAR WASH	\$38.99
47708	03/25/25	P	0205	JOE MATTHEWS	\$2,080.80
47709	03/25/25	P	0571	JULIUS CERVANTES	\$264.80
47710	03/25/25	P	0503	MICHELLE SAVAGE	\$187.20
47711	03/25/25	P	0534	ODP BUSINESS SOLUTIONS, LLC.	\$174.39
47712	03/25/25	P	0092	POLLARDWATER.COM-EAST	\$1,555.77
47713	03/25/25	P	0147	SAN GABRIEL VALLEY WATER CO	\$70.54
47714	03/25/25	P	0068	SOUTHERN CALIF EDISON CO	\$9,131.25
47715	03/25/25	P	0243	TAMMY WAGSTAFF	\$149.36
47716	03/25/25	P	0094	WECK LABORATORIES, INC	\$129.00
47717	04/02/25	P	0116	ACWA-JPIA	\$18,052.51
47718	04/02/25	P	0385	ADMIRAL PEST CONTROL	\$93.00
47719	04/02/25	P	0582	BACKGROUNDS ONLINE	\$79.00
47720	04/02/25	P	0013	CANNINGS HARDWARE	\$316.47
47721	04/02/25	P	0014	CENTRAL BASIN MWD	\$24,372.57
47722	04/02/25	P	0441	CINTAS CORPORATION	\$72.14
47723	04/02/25	P	0569	GOTO COMMUNICATIONS, INC.	\$326.85
47724	04/02/25	P	0099	GRAINGER INC	\$452.56
47725	04/02/25	P	0586	HALOGEN SYSTEMS, INC.	\$7,346.85
47726	04/02/25	P	0369	HIGHROAD INFO TECHNOLOGY	\$6,245.00
47727	04/02/25	P	0205	JOE MATTHEWS	\$1,150.00
47728	04/02/25	P	0402	L G HOLDINGS, INC	\$4,301.83
47729	04/02/25	P	0051	LINCOLN FINANCIAL GROUP	\$3,128.50
47730	04/02/25	P	0430	MICHAEL SILANDER	\$4,062.50
47731	04/02/25	P	0534	ODP BUSINESS SOLUTIONS, LLC.	\$98.75
47732	04/02/25	P	0069	SOCALGAS	\$59.25
47733	04/02/25	P	0068	SOUTHERN CALIF EDISON CO	\$47,601.37
47734	04/02/25	P	0078	UNDERGROUND SERVICE ALERT	\$128.40
47735	04/02/25	P	0562	VERIZON	\$495.74
47736	04/02/25	P	0386	VERIZON WIRELESS	\$1,529.66
47737	04/02/25	P	0094	WECK LABORATORIES, INC	\$1,706.00
47738	04/03/25	P	0353	ARCO BUSINESS SOLUTIONS	\$2,139.94
47739	04/03/25	P	0427	TPX COMMUNICATIONS	\$4,323.12
47740	04/16/25	P	0139	ACWA/JPIA	\$6,512.43
47741	04/16/25	P	0011	BADGER METER, INC	\$3,691.27
47742	04/16/25	P	0013	CANNINGS HARDWARE	\$70.86
47743	04/16/25	P	0432	CHARTER COMMUNICATIONS	\$599.00

La Habra Heights County Water District
AP Check Register (Current by Bank)

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
47744	04/16/25	P	0441	CINTAS CORPORATION	\$232.62
47745	04/16/25	P	0164	EXCEL TELEMESSAGING	\$150.00
47746	04/16/25	P	0389	FRONTIER COMMUNICATIONS	\$103.54
47747	04/16/25	P	0519	GK CONSULTING	\$1,852.50
47748	04/16/25	P	0043	GRISWOLD INDUSTRIES	\$2,635.57
47749	04/16/25	P	0153	HOME DEPOT CR SERVICES	\$1,216.86
47750	04/16/25	P	0447	IVAN RAMIREZ	\$199.00
47751	04/16/25	P	0205	JOE MATTHEWS	\$645.61
47752	04/16/25	P	0579	KONICA MINOLTA BUSINESS SOL.	\$183.64
47753	04/16/25	P	0402	L G HOLDINGS, INC	\$14,295.83
47754	04/16/25	P	0001	LESLIE J. CONTRERAS	\$111.19
47755	04/16/25	P	0051	LINCOLN FINANCIAL GROUP	\$3,128.50
47756	04/16/25	P	0503	MICHELLE SAVAGE	\$293.60
47757	04/16/25	P	0231	O'REILLY AUTO PARTS	\$12.09
47758	04/16/25	P	0534	ODP BUSINESS SOLUTIONS, LLC.	\$27.36
47759	04/16/25	P	0495	PUBLIC WATER AGENCIES GROUP	\$875.00
47760	04/16/25	P	0258	S&J SUPPLY CO, INC	\$3,121.73
47761	04/16/25	P	0415	SAMUEL MUNOZ	\$8,550.00
47762	04/16/25	P	0068	SOUTHERN CALIF EDISON CO	\$12,743.33
47763	04/16/25	P	0527	STERICYCLE, INC.	\$355.85
47764	04/16/25	P	0243	TAMMY WAGSTAFF	\$237.74
47765	04/16/25	P	0268	UNIVAR USA, INC	\$1,776.06
47766	04/16/25	P	0016	WATER REPLENISHMENT DISTRICT	\$49,271.75
47767	04/16/25	P	0094	WECK LABORATORIES, INC	\$459.00
BANK 13110 REGISTER TOTAL:					\$276,734.02
GRAND TOTAL :					\$289,899.64

* Check Status Types: "P" - Printed ; "M" - Manual ; "V" - Void (Void Date) ; "A" - Application ; "E" - EFT** Denotes broken check sequence.



Civil, Water, Wastewater, Drainage and Transportation Engineering
Construction Management • Surveying
California • Arizona

March 24, 2025

La Habra Heights County Water District
1271 North Hacienda Road
La Habra Heights, CA 90631

Attention: Joe Matthews, General Manager

Subject: Engineering Activities for the Month of **February 2025**
Invoice Backup Support - Billing Period through February 28, 2025

Dear Mr. Matthews:

The La Habra Heights County Water District requires Engineering Support from **CIVILTEC engineering, inc. (Civiltec)** at times on various projects. This work is provided on a time and materials basis when requested and directed by LHHWCWD management. Following is an explanation of time spent to back up the **February 2025** invoicing. The numbering system is the **Civiltec** project number and tracking system.

2024140.00 – General Engineering Support FY24-25. This project has been established to aid the District in general engineering inquiries, participate in meetings, hydraulic modeling and calibration and overall engineering support. The total budget for General Engineering Support has been established at \$25,000.00 for each Fiscal Year. Below is an accounting of expenditures under this **Civiltec** job number for FY 2024-25.

There were no expenditures in February 2025. The remaining budget is \$21,200.00.

2024141.00 – Engineering Fire flow Modeling FY24-25. This project has been established to aid the District with computer model simulations for fire flow requests by LHHWCWD customers. Below is an accounting of expenditures under this **Civiltec** job number for FY 2024-25.

There were expenditures in the month of February 2025 totaling \$1,167.50. We have set up new project numbers per fire flow simulation. We are using this main number 2024141 and have put extensions starting with .01 for the first request.

✓2024141.15 Fire Flow Modeling for 1634 El Travesia Road	\$575.00
✓2024141.16 Fire Flow Modeling for 840 Picaacho Drive	\$592.50

2022169.00 – Well No. 12 Well Siting Study. LHHWCWD plans to drill a new well in the Judson Well Field. The overall budget for the project is \$157,770.00. There were no expenditures in



February 2025. The District is currently considering the destruction of Well No. 9 and civil improvements to the Well No. 9 discharge pit. The remaining budget is \$27,946.50.

✓**2024807.00 – PFAS Grant Application.** LHHCWD is working with WRD to secure grant funding for a new PFAS Treatment Plant. Grace Kast is preparing the grant funding applications to WRD and assisting with the EPA grant. *Civiltec* staff is supporting Ms. Kast with as needed cost estimating and preparing exhibits. The budget established for the *Civiltec* effort is \$15,915.00. There were expenditures in the month of February 2025 of \$265.00. The remaining budget is \$906.25.

✓**2024814.00 – PFAS Treatment Plant Design.** LHHCWD and *Civiltec* have executed a professional services agreement for the design of the new PFAS Treatment Plant. The design team has completed and submitted the draft PFAS treatment system equipment prepurchase request for proposals (RFP) document to the LHHCWD project team and received/incorporated their internal review comments. The RFP has been reviewed by the LHHCWD Board in their January meeting. The next step for RFP is to send it to WRD for review and comments, expected comments in late March or early April 2025. With LHHCWD and WRD approvals in hand the RFP will be provided to reputable PFAS treatment system suppliers for proposals/pricing. Because the RFP is on the critical path the design team has focused on expediting the document revisions to keep it moving through the review processes. In addition to the RFP focus, we have submitted for review to LHHCWD the draft Basis of Design Report (BODR 30% submittal) and the 60% design documents and anticipating review comments from LHHCWD and WRD. in the coming weeks. At this point we anticipate slowing the development of the final design documents until proposals from treatment systems suppliers are received, a supplier selected, and supplier equipment data sheets obtained. This approach will allow the project team to have in hand the supplier's equipment submittals for incorporation into the final design documents and the procurement schedule which will provide the ability to better forecast the required timing of obtaining a general contractor for installation. The budget established for the *Civiltec* effort is \$421,360.00. There were expenditures in the month of February 2025 totaling \$862.50. The remaining budget is \$162,049.00.

✓**2025302.00 – Development of Maps for Demand Scenarios.** LHHCWD has requested new water system maps that show Average Day Demand (ADD) and Maximum Day Demand (MDD) pressure residuals. A third map has been requested that will indicate MDD plus Fire Flow (MDD+FF) capability at each fire hydrant in the system. These maps have been issued as final. The overall budget for the project is \$5,290.00. There were expenditures in February 2025 of \$2,087.50. The is no remaining budget.

I hope this information helps with your processing of the project invoices. Please let me know if you have any questions.

Very truly yours,
CIVILTEC engineering, inc.

A handwritten signature in black ink, appearing to read 'W. David Byrum'.

W. David Byrum, P.E.
President, Principal Engineer

Michael Silander

Attorney at Law

3625 E. Thousand Oaks Blvd., Suite 224

Westlake Village, CA 91362

INVOICE

DATE: APRIL 1, 2025

TO:

La Habra Heights County Water District

1271 Hacienda Road

La Habra Heights, CA 90631

PLEASE REMIT PAYMENT TO:

Michael Silander

3625 E. Thousand Oaks Blvd., Suite 224

Westlake Village, CA 91362

SPECIFICATIONS:

LHHCWD/TOTAL

Invoice for legal services rendered in March 2025.

MATTER	HOURS	AMOUNT
Transactional - General	22.5	\$2,812.50
Retainer	Flat fee	\$1,250.00
		TOTAL: \$4,062.50

Please make all checks payable to Michael Silander

If you have any questions concerning this invoice,

please email michael@silanderlaw.com or call 805-490-9247

REPORT OF SUPERINTENDENT

LA HABRA HEIGHTS COUNTY WATER DISTRICT

MEMORANDUM

DATE: 4/16/25

**TO: JOE MATTHEWS, GENERAL MANAGER
& BOARD OF DIRECTORS**

FROM: IVAN RAMIREZ, SUPERINTENDENT

SUBJECT: SUPERINTENDENT'S REPORT FOR APRIL 2025

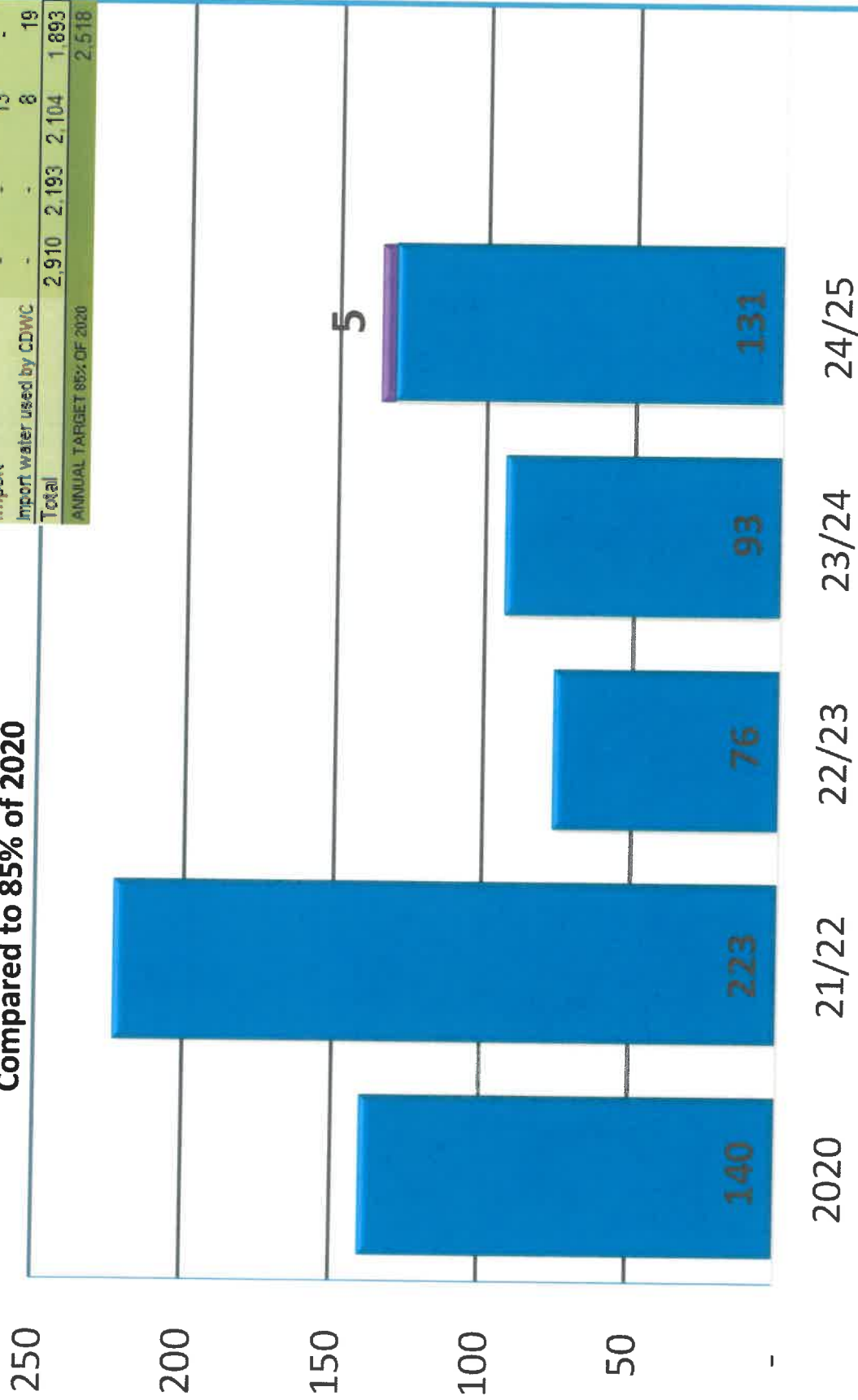
System and Equipment Maintenance

- Repaired three service leaks.
- Salazar Construction replaced a leaking fire hydrant and a failing wood structure that was replaced with a block structure.
- On April 1, 2025, Edison began monitoring Plant 5 electrical incoming power at no cost. Plant 1 is also being monitored for 30 days.

LA HABRA HEIGHTS COUNTY WATER DISTRICT

Production in acre feet for MARCH

Compared to 85% of 2020



■ Groundwater ■ Import water used by California Domestic Water Company from District's Central Basin Municipal Water District connection ■ Import

ANNUAL WATER USAGE					
Water Source	2021/2022	2022/2023	2023/2024	2024/25 THRU MAR	
Groundwater	2,910	2,193	2,083	1,874	
Import	-	-	13	-	
Import water used by CDWC	-	-	8	19	
Total	2,910	2,193	2,104	1,893	
ANNUAL TARGET 85% OF 2020					
				2,518	

**DISCUSS AND APPROVE
PROPOSED FISCAL YEAR 2025/2026
BUDGET**

LA HABRA HEIGHTS COUNTY WATER DISTRICT

MEMORANDUM

To: Joe Matthews
From: Tammy Wagstaff
Date: April 7, 2025
RE: 2025/2026 Draft Budget

OPERATING BUDGET

Below reflect some of the assumptions in the attached budget, as well as, the proposed water rates. Projected water sales are 2,400 acre feet (AF) for the year.

I used the projected 2023 Water Rate Study projections for Commodity-Upper & Lower Zones and Readiness to Serve rates for fiscal year 2025/26 proposed rate increases.

<u>Zone</u>	<u>2024/25 Board Approved Rate</u>	<u>2025/26 Budget Rate</u>	<u>Difference</u>	<u>Percent Increase</u>
Upper:	3.18	3.39	.21	6.6
Lower:	2.78	2.97	.19	6.8

Readiness to serve charges:

<u>Meter Size</u>				
3/4" & 5/8"	56.22	59.88	\$3.66	6.5
1"	92.14	98.13	5.99	6.5
1-1/2"	181.96	193.79	11.83	6.5
2"	289.73	308.57	18.84	6.5
3"	631.03	672.05	41.02	6.5
4"	1,134.00	1,207.71	73.71	6.5
6"	2,337.52	2,489.46	151.94	6.5
Fire Meter	631.03	672.05	41.02	6.5

The budget reflects 95.0% supply from groundwater of 2,430 AF. It allows for a 6% water loss. Water Replenishment District water rates are projected to increase from \$437 per acre foot to \$453, an 3.7% increase.

Central Basin Municipal Water District's water rates are projected to increase on January 1, 2026 from \$1,616 to \$1,697 which is a 5.0% increase. Water service, capacity and fixed service charges amounted to \$460.20 per cubic feet per second (cfs) each month; last year was \$438.29, which is a 5.0% change.

The budget reflects:

- Inflation projection of 3.3% (Los Angeles, Long Beach, Anaheim: Consumer Price Index-All Urban Consumers) (CPI-U)
- Depreciation funded based on 15 year capital improvement plan from Master Water Plan
- Funding GASB 45 Other Post Employment Benefits “pay as you go”
- Wage increase – propose an 3.5% cost of living adjustment (Consumer Price Index-Urban Wage Earners and Clerical Workers) (CPI-W). In addition, it is proposed to implement a merit pool of 2.0% to reward those employees who have high performance results.
- The 6 month average CPI-W from August 2023 through January 2024 is 3.0%. CPI-W 6 month average from last year was 2.4%.

The budget reflects net loss of \$39,524. Per the projected 2023 Water Rate Study the water and readiness to serve rates are to be increased to build reserves. These reserves are needed to meet the long term goals of replacing pipelines and wells identified in the 2022 Master Plan.

OPERATING BUDGET-implementation of:

Cross Connection consultant-backflow inspection	\$50,000
Mapping and asset management software-engineering	\$65,000
Hazard Mitigation Plan	\$ 9,286
Emergency Response Plan	\$ 6,102

CAPITAL BUDGET

Software for mapping and asset management
One vehicle
Well 12
Electrical improvements-Plant 5
PFOS treatment plant
Shop upgrade
Fire hydrant upgrades

LA HABRA HEIGHTS COUNTY WATER DISTRICT
2025/2026 BUDGET

GENERAL LEDGER ACCT #	DESCRIPTION	ACTUAL 1/31/2025	PROJECTED ACTUAL FISCAL YEAR 2024/2025	BUDGET FISCAL YEAR 2024/2025	FINAL BUDGET FISCAL YEAR 2025/2026	FINAL 2025/26 BUDGET HIGHER (LOWER) 2024/25 PROJ ACT
OPERATING REVENUE						
41100	Water Sales-Consumption	1,985,287	3,058,130	3,238,075	3,289,482	231,352
41200	Water Sales-Readiness to Serve	1,513,062	2,593,821	2,564,254	2,733,327	139,506
42300	Administrative & Turn on fee	35,623	61,068	34,462	35,854	(25,214)
49100	Water Rights Lease	-	30,061	34,621	34,412	4,351
	TOTAL OPERATING REVENUE	3,533,972	5,743,080	5,871,412	6,093,075	349,995
OPERATING EXPENSE						
	Source of Supply					
51300	Purchased Water	34,417	56,327	273,803	269,111	212,784
51400	Ground Water Replenishment	712,174	1,096,533	1,105,821	1,100,951	4,418
52300	Power	585,010	895,922	766,229	785,495	(110,427)
	Total Source of Supply	1,331,601	2,048,782	2,145,853	2,155,557	106,775
	Other Operating Expenses					
50000	Labor-Vacation, Sick & Holiday	48,616	84,268	75,125	88,243	3,975
52100	Labor-Pumping	37,671	65,296	63,706	69,916	4,620
52200	Maintenance-Pumping	31,507	54,012	69,817	66,790	12,778
53200	Maintenance & Labor-Treatment	62,357	106,898	77,146	110,425	3,527
54100	Labor-Trans & Distribution	130,868	226,838	254,222	300,705	73,867
54200	Maint-Trans & Distribution	47,460	66,789	270,102	209,535	142,746
62000	Joint Facilities-Wells	50,446	86,479	166,325	171,741	85,262
62100	Joint Facilities-Wells-Power	126,853	166,538	203,277	215,968	49,430
72000	Joint Facilities-LaMirada Conduit	1,999	3,427	9,311	9,357	5,930
82000	Joint Facilities-Reservoir	8,673	14,868	24,371	27,098	12,230
82200	Less: Orchard Dale portion	(94,251)	(161,573)	(204,601)	(220,660)	(59,087)
55100;55105	Labor& Maint-Customer Service	93,008	160,392	190,294	254,623	94,231
55110	Labor-Customer Account	3,438	5,959	4,808	5,430	(529)
55200	Uncollectible Accounts	2,448	4,197	3,937	4,335	138
	Total Other Operating Expenses	551,093	884,387	1,207,841	1,313,506	429,119
	TOTAL OPERATING EXPENSES	1,882,694	2,933,168	3,353,694	3,469,063	535,894
ADMINISTRATIVE & GENERAL EXPENSES						
56100;56110	Wages-Mgmt,Office&Sick/Vac/Holiday	292,450	506,913	553,116	561,760	54,847
56200	Office Supplies	14,927	25,589	45,080	29,596	4,007
56201	Auto Service	27,864	47,767	52,853	52,551	4,784
56202	Bank Service Charge	3,733	6,399	10,527	11,085	4,686
56203	Dues & Subscription	26,004	39,006	29,953	40,293	1,287
56204	Building Service	28,407	48,698	22,671	22,674	(26,024)
56205	Office Equipment Maint	11,401	19,545	39,519	37,220	17,675
56206	Professional	70,409	103,451	114,604	122,760	19,309
56207	Education & Meetings	13,846	23,736	17,495	17,946	(5,790)
56208	Legal	24,288	41,637	61,594	61,892	20,255
56209	Utilities	67,922	116,438	43,622	121,726	5,288
56220	Engineering	9,465	16,226	37,995	156,233	140,007
56300	Insurance-Auto, Liability, Property & Bond	80,560	138,103	115,065	154,866	16,763
56310	Insurance-Group Health & Life	118,472	203,095	223,968	229,403	26,308
56400	Employee Workers Compensation	14,441	24,756	31,273	31,488	6,732
56410	Dental	9,094	15,590	10,180	4,877	(10,713)
56420	Retirement-CalPERS	84,865	147,099	160,053	167,810	20,711
56421	Retirement-Deferred Compensation	11,470	19,881	22,088	23,462	3,581
56422	Retirement-CalPERS-Unfunded Accrued Liab.	108,463	108,463	112,090	139,783	31,320
57210	Payroll Taxes	54,144	92,818	88,542	95,870	3,052
56700	Maint-General Plant	47,147	80,823	72,494	83,491	2,668
57100	Capital Improvement	1,081,582	1,854,141	1,854,141	1,872,935	18,794
57200	Property Taxes	3,219	5,518	5,547	5,700	182
	TOTAL ADMINISTRATIVE & GENERAL EXP	2,204,173	3,685,692	3,724,470	4,045,421	359,729
	NET OPERATING INCOME (LOSS)	(552,895)	(875,781)	(1,206,752)	(1,421,409)	(545,628)
NON-OPERATING REVENUE						
49200	Interest Income	140,850	253,530	202,727	281,315	27,785
49300	Property Tax Income	528,783	1,013,525	1,004,509	987,241	(26,284)
49700	Rent Income	2,658	4,557	4,823	5,414	857
49750	Lease Income	71,085	121,860	121,860	121,860	-
49800	Oil Royalties	6,640	11,383	12,982	12,133	750
49810	Miscellaneous Income	3,760	6,446	4,194	1,989	(4,457)

LA HABRA HEIGHTS COUNTY WATER DISTRICT

2025/2026 BUDGET

GENERAL LEDGER ACCT #	DESCRIPTION	ACTUAL 1/31/2025	PROJECTED ACTUAL FISCAL YEAR 2024/2025	BUDGET FISCAL YEAR 2024/2025	FINAL BUDGET FISCAL YEAR 2025/2026	FINAL 2025/26 BUDGET HIGHER (LOWER) 2024/25 PROJ ACT
49900	Gain on asset sold	5,659	5,659	-	-	(5,659)
	TOTAL NON-OPERATING REVENUE	759,435	1,416,959	1,351,095	1,409,952	(7,007)
	NON-OPERATING EXPENSE					
59120	Interest Expense-Davis Grunsky loan	-	-	-	-	-
59120	Principal-Davis Grunsky loan	-	-	-	-	-
59400	Director's Fees	3,500	6,000	9,900	9,900	3,900
59900	Director's Expenses	142	243	4,524	4,494	4,251
59910	Election Expense	-	-	-	13,673	13,673
	TOTAL NON-OPERATING EXPENSE	3,642	6,243	14,424	28,067	21,823
	NET NON-OPERATING REVENUE(EXP)	755,793	1,410,716	1,336,671	1,381,885	(28,831)
	NET INCREASE (DECREASE) IN NET ASSETS	202,898	534,935	129,919	(39,524)	(574,459)

SUMMARY OF BUDGET

REVENUE	\$ 7,160,039	\$ 7,222,507	\$ 7,503,027
EXPENSE	\$ 6,625,104	\$ 7,092,588	\$ 7,542,551
NET INCREASE (DECREASE) IN NET ASSETS	\$ 534,935	\$ 129,919	\$ (39,524)
	-	-	(0)

CAPITAL IMPROVEMENT PLAN

	NET INC (DEC) NET ASSETS LESS CIP INTEREST INCOME	436,640	(182,315)
49650	SYSTEM BUY IN FEES	-	12,055
	INTEREST INCOME	98,295	142,792
	CAPITAL IMPROVEMENT	927,071	1,872,935
	Pipeline	5,944,000	-
	Vehicles*	715,000	55,000
	Reservoir Snooks	247,000	
	Well 12	3,740,000	68,000
	Electrical Improvement-Plant 5 & Plant 1	100,000	100,000
	PFOS Treatment Plant	4,080,000	2,040,000
	Shop Upgrade	75,000	75,000
	Fire Hydrant upgrades	100,000	100,000
	Software-Mapping & Asset management	65,000	65,000
	La Mirada Reservoir recoat	1,094,442	
	Add pump capacity Plant 1	1,125,000	
	Reservoir 2 recoat	855,000	
	Reservoir 5A recoat	702,000	
	Greenview PRV & pipeline	611,000	
	Generators-Wells, La Mirada Plt, Plant 1	450,000	
	Install PRV various locations	339,000	
	Vigil Reservoir recoat	739,000	
	Lyon Reservoir recoat	728,000	
	Plant 5 & 6 generator	375,000	
	New well	3,750,000	
	Master Plan*	163,647	
	Water Rate Study*	150,000	
	Water Rights*	128,000	128,000
	TOTAL CAPITAL IMPROVEMENTS	26,276,089	2,631,000
	BEGINNING CASH AVAILABLE		6,347,504
	ENDING CASH AVAILABLE		7,809,510
	6 months operating expense		3,539,082
			3,757,242

*not in Water Master Plan update

2024/2025 2025/2026

The District's 2024/2025 operational budget is not in excess of the Gann Appropriations Limitation, Prop. 4-1979 creating State Constitution Article XIII B, as calculated by staff using factors from 2023/2024

Appropriation Limit	1,052,150
Appropriations Subject to Limit, reduced by construction costs	-1,281,642
Remaining Appropriations Capacity	2,333,792

**DISCUSS AND APPROVE
PROPOSED FISCAL YEAR 2025/2026
SALARY AND BENEFITS**

LA HABRA HEIGHTS COUNTY WATER DISTRICT

MEMORANDUM

To: Joe Matthews
From: Tammy Wagstaff
Date: April 2, 2025
RE: 2025 Salary Survey



Attached is the Comparable Salary Survey which includes agencies considered to be in rivalry for our current employees.

If the number in the last row is negative it indicates the District's current pay maximum should be evaluated for a decrease/no change; a positive number indicates an increase should be evaluated. Annual Consumer Price Index-Wage Earners and Clerical Workers (CPI-W) for Los Angeles area for February 2025 is 3.40%. The 6 month average for September 2024 through February 2025 is 3.06%

In addition, the Board's salary schedule is attached. This schedule reflects the actual wages by position as of June 2025 in the first column. The second column reflects the maximum wage level for the position. Third column adds 3.0% to actual wages representing cost of living adjustment (COLA). The fourth column adds 5.5%; 3.0% COLA plus 2.5% merit to the actual wages. Column five through eight reflect the percentage increase to the maximum wage level as indicated in the heading.

Historical Salary Increases:

	Employee			General Manager(GM)	
	% Increase	Merit	Dollar Limit	% Increase	Bonus
2024/25	3.9%	2.0%	\$1,092,000	NA, hired new GM	
2023/24	5.0%	-0-	\$1,092,000	2.0%	\$6,000
2022/23	6.0%	2.0%	\$1,040,000	8.0%	NA
2021/22	3.0%	3.0%	NA	5.0%	\$5,000
2020/21	2.0%	-0-	\$918,000	2.0%	\$3,000
2019/20	2.7%	3.0%	\$889,960	5.7%	NA
2018/19	5.0%	-0-	\$863,100	5.0%	\$2,000
2017/18	2.5%	1.7%	NA	-0-	\$5,000
2016/17	2.0%	-0-	\$822,000	-0-	\$8,000
2015/16	2.0%	-0-	NA	2.0%	\$5,000
2014/15	3.0%	-0-	\$790,000	3.0%	NA
2013/14	2.0%	-0-	\$801,324	5.0%	NA
2012/13	2.0%	-0-	NA	2.0%	\$5,000
2011/12	2.0%	-0-	no employee gets same increase	3.6%	\$3,000

LA HABRA HEIGHTS COUNTY WATER DISTRICT

2025/2026

Position	June 2025 Current Wage	Current Max Wage	**Budgeted wage 3.0% COL increase 7/2025 of Current Wage	**Budgeted wage 3.0% COL increase plus 2.5% merit 7/2025 of Current Wage	CPI 2% increase to Max Wage	CPI 3% increase to Max Wage	CPI 4% increase to Max Wage	CPI 5% increase to Max Wage
General Manager	180,000	200,256	185,400	189,900	204,261	206,264	208,266	210,269
Treasurer	164,184	173,448	169,110	173,214	176,917	178,651	180,386	182,120
Management								
Assistant/Accountant *	97,596	97,596	100,524	102,964	99,548	100,524	101,500	102,476
Customer Service/ Accounting Clerk	83,885	83,892	86,402	88,499	85,570	86,409	87,248	88,087
Admin. & General Expenses subtotal	525,665	555,192	541,436	554,577	566,296	571,848	577,400	582,952
Superintendent	152,796	163,296	157,380	161,200	166,562	168,195	169,828	171,461
Utility Worker III *	114,084	114,084	117,507	120,359	116,366	117,507	118,647	119,788
Utility Worker II	83,640	95,496	86,149	88,240	97,406	98,361	99,316	100,271
Utility Worker I *	79,524	79,524	81,910	83,898	81,114	81,910	82,705	83,500
Utility Worker I	67,704	79,524	69,735	71,428	81,114	81,910	82,705	83,500
Utility Worker I	65,628	79,524	67,597	69,238	81,114	81,910	82,705	83,500
Operating Expenses subtotal	563,376	611,448	580,278	594,363	623,676	629,793	635,906	642,020
TOTAL	1,089,041	1,166,640	1,121,714	1,148,940	1,189,972	1,201,641	1,213,306	1,224,972

** Budgeted not actual

* These positions are at maximum of current salary schedule

This spreadsheet does not include overtime - budgeted \$67,458 overtime

Budget reflects 40 hours each for General Manager, Treasurer and Superintendent of executive leave contributed to 457 deferred compensation plan

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LA HABRA HEIGHTS COUNTY WATER DISTRICT COMPARABLE SALARY SURVEY

2025

AGENCY	# OF EMPLOYEES	COST OF LIVING	GENERAL MANAGER		TREASURER		SUPERINTENDENT		UTILITY WORKER III		UTILITY WORKER II		UTILITY WORKER I		MANAGEMENT ASSISTANT/ ACCOUNTANT		CUSTOMER SERVICE/ ACCOUNTING CLERK	
			MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM
Orchard Dale																		
Water District	8	3.8%	11,029	18,750	10,417	11,667	7,752	14,898	5,306	10,245			4,143	7,685	5,008	9,166		
Pico	12	5.0%		14,472			11,111	13,505	8,294	10,081	5,670	6,892	4,909	5,967	8,864	10,775	4,898	5,954
Rowland																		
Water District	28	3.0%	24,825	30,175	17,144	20,839	17,144	20,839			7,411	9,007	6,441	7,829			6,337	7,702
San Gabriel County																		
Water District	16	3.0%	16,527	20,089	11,692	14,212	10,529	12,798	7,671	9,324	6,561	7,975	5,151	6,261	6,607	8,031	6,554	7,966
Valley County																		
Water District	31	3.0%	22,562	22,562	11,636	15,268	11,927	15,649	7,279	9,550	5,974	7,838	5,412	7,101	8,652	11,352	6,276	8,235
Walnut Valley																		
Water District	57	4.0%	Not available		11,171	15,399	10,741	14,806			5,735	7,906	5,069	6,988			5,735	7,906
MAXIMUM AVERAGE		3.6%		21,210		15,477		15,436		9,800		7,923		6,972		9,831		7,553
La Habra Heights																		
County Water District	10		13,068	16,688	11,041	14,454	10,397	13,608	7,263	9,507	6,081	7,958	5,062	6,627	6,214	8,133	5,340	6,991
Percentage Difference																		
Under average: -Over average						7.1%		13.3%		3.1%		-0.4%		5.2%		20.9%		8.0%
Dollar Difference																		
Increase: -Decrease				4522		1023		1808		293		-35		345		1698		562
MAXIMUM AVERAGE EXCLUDING HIGH/LOW				20,467		14,960		14,715		9,816		7,906		7,009		9,970		7,858
Percentage Difference																		
Under average: -Over average				22.6%		3.5%		8.1%		3%		-0.7%		5.8%		22.6%		12.4%
Dollar Difference																		
Increase: -Decrease				3779		506		1107		309		-52		382		1837		867

* Position is part time, recalculated for full time

Increases are made in January

LA HABRA HEIGHTS COUNTY WATER DISTRICT
COMPARABLE BENEFITS- DENTAL COVERAGE, HOLIDAYS & SAFETY SHOE ALLOWANCE
2025

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AGENCY	ORCHARD DALE WATER DISTRICT MAXIMUM	PICO WATER DISTRICT MAXIMUM	ROWLAND WATER DISTRICT MAXIMUM	SAN GABRIEL COUNTY WATER DISTRICT MAXIMUM	VALLEY COUNTY WATER DISTRICT MAXIMUM	WALNUT VALLEY WATER DISTRICT MAXIMUM	LA HABRA HEIGHTS COUNTY WATER DISTRICT MAXIMUM	AVERAGE
Dental:								
Employer Premium Cost	100%	NA	100%	NA	100%	Subject to maximum allowed cafeteria plan benefit	NA	
Provider	ACWA/LUPA Delta PPO	Self Insured	ACWA/LUPA Delta PPO	Self Insured	ACWA/LUPA Delta PPO	ACWA/LUPA Delta PPO/HMO	Self Insured	
Maximum	\$ 2,000	\$ 1,500	\$ 3,000	\$ 2,000	2,000	\$ 2,000	\$ 2,500	\$ 2,083
Deductible/Copay	\$25/\$50	\$ -	\$25/\$50	\$ -	\$25/\$50	\$25/\$50	\$25/\$50	\$ 25/\$50
Coverage %	100/85/50	100	100/85/50	100	100/85/50	100/85/50	80	
Monthly Premium \$/employee:						PPO	HMO	
Single	47.86	NA	49.77	NA	47.86	46.23	29.19	\$ 48
2	94.96	NA	-	NA	94.96	164.17	45.36	\$ 71
Family	169.30	NA	176.07	NA	169.30	164.17	64.72	\$ 170
Social Security Coverage						not yet fully paid by District	Yes	
	Yes	No	No	No	Yes	Yes	Yes	
	1-4 yr 5;	1 yr 4;	1-4 yr 5;	1-4 yr 5;				
	5-9 yr 11; 10-	2-4 yr 8;	1-4 yr 10;	5-11 yr 15;	1-9 yr 5;	1-9 yr 8;	1-4 10;	
	14-15; 15-	5-14 12;	5-15 15;	12-16 17;	10-24 20;	10-14 13;	5-14 15;	
	30 20	15-30 16	16-30 20	17-30 20	25-30 25	15-30 17	15-30 20	180
Vacation by year								
	11 +2 Floating	10 +2 Floating	11.5 +0 Floating	13 +1 Floating	14 +0 Floating	11 +3 Floating	9 +2 Floating	12
Holidays:								13
Paid time off:								202
Sick/yr; Maximum	12 192	10 240	12 None	25 240	10 240	10 96	10 400	
Personal business	-	3	-	-	-	-	-	
Bereavement								
Leave Days	Varies	5/3	5	NA	5	3	3	4
Cash Out:								
Vacation	No	max 40 hours/6 months	Yes	No	Yes	Yes	No	
Sick-annual	Yes	>240 hours	Yes	Yes, 1/2 pay	No	Yes	Yes	
Sick-termination	Yes	Yes	No	280, 1/2 pay	25%	1/4 of leave	Yes	>400
Sick-retirement	Yes	Convert to service years	Yes	280, 1/2 pay	25%, 75% PERS svc cr	Yes	Yes	
Sick-death	Yes	Yes	No	280, 1/2 pay	25%	Yes	Yes	
Safety Shoe Allowance:	\$250 per year	\$200 per year	\$450 per year	\$200 per year	\$225 per year	\$250 per year	NONE	\$ 263
Auto Allowance	steel toe required	steel toe required		steel toe required	steel toe required	steel toe required		
per month	NA	\$ 585	-	NA	\$ 500	NA	NA	
Class A License	NA	NA	NA	NA	NA	5% differential pay		

AGENCY	CITY OF WHITTIER	CITY OF LA HABRA	CITY OF FULLERTON	CITY OF TUSTIN	
Class A License	\$100.00 per month	NA	\$50 per pay period every 2 weeks	incorporated in pay	

**DISCUSS AND APPROVE
WRD REIMBURSEMENT
AGREEMENT FOR NEPA
CONSULTATION**

LA HABRA HEIGHTS COUNTY WATER DISTRICT

MEMORANDUM

DATE: APRIL 22, 2025
TO: BOARD OF DIRECTORS
FROM: JOE MATTHEWS, SECRETARY/GENERAL MANAGER
**SUBJECT: APPROVAL OF REIMBURSEMENT AGREEMENT FOR NEPA
COMPLIANCE ASSISTANCE BETWEEN WRD AND LHCWD**

I am resuming the reimbursement agreement between Water Replenishment District (WRD) and the District for approval. This agreement is to reimburse WRD for their costs in obtaining a National Environmental Policy Act (NEPA) consultant for the District's PFAS Treatment project. Mike Silander negotiated this agreement with WRD following the input from the sub-committee.

**REIMBURSEMENT
AGREEMENT BY AND
BETWEEN
LA HABRA HEIGHTS COUNTY WATER DISTRICT
AND
THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
REGARDING
FEDERAL ENVIRONMENTAL COMPLIANCE SERVICES
RELATED TO THE CONSTRUCTION OF WATER
TREATMENT FACILITIES AND UPGRADES TO THE
JUDSON WELL FIELD**

This Reimbursement Agreement, hereinafter "Agreement", is made and entered on _____ by and between La Habra Heights County Water District ("Participant"), and the Water Replenishment District of Southern California ("WRD"), hereinafter collectively referred to as "Parties".

RECITALS

WHEREAS, this reimbursement program ("Program") was developed to serve water system providers with assistance to access and comply with potential funding sources to address contaminated drinking water issues; and

WHEREAS, by helping communities clean up and treat contaminated water wells and address other infrastructure needs, WRD furthers its mission in reducing the region's dependence on imported water; and

WHEREAS, under this Program, WRD will retain environmental compliance services for Participant to comply with NEPA and all federal funding source environmental requirements related to funding requirements for the construction of water treatment facilities and upgrades to LHHCWD's Judson Well Field ("Project"); and

WHEREAS, Orchard Dale Water District ("ODWD") is not a party to this Agreement but has certain adjudicated water rights and related payment obligations to Participant as determined in a Joint Facilities Agreement between ODWD and Participant; and

WHEREAS, Participant agrees to reimburse WRD, for any and all actual costs and expenses incurred by WRD on behalf of Participant in retaining the federal environmental compliance contractor as provided for herein.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, IT IS UNDERSTOOD AND AGREED BETWEEN THE PARTIES:

Section 1: The above recitals are incorporated herein as provisions of this Agreement.

Section 2: Participant hereby requests the assistance of WRD to assist Participant in meeting the environmental compliance requirements set forth by the funding source as set forth herein and accepts all conditions of such assistance

Section 3: Participant agrees to be bound by the terms of this Agreement in consideration of the services and assistance of WRD as contemplated and set forth herein.

Section 4: Participant hereby agrees to reimburse WRD, within 60 days of invoice for any and all actual costs incurred in retaining an environmental consultant to provide NEPA compliance services for Participant. Participant acknowledges the proposed amount and breadth of services attached hereto as Exhibit "A" and incorporated herein with the reference. WRD shall include all backup documentation with its reimbursement request(s) detailing the actual services provided by WRD and/or its consultant. Invoices from WRD shall be billed on a time and material basis. Invoices from consultant shall be billed in accordance with the attached proposal.

Section 5: Upon thirty (30) days written notice, the Parties hereto may examine, inspect, copy, review and audit any documents or records within the custody or control of the other Party relating to any and all aspects of services related to this Agreement or charges or credits incurred or received in relation to this Agreement.

Section 6: This Agreement only applies to the terms contained herein and is a fully integrated agreement. Any amendment as to the terms of this Agreement requires the written agreement of the Parties in a formal amendment to this Agreement.

Section 7: Any and all notices related to this Agreement shall be made in writing and may be given by personal delivery or by mail, unless otherwise agreed upon by the Parties in writing. If delivered in person or sent by mail, such notices should be sent to the designated contact person for each Party and addressed as follows:

Participant

La Habra Heights County Water District
Joe Matthews
General Manager
1271 N Hacienda Road
La Habra Heights, CA 90631

WRD

Water Replenishment District of Southern California
Esther Rojas
Manager of Watermaster and Water Resources
4040 Paramount Boulevard
Lakewood, CA 90712

Section 8: Each of the Parties hereto represents and warrants to the other that it has full power and authority and has obtained all approvals required by its governing board or governing body necessary to enter into, and perform its obligations under this Agreement and that the individual executing this Agreement on its behalf has the legal power, rights, and authority to bind such party.

Section 9: This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement.

Section 10: This Agreement shall be construed and enforced in accordance with the laws of the State of California, without giving effect to rules governing the conflict of laws.

Section 11: Neither party shall assign or otherwise transfer this Agreement or its right or interest or any part thereof to any third party, without the prior written consent of the other

party. No assignment of this Agreement shall relieve the assigning party of its obligations until such obligations have been assumed in writing by the assignee. When duly assigned in accordance with the forgoing, this Agreement shall be binding upon and inure to the benefit of the assignee.

Section 12: Participant agrees to hold harmless and indemnify WRD for any and all claims related to this Agreement, Participant acknowledges that WRD's role in this reimbursement structure is to assist the Participant with environmental compliance as required by a funding source for which WRD was asked to be a facilitating entity as part of legislation. Participant acknowledges WRD's role and agrees to hold WRD harmless for any and all claims related to this reimbursement structure, with the exception of gross negligence on behalf of WRD.

Section 13: If any legal suit, action, or proceeding (collectively, and together with all appeals thereof, each a "Legal Proceeding") is commenced under this Agreement or to enforce this Agreement, in addition to any other relief to which the successful or prevailing party or parties are entitled, the successful or prevailing party or parties shall be entitled to recover, and the non-prevailing party or parties shall pay (a) reasonable attorneys' fees and expenses of the successful or prevailing party or parties, (b) court costs, and (c) other out-of-pocket expenses incurred by the successful or prevailing party or parties in such Legal Proceeding.

IN WITNESS WHEREOF, the parties thereto have executed this Reimbursement Agreement to be executed by their duly authorized representatives.

La Habra Heights County Water District
("PARTICIPANT")

By: _____

Date: _____

WATER REPLENISHMENT DISTRICT
OF SOUTHERN CALIFORNIA ("WRD")

Date: _____

By: _____

Joy Langford, President, Board of Directors

Date: _____

By: _____
Vera Robles Dewitt, Secretary, Board of Directors

Date: _____

By: _____
Leal Trejo APC, District Counsel

Exhibit “A”

Sirius Environmental

October 3, 2024

Aimee Zhao, Water Resources Planner
Water Replenishment District (WRD)
4040 Paramount Boulevard
Lakewood, CA 90712

RE: Proposal to Provide Environmental Services Pursuant to NEPA in Connection with Construction of Water Treatment Facilities and Upgrades to the Judson Wellfield

Dear Aimee:

We understand that the La Habra Heights County Water District (LHHCWD) has identified PFAS above EPA MCLs and both PFAS and PFOAs above State response levels in the Judson Wellfield. In response to this contamination LHHCWD proposes to install a 6,000 gallons per minute Ion Exchange Treatment System (sand separators followed by new pretreatment cartridge filters and three pairs of IX pressure vessels) at the Judson Wellfield, Wells 10 and 11 site. The facility will connect to Wells 8, 10 and 11. At the same time Wells 10 and 11 will be upgraded with new pumps and motors to maximize pumping capacity. A new 18-inch pipe (that will cross Norwalk Boulevard near the intersection with Saratoga Street) will connect to the existing 30-inch pipe currently transferring water from Well 8 to the Gualtieri reservoir to redirect that raw water to the Well 10 and Well 11 site for PFAS treatment. The existing 28-inch pipe from Wells 10 and 11 to the Gualtieri reservoir will be used to transfer the combined treated water from the wells to the Gualtieri reservoir.

The LHHCWD is seeking a grant from the EPA through the WRD to procure the equipment to undertake the improvements. LHHCWD proposes to construct the entire project using a combination of funds from EPA, local funding programs (WRD PFAS Remediation Program), and funding from its own budget.

The LHHCWD has contracted with a consultant to undertake CEQA documentation which is anticipated to be a Categorical Exemption using Class 1 Existing Facilities (intended for minor alteration of existing facilities involving *negligible expansion* of use and specifically includes addition of health protection devices). It should be clarified (if true) that the new pumps would not result in substantially increased pumping compared to existing and/or historic conditions.

Consistent with CEQA Section 15300.2, applicable exceptions to exemptions should be documented as part of the CEQA process (a Class 1 CE involves ruling out exceptions to exemptions: no significant cumulative impacts, no significant impacts due to unusual circumstances, the site isn't on a list of contaminated sites, no substantial change to an historical resource).

The short new pipeline crossing Norwalk Boulevard also appears eligible for the statutory pipeline exemption (Section 21080.21 addressing installation of new pipelines less than a mile in length in a public street/right-of-way but does not include surface facilities required for operation).

Scope of Work

As the original EPA Community Grant recipient WRD plans to document NEPA compliance (anticipated to be a Categorical Exclusion -- CatEx¹) including coordination with appropriate agencies. EPA regulations indicate *"The documentation must include: A brief description of the proposed action; a statement identifying the categorical exclusion that applies to the action; and a statement explaining why no extraordinary circumstances apply to the proposed action."* The proposed project is within an existing facility and includes replacement equipment and a short new pipeline within existing right of way. Minor construction activity would be required that would not have the potential to impact adjacent uses. No impacts to biological resources are anticipated due to the existing urban environment and minimal disturbance of soils (anticipated to be all previously disturbed). These issues can be documented by answering the questions on the CatEx review form. Ideally, the NEPA documentation can substantially rely on the CEQA documentation to identify the Project Description and range of anticipated impacts. We assume that the CEQA consultant will prepare any necessary technical reports, but if not, we can undertake any necessary studies (after discussions with EPA as to their requirements). EPA CatEx documents are not substantially detailed.²

Costs

Given the involvement of a CEQA consultant, the extent of effort necessary for NEPA coordination is unclear. It may well be that the tasks to coordinate with the EPA, agencies and complete the Categorical Exclusion form are straightforward and the budget outlined below is not fully needed.

¹ 40 CFR Part 6. § 6.204 Categorical exclusions and extraordinary circumstances.

(a)(1)(ii). Actions relating to existing infrastructure systems (such as sewer systems; drinking water supply systems; and stormwater systems, including combined sewer overflow systems) that involve minor upgrading, or minor expansion of system capacity or rehabilitation (including functional replacement) of the existing system and system components (such as the sewer collection network and treatment system; the system to collect, treat, store and distribute drinking water; and stormwater systems, including combined sewer overflow systems) or construction of new minor ancillary facilities adjacent to or on the same property as existing facilities. This category does not include actions that: involve new or relocated discharges to surface or ground water; will likely result in the substantial increase in the volume or the loading of pollutant to the receiving water; will provide capacity to serve a population 30% greater than the existing population; are not supported by the state, or other regional growth plan or strategy; or directly or indirectly involve or relate to upgrading or extending infrastructure systems primarily for the purposes of future development.

² <https://cdxapps.epa.gov/cdx-enepa-II/public/action/nepa/search/search#results>

Estimated Costs		
Task	Hours	Costs
1: Coordinate with EPA regarding agency involvement	10	\$2,900.00
2: Prepare letter(s) describing project and likely negligible impacts suitable to send to agencies to seek their concurrence of a no impact determination (SHPO, USFWS, ACOE). Coordinate with agencies as needed.	26	\$7,540.00
3: Coordinate with LHHCWD CEQA Consultant	16	\$4,640.00
4: Together with WRD staff Complete EPA Cat Exclusion Form	30	\$8,700.00
5: Meetings and Consultation	16	\$4,640.00
Total	98	\$28,420.00

Aimee, if you have any questions let me know.

Sincerely,



Wendy Lockwood
Principal

**DISCUSS AND APPROVE
REQUEST FOR PROPOSALS FOR
PFAS TREATMENT PLANT
EQUIPMENT PURCHASE**

LA HABRA HEIGHTS COUNTY WATER DISTRICT

MEMORANDUM

DATE: APRIL 22, 2025

TO: BOARD OF DIRECTORS

FROM: JOE MATTHEWS, SECRETARY/GENERAL MANAGER

**SUBJECT: APPROVAL OF RFP FOR PROCUREMENT OF PFAS ION
EXCHANGE TREATMENT SYSTEM**

Previously the board approved the MOU for EPA funding. I am now submitting for review and approval, the Request For Proposals (RFP) for the pre-purchase of a PFAS Ion Exchange Treatment System. Civiltec Engineering Inc. has revised the RFP with Water Replenishment District's consultation.

La Habra Heights County Water District



REQUEST FOR PROPOSAL FOR PROCURMENT OF PFAS ION EXCHANGE TREATMENT SYSTEM

(April 2025)

SPECIFICATION HWQ001

1271 N. Hacienda Rd.

La Habra Heights, CA 90631

INTRODUCTION

PFAS (Per-and Polyfluoroalkyl Substances such as PFOA and PFOS) has been detected in La Habra Heights County Water District's (LHHCWD) wells 10, 11, and offsite well's ground water. To address the removal of PFAS from the ground water for use as a potable water source, the well discharge waters are to be rerouted to a common treatment center at LHHCWD's wells 10 & 11.

LHHCWD is requesting proposals to prepurchase treatment system components and treatment resin media from qualified, interested firms (BIDDER) to provide single use ion exchange (IX) equipment system for the removal of PFAS to be installed at the well 10 & 11 site located at 7412 Norwalk Blvd Whittier, CA 90606. The pre-purchased equipment will be installed by a general contractor selected at a later time by the OWNER.

Proposals shall be submitted in accordance with the format and information contained herein and are submitted to:

Joe Matthews

Joe@lhhcwd.com

General Manager

La Habra Heights County Water District

Key dates for this RFP are listed below:

Questions Deadline: May 20, 2025

Responses Returned: May 23, 2025

RFP due: **May 29, 2025 5:00 PM**

Proposals received after the due date and time will not be accepted. The cost for preparing a proposal is at the expense of the BIDDER and will not be reimbursed by OWNER. Proposals deemed non-responsive will not be considered.

BACKGROUND INFORMATION

OWNER is constructing a new single IX system at OWNER's Well 10 & 11 site to treat water conveyed from OWNER's Wells 10, 11, and offsite wells. Copies of water quality records for the wells are included in this RFP for the BIDDERS to estimate the sizing the IX treatment system required to meet effluent levels goals set in this document.

The proposed IX PFAS treatment facility will treat water pumped from Wells 10, 11, and the offsite wells for a capacity of up to 6,000 gpm. The BIDDER shall assume the treatment system will receive up to 2000 gpm from each of the three water sources and have the capacity to meet treatment goals under varied configurations blended influent waters.

The proposed IX pressure vessel system shall be designed to function properly using various IX selective resin products, including Purolite Purofine A694E selective resin or any other IX resin products that with equal or greater effective qualities, and approved for use by the California Division of Drinking Water ("DDW"). Supplier shall pre-rinse the PFAS selective resin media prior to delivery to the project site.

The system shall be designed to treat up to 6,000 gpm of water on a continuous basis using three sets of lead/lag system consisting of paired pressure 12-ft diameter vessels. The lead/lag system shall be sized to treat a flow of 2,000 gpm for each vessel pair. The equipment shall be approved by DDW for PFAS removal in drinking water systems. When the proposed equipment is loaded with IX resin media and operated at 6,000 gpm in the lead/lag vessels, the treatment system must consistently, and reliably, reduce PFAS concentrations in the effluent groundwater to non-detect (ND).

The IX system shall include three sets of lead/lag vessels and the lead/lag valve manifolds integral to the system as shown on the attached drawings:

- Figure 1: IX Vessels and Sections Layout
- Figure 2: P&ID

The BIDDER shall provide an anchoring design and structural calculations of the vessels and valve tree support prepared by a Professional Engineer registered in the State of California. A geotechnical investigation report of the project site has been prepared and included with this RFP for BIDDER reference.

The footprint area of the IX equipment, including the IX vessels, valve trees, and piping headers along with their supports and clearances to access process valves shall be provided by the BIDDER as shown in the drawings. Piping headers and supports are to be furnished and installed by the installation general contractor.

WATER REPLENISHMENT DISTRICT (WRD) OF CALIFORNIA REQUIREMENTS

Procurement of the equipment provided in this RFP will be conducted in a manner that promotes fair and open competition from an adequate number of qualified sources. Contractual selection will comply with competitive Procurement and Standards set forth in 2 CFR 200.317 – 2 CFR 200.327 and will also align with EPA's requirements outlined in EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements.

FEDERAL FUNDING REQUIREMENTS

BABAA Requirements:

Funding for this project include grants from the United States Environmental Protection Agency ("USEPA") Build America Buy America Act (BABAA). BABAA has requirements for iron, steel, manufactured products, and construction materials used in the project to have been produced in the United States to varying degrees. Bidders are encouraged to consult the USEPA BABAA online information page link below for guidance on documenting compliance of their products included in their bid proposal.

<https://www.epa.gov/cwsrf/build-america-buy-america-baba>

Equipment/materials in the BIDDER's proposal must comply with all requirements associated with BABAA, a waiver application will not be submitted.

The equipment/materials supplied are required to comply with BABAA for acceptance. Bidders shall clearly identify BABAA compliance of each equipment/material item in their proposals or items will be considered non-compliant by default when evaluating. **Attachment 1** of this RFP provides Instructions For Submitting Build America Buy America Act Certifications.

Any request for substitute or "or equal" shall include the Manufacturer's Certification of compliance with the BABAA requirements.

BABA requirements for a **manufactured product** is partially defined by BABAA in the excerpt below:

*"(2) all manufactured products used in the Project be produced in the United States – this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than **55 percent of the total cost of all components** of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation...."*

Bids received lacking conclusive documentation of meeting the BABAA requirements may not be considered for selection of prepurchased equipment in this RFP. All bids may be subject to review and acceptance by funding authorities for compliance with grant funding requirements.

DBE Requirements

Proposals must comply with all requirements of Disadvantaged Business Enterprise (“DBE”). Respondent is required to provide the information for all DBE and non-DBE subcontractors, who provided a proposal, bid, quote, or were contacted by Consultant. Forms provided in the appendix of this RFP are intended to assist the BIDDER with organizing the DBE information. This information must be submitted with the bid. Respondents, regardless of DBE status, are required to make good faith efforts to utilize minority firms, women’s business enterprises, and labor surplus area firms if any subcontracts will be proposed as part of Respondent’s proposal.

USEPA Funding Dependency

The selected supplier will be subject to the ability to gain USEPA BABAA acceptance of documentation for funding and the District reserves the right to reject proposals to prepurchase equipment where funding approval is not or cannot be gained.

PURPOSE OF THE RFP

The purpose of this RFP is to obtain proposals for furnishing single use fixed bed IX system equipment and PFAS selective resin media for the removal of PFAS from groundwater. The treatment system design will be subject to approval by the Environmental Protection Agency (EPA), OWNER, the DDW and others.

The successful BIDDER shall be responsible for furnishing and delivering the equipment to the treatment plant site. The equipment shall be unloaded by the installation general contractor selected by OWNER to install the treatment system. The BIDDER shall provide technical support for installation and start up, resin loading, inspect the general contractor's installation and provide a written letter confirming the installation meets all warranty requirements, and performance guarantees and warranties of PFAS treatment to ND for the proposals explicitly stated bed volumes.

The BIDDER must describe and provide time and material cost estimates for any additional level of support that may be needed. OWNER is not responsible for any costs (man-hours or materials) associated with the preparation of the proposal in response to this RFP.

The BIDDER shall include **a five percent Bid Bond** to guarantee that the BIDDER will, if its proposal is selected, fully execute an agreement with OWNER. Each bid shall be **valid for at least 90 days** after the bid opening. **Bid Bonds will be returned** after the full execution of an equipment supply contract, or **not later than 90 days** after the bid opening. The scope of supply shall include the following:

1. Three (3) pair sets of 12' diameter lead/lag vessels and related appurtenances including the lead/lag valve manifold and the instruments specified herein.
 - a. Pressure vessels shall be ASME rated to 150 PSI.
2. Sufficient DDW approved PFAS-selective resin media (**minimum of 535 cf per vessel**) for each vessel to meet treatment goals set forth in this RFP and to account for losses during initial startup and testing.
3. PFAS selective resin media shall be approved for use by DDW.
4. Structural design and calculations for anchorage of the treatment vessels and valve tree support to a concrete support pad prepared by a Professional Engineer registered in the State of California in the structural discipline.
 - a. A copy of the site geotechnical evaluation report is included with this RFP for reference.
5. BIDDER assistance to the OWNER's selected installation general contractor during construction, inspection of the installation, a letter explicitly stating the installation meets all warranty requirements, and BIDDER resin installation and startup and testing services.

PERFORMANCE CRITERIA

BIDDERS are directed to Appendix A of this RFP for reference water quality data.

OWNER has established the following basic performance criteria. These criteria shall be used by the BIDDER to prepare a proposal and will be used by the OWNER to evaluate the proposals and treatment system performance.

1. Treatment shall be to non-detect in the effluent of the PFAS treatment system. Water quality data from the source ground water wells is provided with this RFP.
2. Normal operating pressure to the pressure vessel inlet is anticipated at **100 psi**. Pressure vessels, piping, flanges, valving and appurtenances shall be rated to a minimum of 150 psi, greater where listed higher than 150 psi in this specification.
3. The normal total operating flow rate (design) for each individual lead/lag system shall be **2,000 gpm**, continuous operation. Information (e.g. a list and description of equipment to be provided, general arrangement drawings and elevations **with overall dimensions**, and an overall **process schematic**) shall be provided with the proposal for OWNER to identify the footprint requirements for the equipment to be provided and the limits of the scope of equipment being provided.
4. BIDDER shall provide a **detailed description of the instrumentation and controls** (controls, valves, meters, etc.) which must be included in the proposal. The rationale for the selected controls shall also be provided.
5. Each BIDDER shall submit with its proposal, a **proposed schedule** to manufacture and deliver all of the equipment. The final delivery date may be subject to negotiation.
6. Each BIDDER shall provide certification that all chemicals, coatings, or substances to be added to, or to be in contact with the water, if any are DDW accepted, or are certified to meet the criteria of AWWA, ANSI/NSF 60/61, NSF, California NSF 61, or Food Chemical Code publications.
7. Each BIDDER shall provide an **estimate of the full system pressure drop between the inlet flange and the outlet flange**. The BIDDER shall provide an estimate based on each vessel filled with 535 cf (or **more if deemed required by the BIDDER** to meet treatment goals) of PFAS selective resin in each vessel and operating up to 2,000 gpm. The BIDDER shall **determine the required bed depth of PFAS selective resin** for their proposed pressure vessel configuration to meet PFAS removal goals, **volumes of resin stated in this RFP are approximations only**. Provide the manufacturer and product of PFAS selective resin used to calculate the pressure drop shall also be specified.
8. Provide a detailed list of information on all PFAS IX treatment systems the BIDDER currently has in operation **in the State of California**. Include DDW permitting, and facility description. Identify differences between these operating systems and the proposed treatment system.

EQUIPMENT

PART 1

1.0 IX PFAS Treatment System Equipment

Accompanying this RFP is a process and instrumentation diagram drawing for reference, and a mechanical plan view, section view, and isometric illustration to demonstrate layout spacing constraints/requirements. The drawings illustrate a single pair-set of treatment vessels (3 pair-sets required).

The BIDDER should note the **requirement for pressure differential instrumentation** across each vessel influent/effluent piping.

The BIDDER should note a requirement for a **12-inch flanged magnetic flow meter** for each vessel pair-set (3 in total) to be shipped loose for installation by the OWNER's general contractor on the effluent from each pair-set of vessels.

The BIDDER should note the requirement for flanged molded spherical expansion joints with control rods, see mechanical drawings accompanying this RFP for locations required.

1.01 General Requirement

This section describes materials, fabrication, installation and testing of a complete pre-engineered IX PFAS Treatment System for the removal of PFAS from groundwater. The BIDDER shall supply the equipment in a preassembled form such that the installation contractor will require minimum assembly work at the site. The BIDDER is required to specify the maximum number of preassembled pieces for the lead/lag systems.

1.02 References

- A. ASME Section VIII, Division 1 – American Society of Mechanical Engineers Boiler and Pressure Vessel Code
- B. ASME/ANSI B16.5 – American Society of Mechanical Engineers/American National Standard Institute
- C. Steel Structures Painting Council Surface preparation Specifications and National Association of Corrosion Engineers
- D. ASME Section II, American Society of Mechanical Engineers – Materials, Parts A, B & C
- E. American Society of Testing Materials (ASTM) F. ANSI/NSF Standard Drinking Water System Components – Health Effects

1.03 System Description

- A. The complete system includes the following.

- a. IX vessels with internals for media retention
- b. Influent, effluent and backwash/rinse water inlet/outlet piping with valves
- c. Media fill and discharge piping with valves
- d. Vent and pressure relief piping
- e. Water piping and utility connections

B. The vessels, piping, valves, and PFAS selective resin media shall function as a system. The PFAS selective resin media shall be supplied under this RFP. Supplier shall pre-rinse the PFAS selective resin media prior to delivery to the project site.

C. The IX system shall have the following process capability:

- a. Vessels per lead-lag train system: Two
- b. Resin media capacity per vessel: 535 cf (minimum). The capacity shall be calculated from above the septa.
- c. Flow rate per paired lead-lag vessel system: 2,000 gpm maximum.
- d. Pressure drop: 27 psig (max) per vessel pair system at 2,000 gpm while operating with a minimum 535 cf of PFAS-selective resin media per vessel. The BIDDER shall identify the pressure drop (influent flange of valve to effluent flange for a pair set of lead-lag vessels) with the type and volume of PFAS selective resin media required to meet non-detect treatment goals in their estimation.

D. The BIDDER shall determine the required bed depth of PFAS-selective resin for their proposed pressure vessel configuration to meet PFAS removal goals, volumes of PFAS-selective resin stated in this RFP are approximations only.

E. The installed system shall meet the following minimum design criteria:

Item Description	Unit	Value
Number of Systems / Vessels Per System	-	3 / 2
Operating Configuration	-	Parallel/Lead-Lag
Min Media Capacity (Volume per Vessel)	ft ³	535
Design Flow Rate (Overall / Per Vessel)	gpm	6,000 / 2,000
Max Flow Velocity in Manifold Piping	ft/s	5.8
Max Hydraulic Loading	gpm/ft ²	17.7
Min Empty Bed Contact Time (per Vessel / per train)	minutes	2 / 4
Underdrain	Internal Cone/External Ring Header	

1.04 Submittals

A. The following information will be submitted for approval:

- a. Description of the proposed system including flow, system design and operating modes.
- b. Vessel specifications and drawings including design pressure, dimensions, and capacity.
- c. System flow diagram showing all valves, components, instrumentation and utilities.
- d. System general arrangement showing dimensions, weights, and elevations including influent, effluent, backwash, and media exchange pipe connection locations. Specify the pressure drop per vessel. All drawings shall be provided in AutoCAD.
- e. Pressure drop information across the entire system with and without PFAS-selective resin media.
- f. Material specifications for resin, valves, pipe, fittings, and instrumentation.
- g. Specifications for internal lining of the vessels and piping.
- h. Specifications for exterior painting of the vessels and piping.
- i. Installation and assembly information and drawings for use by the site contractor to install the equipment.
- j. Specifications and layout for anchorage of all equipment and pipe supports.

PART 2 Products

2.01 General

A. The RFP includes the required features of the equipment but does not purport to cover all details of design and construction required to meet treatment specification requirements. Materials listed are the minimum criteria required. Where required to meet the pressure rating or other listed criteria the BIDDER shall provide more stringent materials or equipment to comply. The table identifies key vessel construction requirements:

Parameter	Description
Vessel Diameter	12 ft
Side Shell Height	BIDDER to determine requirements
Overall Height	BIDDER to determine requirements
Working Pressure	150 psi @ 140°F
Manway:	
Flanged at Side Shell	24"
Elliptical Type at Head	14"x18"
Vessel Volume	BIDDER to determine requirements
Maximum Flow Rate (Typical)	2,000 gpm
Design Criteria	150 psi ASME
Code Stamping	YES
Material	Carbon Steel
Supports (4 per Vessel)	Legs
Lifting (2 per Vessel)	Lifting Lugs
Seismic	Site Class D, Importance factor 1.5 See Appendix C for complete site geotechnical report
Interior Surface Prep	SSPC-SP5
Inferior Surface Coating	Plasite 4110, 35-45 mil dft or Equal
Exterior Surface Primer	Epoxy, 4-6 mil dft
Exterior Surface Coating	Urethane, 3-5 mil dft
Underdrains/Overdrains Underdrain:	
Internal Cone or Septa Screens High Flow Overdrain	*8" Sch. 40 Carbon Steel (min) 316L Stainless Steel Dia x 12" eff Sch 10 304SS (min)
Valve Assembly and Piping:	
Process Piping	*10" Sch 40 Carbon Steel (min)
Media Transfer Piping	4" Sch 40 Lined Carbon Steel (min)
Valves:	
Process Media Transfer Vent/Wash Sample Ports (4)	*10" Butterfly (min), Cast Iron Body, DI Disc, Gear Operator 4" Flanged 316 Stainless Steel Full Port Ball Valve 2" Lead-Free Bronze Ball Valve 1/2" Lead-Free Bronze Ball Valve
Connection Hardware	Hot-Dip Galvanized

* BIDDER to determine process piping diameter requirements to meeting max headloss criteria.

2.02 IX Vessels

A. The vessels shall be fabricated of carbon steel, conforming to ASTM A516 grade 70, 12'-0" diameter with a straight side height (5 ft min) to be determined by the BIDDER to achieve treatment and functionality goals with 2:1 elliptical top and bottom heads. The vessels must be designed, constructed and stamped in accordance with ASME Section VIII, Division 1 and registered with the National Board for a design pressure rating of 150 psig at 140 °F. Each vessel shall be provided with one (1) 20" diameter round manway located on the lower straight side portion of the vessel and one (1) 14-inch x 18-inch elliptical access at the top.

B. The straight side height shall be based on PFAS selective resin capacity a minimum of 535 cf capacity. The BIDDER shall determine the required bed depth of PFAS selective resin for their proposed pressure vessel configuration to meet PFAS removal goals, volumes of PFAS selective resin and vessel dimensions stated in this RFP are approximations only indicating the minimum requirements.

C. The successful BIDDER shall include a vessel anchoring system design including detailed calculations illustrating the seismic characteristics of the proposed vessels and valve tree and their reactions to the foundation Stamped by California Registered Civil Engineer. The vessel manufacturer shall assume the vessel operating weight is that of the empty vessel plus the weight of water and PFAS selective resin media fully filling the vessel. The manufacturer shall use the seismic factors for design from the site geotechnical report. Seismic design is assumed to control the lateral loading of the vessels and therefore wind criteria is not provided. See Table 3 page 10 of the geotechnical report in Appendix C for seismic design parameters.

D. Each vessel must be equipped with 316 stainless steel media retainers for treated water collection and backwash water introduction.

E. The water distribution header and laterals at the top of the PFAS selective resin bed shall be fabricated of stainless steel with stainless steel nozzles.

F. Each vessel shall be provided with three (3) 2" side sample nozzles for use with in-bed water sample probes at 25%, 50% and 75% of the media bed depth. Sample probes must consist of a 1/2" stainless steel pipe with a stainless-steel slotted nozzle to collect a water sample from within the media bed. The slot opening for nozzle shall be such that the specified PFAS selective resin media does not leak into the sample pipe. The sample probes will be inserted through a 2" flanged nozzle (flanged nozzle to assure adequate coverage of the internal lining) and include a drop line and shutoff valve external to the vessel. All components for the sample line shall be stainless steel.

G. All surfaces will be degreased prior to sandblasting. The vessel internal surface to be lined will be blasted to a white metal surface (SSPC-SP5) to provide a 3 to 4 mil anchor pattern. The exterior of the vessel will be power tool cleaned to the degree specified by SSPC-SP3-63.

H. The interior surfaces of each vessel are to be lined with a nominal 35 mil dry film thickness using Carboline Plasite 4110 vinyl ester lining materials or approved equal. The lining will be force cured to meet requirements for certification for use in potable water systems per NSF/ANSI Standard 61.

I. The exterior surface of the vessels will be painted to a dry film thickness of 6 to 8 mils with a finish coating of polyurethane exterior paint. The color of the exterior paint shall be selected by the owner.

2.03 Process and Utility Piping

A. The process and utility piping on the system will include influent water to the system, treated water, backwash/rinse water supply and discharge. These items constitute the piping associated with the valve tree. Also included are the vessel vent lines, and media fill and discharge piping. The influent and effluent pipe network must allow for series (lead/lag) and parallel operating modes. The lead/lag operation allows for either; a) flow from the influent flange, to Vessel A, to the pipe module, to Vessel B, to the pipe module then to the effluent flange, or b) flow from the influent flange, to Vessel B, to the pipe module, to Vessel A, to the pipe module then to the effluent flange. The change in flow pattern is accomplished with a change of valve positions.

Forward rinse water will utilize the filters raw groundwater with a valving configuration to send the forward rinse water waste stream to the onsite storm drain connection. The valve tree design shall have three tee connections which will connect the valve tree inlet, outlet, and forward rinse discharge to the corresponding laterals. The BIDDER is responsible for just the valve tree, support and anchoring system, associated piping, and the following:

a. One 12-inch #150 flanged magnetic flow meter to be installed by the treatment system installation general contractor on the 12-inch effluent lateral from each of the 3 vessel pair sets (Three 12-inch magnetic flow meters total). The BIDDER shall provide the flow meter to the OWNER's installation general contractor for installation on the piping laterals. The flanged magnetic flow meter shall be as by **McCrometer Ultra Mag series with remote counter, no or equal will be considered.**

The OWNER's installation general contractor will furnish and install the pipe laterals that extend from the BIDDER's treatment system valve tree flanged connections.

b. Process water piping (inlet and outlet) will be constructed of schedule 40 carbon steel, ASTM A53 Grade B materials with 150 lb ANSI B16.5 ASTM A105 forged carbon steel, slip-on or weld neck (flat or raised face) flanges with ASTM A126 cast iron 150# flanged elbow and tee fittings.

c. Vent and safety relief piping will be 3" diameter, constructed of carbon steel per Item b.

d. Media fill and discharge piping will be schedule 10S stainless steel, ASTM A-312 Grade TP 304L, welded, annealed and pickled, with ASTM A-403 Grade WP 304L stainless steel, ANSI B16.9 butt weld fittings and ASTM A-182 Grade F 304 forged stainless steel 300# ANSI B16.5 raised face slip-on or weld neck flanges.

e. Utility piping will be constructed of threaded schedule 80 carbon steel, ASTM 53 Grade B materials. Include flanged molded spherical expansion joints with control rods, **Proco Style 242** or equal, see mechanical drawings accompanying this RPP for locations required.

f. All exterior carbon steel piping surfaces installed above grade shall comply with the latest revision of either AWWA Standard C-210 (liquid epoxy) or AWWA Standard C-213 (fusion bonded epoxy). All pipe and fittings shall be completely coated

g. All interior surfaces of carbon steel water piping installed above grade shall comply with the latest revision of either AWWA Standard C-210 (liquid epoxy) or AWWA Standard C-213 (fusion bonded epoxy). All pipe and fittings shall be completely lined. Lining shall comply with NSF 61 and California NSF 61 standards.

h. The valve tree must include a structural steel support frame for support of the piping and valve network. The valve tree shall have three levels (water inlet, treated water outlet, and forward rinse water out). The valve tree support shall be provided with anchoring hardware by the BIDDER with design drawings and calculations for anchoring systems prepared by a Professional Engineer registered in the State of California.

2.04 Process and Utility Valves

A. The process and utility piping; excluding media fill and discharge piping, will be equipped with butterfly valves for flow control. Flanged butterfly valves are required to accommodate the process and forward rinse control functions for each valve tree of a vessel pair-set.

B. The influent, effluent, vent and forward rinse water control valves will be a ductile iron wafer type body butterfly valve with aluminum-bronze disc, BUNA-N seats and stainless-steel shaft to mate to 150 pound ANSI flanges. The valves must be rated for 150 psig in closed position at 180 °F, and meet or exceed the latest AWWA specification C504. The **valves shall be provided with gear-operated hand wheels**. All painting and coating for the valves shall be NSF 61 certified. Butterfly valves shall be **as by Pratt Series 2FI or approved equal**.

a. Valve bodies shall be constructed of ASTM A126, Class B cast iron for flanged valves or ASTM A48, Class 40 for wafer style. Flanged valves shall be fully faced and drilled in accordance with ANSI Standard B16.1, Class 125.

b. Rubber body seats shall be of one-piece construction, simultaneously molded and bonded into a recessed cavity in the valve body. Seats may not be located on the disc or be retained by segments and/or screws. For wafer style valves, the seat shall cover the entire inner surface of the valve body and extend over the outside face of the valve body to form a flange gasket.

c. Valve bearings shall be of a self-lubricating, nonmetallic material to effectively isolate the disc-shaft assembly from the valve body. Metal-to-metal thrust bearings in the flow stream are not allowed.

d. The disc shall be a lens-shaped design to afford minimal pressure drop and line turbulence. Materials of construction shall be ASTM A126, Class B cast iron disc with a stainless-steel type 316 edge. Discs shall be retained by stainless steel pins, which extend through the full diameter of the shaft to withstand the specified line pressure up to valve rating and the torque required to operate the valve. Disc stops located in the flow stream are not allowed.

e. Valve shafts shall be of stainless steel type 304. At the operator end of the valve shaft, a packing gland utilizing "V" type chevron packing shall be utilized. "O" ring and "U" cup packing is not allowed.

f. All surfaces of the valve interior shall be clean, dry and free from grease before painting. The valve surfaces except for disc edge, rubber seat and finished portions shall be evenly coated with fusion bonded epoxy in accordance with AWWA Standard C504. The exterior valve surfaces and actuator shall be evenly coated with a suitable primer to match field coatings.

g. Hydrostatic and seat leakage tests shall be conducted in strict accordance with AWWA Standard C504.

h. The manufacturer furnishing valves under the specification shall be prepared to provide Proof of Design Test reports to illustrate that the valves supplied meet the design requirements of AWWA C504.

i. Manual actuators shall be of the traveling nut, self-locking type and shall be designed to hold the valve in any intermediate position between fully open and fully closed without creeping or fluttering. Actuators shall be equipped with mechanical stop-limiting devices to prevent over travel of the disc in the open and closed positions. **Actuators shall be fully enclosed and designed to produce the specified torque with a maximum pull of 50 lbs.** on the hand wheel or chain wheel. Actuator components shall withstand an input of 450 ft. lbs. at extreme operator position without damage. Manual actuators shall conform to AWWA C504. Manufacturer to **provide chain wheels on all valves located at a height of 4'-6" and above** measuring from the base of the vessel leg plates to the centerline of the wheel.

C. Air release valves shall meet AWWA C512, #150 flanged, combination air release/vacuum, NSF 61 certified.

D. Pressure relief shall be provided by a **3" pressure relief valve** designed to relieve pressure at the maximum allowable working pressure (MAWP) of the vessel. The pressure relief valves will be mounted on the vessel. A total of **two (2) will be provided for each lead/lag system.**

E. The media fill and discharge valves will be 4" diameter full port ball valves, 316 stainless steel construction with TFE seats and seals. A total of four (4) valves are required, two (2) for fill and two (2) for discharge. Alternate approved materials for media fill and discharge lines will be acceptable.

F. Utility valves for the compressed air supply will be bronze or brass or bar stock brass body regular port ball valves.

G. All valve actuators shall be equipped with stainless steel tags embossed with the valve tag identifier raised lettering/numbering corresponding to the process and instrumentation diagram. Provide stainless steel cable/wiring to attach valve tags to their associated valve actuator.

2.05 Instrumentation

A. Each vessel shall be provided with an electronic differential pressure transmitter to communicate the DP signal to the OWNER's SCADA system via a 4-20 mA output. DP transmitter shall be **Rosemount Series 2051C** or approved equal. BIDDER shall provide all tubing, mounting brackets and attachment accessories for a complete function system. The OWNER's installation general contractor will be responsible for cabling and conduit from the BIDDER's DP transmitter to the OWNER's SCADA system interface. A total of two (2) differential pressure instruments will be provided for each of the three (3) lead/lag systems.

B. The process piping will be equipped with analog pressure gauges to indicate the pressure entering and exiting each vessel and to provide information on the pressure drop across each vessel and the system. The pressure gauges will have a 4 ½" face diameter with a stainless-steel bourdon tube in a glycerin filled housing (1 to 150 psig range) and isolation valve. A total of three (3) will be required for each lead/lag system.

C. Necessary tubing, valves and fittings shall be provided to connect gauges to the indicated pipelines. Each gauge shall be equipped with two valves. One valve for isolation and the other for sampling/air relief.

2.06 Miscellaneous

A. The media fill and discharge lines will be fitted with hose connections, such that media transfer to and from the vessels can be facilitated using transfer hoses. These connectors will be 4" Quick Disconnect Adaptors constructed of corrosion resistant materials (nylon) as manufactured by Dover Corp. as Kamlock connectors or approved equal.

B. Two (2) flush connections will be provided on each media fill line, one upstream and one downstream of the valve. One (1) flush connection will be provided on each media discharge line, downstream of the valve. The connections will be welded into the stainless-steel pipe. Flush connections will consist of a short section of ¾" pipe, a ¾" full port ball valve and a ¾" quick disconnect adaptor to match with water hose fittings.

C. Anchorage requirements for the valve tree pipe support shall be specified by the BIDDER and all anchor bolts necessary for installation shall be provided by the BIDDER. Anchor bolts shall be Hilti Series RE-500 and shall be made of ASTM F593 stainless steel.

D. Provide 12-inch x 12-inch x 30 mils **flexible magnetic signs** with UV resistant die cut vinyl with red 6-inch lettering stating "LEAD" (provide 3 signs) and "LAG" (provide 3 signs).

2.07 PFAS-Selective Resin Media Product

A. The BIDDER shall provide and deliver to the project site sufficient PFAS selective resin media to meet resin bed depths shown in the BIDDER's reviewed and approved shop submittal, plus additional resin media to account for losses during startup and testing.

B. The PFAS selective resin media product shall be approved by the California DDW for use in removing PFAS from ground water for potable water production purposes. Alternate PFAS selective resin media types proposed by the BIDDER as an equal substitution must be approved the California Division of Drinking Water ("DDW").

C. The PFAS selective resin media shall exhibit the following characteristics:

PFAS Selective Resin Media Characteristics	
Polymer Structure	Polystyrene crosslinked with divinylbenzene
Appearance	Spherical Beads
Functional Group	Complex Amino
Mean Diameter	675±75µm
Uniformity Coefficient (max.)	1.3
Specific Gravity	1.05
Shipping Weight (Approx)	650-750g/L (40.6-43.8lb/ft ³)
Temperature Limit	100°C (212.0°F) (Cl ⁻ form)
Temperature Limit	60°C (140.0°F) (OH ⁻ form)

Supplier shall pre-rinse the PFAS selective resin media prior to delivery to the project site. The PFAS selective resin media shall be Evoqua PRS2+ or DDW approved equal.

PART 3 Media Installation

- 1) Fill ½ of the vessel with filtered ground water.
- 2) Load ½ of the resin volume into the vessel.
 - a. Forward rinse the resin bed for 15-20 minutes to remove fines from the bed.
 - b. Let bed settle and drain to 10 cm (4 inches) above top of resin bed.
 - c. Determine the resin volume.
 - d. Repeat the procedure with the second half of the resin.
 - e. Confirm the specified volume resin has been installed.
 - f. Determine the pressure drop and confirm its measurement is within submitted tolerances.
- 3) Use supplier's standard method for loading of resin into the vessels.

I. PROPOSAL REQUIREMENTS

To allow for effective OWNER review, the proposal should be limited to no more than fifteen (15) pages excluding the cover letter, table of contents, general layout drawings (plan view and elevation view), overall process schematic, and a brief summary of the BIDDER's qualifications. The proposal shall contain the following information:

1. A description of BIDDER's detailed relevant experience and a description of any recently completed similar projects. Provide client references and telephone numbers for the listed projects.
2. Provide a firm schedule (in Gantt chart format) showing the various major stages of manufacturing, equipment delivery, and equipment testing. Identify key milestones, meetings and review periods. The contract with the successful BIDDER will include late fees of \$1000.00 per day for each and every calendar day of unauthorized delay for delivery of the equipment.
3. General layout drawings (plan view and elevation view) for the equipment must be provided. Sizing information, including elevations for all equipment, should also be included. An overall process schematic identifying the limits of the scope of the equipment to be supplied should be provided, including piping, valves, electrical and controls. BIDDER shall furnish all electrical and instrumentation required for the treatment system. Overall plant controls, connecting the treatment system to the general plant controls will be provided by others.
4. Each BIDDER shall furnish with their proposal the following information as a minimum:
 - a. General arrangement showing the footprint of the lead/lag equipment along with the valve manifold.
 - b. P&ID showing all pipe sizes, valve tag identifiers, and instruments
 - c. Details showing the size and orientation of the nozzles for the vessel
 - d. Profile of the IX vessel indicating the overall height, length of the straight side wall, freeboard, volume of the vessel (cubic feet).
 - e. Calculations showing the vessel volume required for a minimum 535 cf of PFAS selective resin media.
 - f. Details of the water distribution manifold at the top of the vessel
 - g. Details of the bottom manifold including the septa connection.
 - h. Location of the 25%, 50% and 75% sample nozzles for a minimum of 535 cf of PFAS selective resin media installed in the vessel.
 - i. Screen size opening for the septa (inches).
 - j. Total open area in square inches per septa.

- k. Pressure drop for lead/lag system at 2,000 gpm with PFAS selective resin media. Specify the PFAS selective resin product used to calculate the pressure drop.
 - l. Plan and profile of lead/lag valve manifold indicating the levels of various pipes.
 - m. Number of preassembled pieces for each lead/lag IX system
 - n. The BIDDER shall determine the required bed depth of PFAS selective resin media for their proposed pressure vessel configuration to meet PFAS removal goals, volumes of resin stated in this RFP are approximations only.
5. Execute the attached BIDDER's Signature Page.
6. The BIDDER shall provide a written and notarized IX Treatment Capacity Performance Guarantee of the number of treated bed volumes of groundwater (in gallons) before breakthrough occurs for a single treatment vessel.
7. Provide the cost for each item of work listed on the Bid Schedule attached hereto.

II. SCOPE OF SERVICES

The BIDDER will be required to participate in **bi-weekly project teleconferences** for status updates, review current state of submittal plans, schedule updates, installation updates, and general project coordination. Teleconference meetings will be coordinated by OWNER and expected to last **1 hour for the project duration** of design/fabrication, installation, and startup.

The general scope of services is identified in the following tasks:

Task No. 1: System Design, Manufacture, and Delivery

The successful BIDDER shall design, manufacture, and deliver the IX PFAS treatment and pretreatment system equipment to OWNER's Well 10 & 11 located at 7412 Norwalk Blvd, Whittier CA 90606-2152. All BIDDERS shall specify the number of calendar days required from the date of the Notice to Proceed, to design, manufacture and deliver all equipment to the job site.

Task-1 includes the BIDDERS cost to supply and install the PFAS selective resin into the installed treatment system vessels, including resin installation costs for equipment, materials, and labor. The BIDDER shall coordinate with the installation contractor to schedule and install the resin media following the BIDDER's inspection of the treatment system and deeming the installation in compliance with all warranty requirements.

Submittals: Within **28 calendar days** from the date of the Notice to Proceed, the successful BIDDER must furnish OWNER an equipment submittal (drawings, specifications, calculations, materials of construction, etc.) for review and approval of the design prior to the start of manufacturing. The submittal shall contain manufacturer catalog sheets for all major equipment and instrumentation, including valves, pressure gauges, NSF certification of materials, coatings/linings, and structural calculations. The initial submittal shall contain a listing additional system materials and equipment omitted and a schedule for submission of the remaining submittals. The submittal shall be tabbed to clearly delineate the various materials and equipment by section.

Mechanical and process and instrumentation drawings must be submitted in both PDF and **Autocad electronic format**. The drawings shall be developed to the specific requirements of this RFP, supplier off-the-shelf standard model drawings will not be acceptable.

Included in the allowed time shall be a 7-calendar day period for OWNER to review the equipment submittal. The successful BIDDER shall work with OWNER's design engineer during design and OWNER's construction contractor during installation to coordinate layout, instrumentation and controls equipment selection, delivery schedule, and proper installation. In addition, as part of the design process, the successful BIDDER must furnish all necessary design information, plans and specifications for the equipment design prior to the start of manufacturing.

The treatment system design shall include recommended layouts of the equipment, a suggested control strategy, and process and instrumentation diagrams P&IDs for the equipment, which shall clearly show all process piping and valves required for operation of each individual system. The P&IDs shall clearly identify the limits of the equipment to be supplied by the treatment system

manufacturer and the scope of work and supply for the installation contractor. The successful BIDDER shall procure or fabricate any system components without a reviewed and approved submittal from OWNER and its design engineer.

The successful BIDDER must include a warranty of materials and workmanship for the treatment system for a period of one year from the date of OWNER acceptance of the equipment or 24 months from the date of delivery of all equipment. The successful BIDDER shall include drawings in AutoCAD and PDF format with sufficient detail for construction and assembly of all supplied equipment. The system configuration shall be compatible with adjoining piping and equipment. Flanged connection points for the raw water supply, treated water discharge, and other connections shall be identified for use by OWNER in preparing the site design. The system must be designed to conform to the physical criteria listed above in the Background Information, including all connections to support systems and foundations. The system design must also comply with all applicable codes and standards (e.g. piping and connections, materials, anchorage, electrical, etc.).

Warranty and Guaranty:

Warranty and Guarantee Definitions:

“Breakthrough” shall be defined as the point in time when a single IX treatment system vessel effluent water quality changes from non-detect to detect for PFAS in measurements.

“Early breakthrough” of PFAS shall be defined as the detection PFAS in the effluent of a single IX treatment vessel prior to the BIDDER’s guaranteed treatment capacity in terms of treated IX bed volumes, in units of gallons treated.

Water quality data collected by the OWNER from the well sites provides PFAS measurements from recent years and is included as Appendix-A of this RFP. The BIDDER shall utilize the water quality data, in part, to determine their treatment system configuration in a manner to meet treatment requirements of this RFP.

Influent water to the IX treatment system will be pretreated using cartridge filters to be supplied and installed by OWNER’s installation general contractor. The pretreatment filters will protect the IX system from unwanted particles or solids greater than 5 micron in size.

The BIDDER shall provide a IX Treatment Capacity Performance Guarantee on meeting a treatment capacity of no early breakthrough of PFAS in any one of the supplied IX vessels at the rated capacity at up to a 2,000 gpm/vessel maximum flowrate in terms of the number treated bed volumes of water.

The BIDDER shall base the PFAS breakthrough point estimate in terms of treated bed volumes conservatively referring to water quality analysis reports data provided with this RFP and the capabilities of their treatment system design. The BIDDER shall provide a written and notarized IX Treatment Capacity Performance Guarantee of the number of treated bed volumes of groundwater (in gallons) before breakthrough occurs for a single treatment vessel requiring PFAS selective resin media replacement.

Table-1 lists PFAS species select water quality data from 2022 to 2024 for the offsite Well 8, and the onsite Well 10 and Well 11 from the Appendix-A water quality data. The BIDDER is responsible for reviewing all water quality data in Appendix-A and should not rely solely on the select data in Table-1.

RFP Table-1
LHMCWD Water Quality Data
Select Water Quality Data 2022 - 2024

	CA1910218_005_005	CA1910218_005_005	CA1910218_005_005	CA1910218_005_005	CA1910218_005_005
	Well 8	Well 8	Well 8	Well 8	Well 8
	5/16/2022	4/24/2023	11/13/2023	4/9/2024	7/9/2024
PFBA	nd	10.0	9.3	10.0	9.8
PFBS	7.9	7.6	7.6	6.6	8.9
PFHxA	3.5	4.2	nd	8.00	10.0
PFHxS	3.4	4.2	3.5	2.4	3.8
PFNA	2.4	2.7	2.3	nd	2.0
PFOA	9.3	8.7	7.6	8.2	10.0
PFOS	22.0	20.0	17.0	13.0	16.0
PFPeA	nd	5.2	9.9	10.0	13.0
PFHpA	nd	nd	1.9	2.1	2.3

* ppt

	CA1910218_009_009	CA1910218_009_009	CA1910218_009_009	CA1910218_009_009	CA1910218_009_009
	Well 10	Well 10	Well 10	Well 10	Well 10
	5/16/2022	4/24/2023	11/13/2023	4/9/2024	7/9/2024
PFBA	nd	9.7	9.8	11.0	11.0
PFBS	6.8	7.0	7.3	8.1	6.1
PFHxA	3.2	4.4	6.0	6.8	6.9
PFHxS	5.0	4.9	4.8	4.8	5.1
PFNA	2.6	2.8	2.6	2.8	2.1
PFOA	11.0	11.0	11.0	13.0	12.0
PFOS	29.0	27.0	25.0	27.0	24.0
PFPeA	nd	5.7	7.8	8.8	9.2
PFHpA	nd	1.8	1.8	2.4	2.2

* ppt

	CA1910218_010_010	CA1910218_010_010	CA1910218_010_010	CA1910218_010_010	CA1910218_010_010
	Well 11	Well 11	Well 11	Well 11	Well 11
	5/16/2022	4/24/2023	11/13/2023	4/9/2024	7/9/2024
PFBA	nd	10.0	7.6	9.0	9.3
PFBS	6.6	6.8	5.6	7.0	7.7
PFHxA	1.8	4.9	5.9	6.8	7.6
PFHxS	4.5	4.4	4.7	4.4	5.5
PFNA	2.6	2.8	2.1	2.5	2.6
PFOA	12.0	12.0	11.0	12.0	13.0
PFOS	34.0	31.0	30.0	26.0	30.0
PFPeA	nd	6.7	7.00	nd	9.1
PFHpA	1.8	1.9	nd	2.1	2.3

* ppt

	CA1910218_005_005		
	Well 8		
	Max	Min	Avg
PFBA	10.0	6.6	9.8
PFBS	8.9	3.5	7.7
PFHxA	10.0	2.4	6.4
PFHxS	4.2	2.0	3.6
PFNA	2.7	7.6	2.4
PFOA	10.0	13.0	8.8
PFOS	22.0	5.2	17.6
PFPeA	13.0	1.9	9.5
PFHpA	2.3	0.0	2.1

* ppt

	CA1910218_009_009		
	Well 10		
	Max	Min	Avg
PFBA	11.0	6.8	10.4
PFBS	8.1	3.2	7.5
PFHxA	6.9	4.8	5.4
PFHxS	5.1	2.1	4.9
PFNA	2.8	11.0	2.6
PFOA	13.0	24.0	11.6
PFOS	29.0	5.7	26.4
PFPeA	9.2	1.8	7.8
PFHpA	2.4	0.0	2.1

* ppt

	CA1910218_010_010		
	Well 11		
	Max	Min	Avg
PFBA	10.0	5.6	9.0
PFBS	7.7	1.8	6.7
PFHxA	7.6	4.4	5.4
PFHxS	5.5	2.1	4.7
PFNA	2.8	11.0	2.5
PFOA	13.0	26.0	12.0
PFOS	34.0	6.7	30.2
PFPeA	9.1	1.8	7.6
PFHpA	2.3	0.0	2.0

* ppt

All on-site and off-site wells can be directed to the new IX treatment system in any combination, with a maximum flowrate to the IX treatment system of 6,000 gpm. Therefore the concentration of PFAS in the IX treatment system influent will vary depending the configuration of operating wells. In determining the PFAS IX treatment system design, at a minimum the BIDDER shall consider up to a 20% increase in PFAS species levels in the groundwater could occur, in conjunction with the maximum water quality data provided in this RFP.

Early breakthrough of PFAS through a single treatment vessel shall be warranted for the guaranteed treatment capacity of resin bed volumes (in gallons) after acceptance of the treatment system installation by OWNER. All costs for inspections, meetings, or additional materials, PFAS selective resin media, or equipment and labor to resolve an early breakthrough failure and bring the IX vessel(s) back into treatment compliance with project PFAS removal goals, shall be at the expense of the BIDDER.

Post-acceptance of the treatment facility by OWNER and upon notification by OWNER of early breakthrough occurring on a treatment vessel(s), the BIDDER shall promptly coordinate a visit to the site and evaluate the subject treatment vessel(s). The BIDDER shall prepare a written report to OWNER of the site visit findings and provide recommendations to bring the treatment vessel back in compliance with project PFAS removal goals.

The BIDDER's treatment system guarantees and warranties shall be provided on company letterhead and signed by authorized officer of the BIDDER. During the guarantee period, if any part or equipment component is defective or fails to perform when operating at design conditions, the BIDDER shall repair or exchange such defective part(s).

Task-1 Deliverables:

- 1) Design and equipment/material submittals for review and resubmittals.
- 2) Autocad dimensioned and scaled drawings of mechanical components and P&IDs including:
 - i. Plan view
 - ii. Isometric view
 - iii. Section view right
 - iv. Section view left
 - v. Section view front
 - vi. Section view back
 - vii. Anchoring details vessels
 - viii. Anchoring details valve tree
- 3) Equipment and materials submittals

- 4) Anchoring calculations and design drawings for vessels and pipe/valve tree support stamped and signed by a Professional Engineer in the Structural discipline registered in California
- 5) Equipment delivered to the job site:
 - a. Ready to assemble PFAS 6,000 GPM rated IX treatment system
 - b. Instrumentation:
 - i. Three (3) 12-inch flanged magnetic flow meters
 - ii. DP transmitters (one per vessel, 6 total)
- 6) Approved PFAS selective resin media to fill vessels and with sufficient excess to account for startup and testing losses
- 7) Notarized BIDDER's IX Treatment Capacity Performance Guarantee in terms of treated bed volumes of water prior to breakthrough of PFAS occurring
- 8) BIDDER's Treatment System Warranty – 24 months from installation startup
- 9) BIDDER plan to provide equipment, materials, and labor for installation of the BIDDER provide PFAS selective resin.
- 10) Operation and Maintenance Manuals

Task No. 2: Field Support During Delivery and Installation

The successful BIDDER shall provide field support and general oversight of the loading, delivery, and installation of the equipment during construction of the facility. Field support will consist of a combination of site visits, virtual meetings, written and verbal instructions. Adequate field support must be provided to allow the BIDDER to certify the installation to be satisfactory and compliance with all warranty requirements. Any field issues or questions will be resolved to the satisfaction of OWNER. Field support shall include verification of proper handling, setting, and anchorage of the vessels, and general oversight of the delivery and installation. The successful BIDDER shall document all hours spent by the successful BIDDER in providing field support. A tabulation of hours shall be submitted to OWNER on a weekly basis.

Task-2 Deliverables:

- 1) Written instructions and diagrams to aid the OWNER's installation general contractor
- 2) Onsite technician field services to guide OWNER's installation contractor with delivery and assembly of the IX system
- 3) Weekly tabulations of work hours extended

Task No. 3: System Inspection, Startup and Testing

The BIDDER shall inspect the installed system and provide the OWNER letter stating the system installation complies with all warrantee requirements. The successful BIDDER shall provide field support and general oversight of the general contractor during the initial startup of the treatment system. **The BIDDER shall actively install the resin providing equipment, materials, and labor require for the resin media installation.** Assistance from the OWNER's general contractor will be provided to actuate valves, well pump operations, assist with forward rinse water disposal, and enforcement of site safety protocols.

Initial startup shall be conducted with PFAS selective resin media loaded in the vessels. The field support shall assist in trouble shooting the system of any anonymous results. System startup support shall include both written and verbal instructions to the installation contractor, identifying slow filling rates of vessels, initial flush to waste, sampling, and trouble shooting. The successful BIDDER shall document all hours spent by the successful BIDDER in providing system startup field support. A tabulation of hours shall be submitted to OWNER.

Task-5 Deliverables:

- 1) Letter stating onsite inspection of the system complies with all warranty requirements.
- 2) Onsite technicians field services for resin installation and assist with startup and testing
- 3) The successful BIDDER will submit a startup and testing plan for OWNER review 1 week prior to testing.

Task No. 4: OWNER Operations Staff Training

Upon acceptance of the treatment system by OWNER, the successful BIDDER shall provide OWNER with 10 copies of Operation and Maintenance Manual in 3-ring binders acceptable to DDW for the system. The BIDDER shall revise the Operation and Maintenance Manual based on any DDW revision comments. The successful BIDDER will recommend and provide OWNER personnel with a training program and lead an 8-hour onsite training workshop that will adequately prepare facility operators to maintain compliance with the system warranty.

Task-5 Deliverables:

- 1) Onsite training session for OWNER operations staff

III. PAYMENT

Payment for the equipment and services furnished by the successful BIDDER will be paid in accordance with a payment schedule as follows:

- 10% on Award of Contract
- 25% on final Approved Submittals
- 15% on Delivery to the job site
- 20% on Media Delivery/Installation, and Successful Startup and Testing

A payment schedule shall be included in the proposal.

IV. QUESTIONS

If you have any questions regarding this RFP, please respond in writing to:

Steven Walker
Civiltec Engineering
440 N Mountain Ave #210
SWalker@Civiltec.com

Check List

The following bulleted items have been provided to supplement the specific requirements described in the RFP and are required in the proposal:

- Shop drawing requirements
- ☐ Manufacturer data sheets – Marked to indicate options features included
- Equipment details, size, materials of construction, height
- Total number of treatment vessels
- Shop painting requirements
- Electrical requirements
- Instrumentation requirements
- Installation requirements
- Field testing requirements
- Field services required
- Operator training required
- Warranty requirements
- O&M manual requirements
- Shipping and storage requirements
- Fabrication and delivery schedule
- Delivered cost

V. SELECTION PROCESS

The evaluation of proposals and the selection of a BIDDER will be based upon the following criteria (not in order of priority):

1. Capability of BIDDER to perform all tasks.
2. Documented experience on similar projects.
3. Results of reference checks.
4. BIDDER's price to perform the work.
5. BIDDER's schedule to complete the work.
6. Demonstrated record of performance by BIDDER on similar work previously performed on other projects.
7. Demonstrated record of actual estimated costs for the proposed equipment.
8. Demonstrated record of the performance of the proposed treatment system.
9. Documented DDW permitability. OWNER reserves the right to reject any and all proposals. Proposals shall be valid for at least 90 calendar days.
10. BIDDER's bed volume guarantee.
11. BIDDER documented compliance with BABAA requirements and Federal acceptance of proposal meeting BABAA funding requirements.

VI. BID SCHEDULE

LHHCWD Well 10 & 11 PFAS IX Treatment System

Bidder's representation section: Bidder is familiar with all laws and regulations that may affect cost, progress, and performance of the work, including BABAA requirements.

Item No. 1: IX PFAS Treatment System

IX system equipment including three (3) lead/lag systems valves and lead/lag manifold (Valve Tree), pre-fabrication coordination of submittals and reviews, Autocad electronic mechanical and P&ID drawings, instrumentation equipment, DP transmitters, magnetic flow meters, valves, and appurtenances, anchoring design and calculations, provide BIDDER's IX Treatment System Capacity Performance Guarantee and Treatment System Warranty, delivery, coordination with OWNER's installation general contractor, installation inspection and letter verifying installation complies with warranty requirements. BIDDER to provide PFAS selective resin and equipment, materials, and labor to install the resin media into the treatment vessels.

PFAS Treatment System	\$
Guaranteed Treatment Capacity Prior to Break Through (million gallons)	

Item No. 2: Field Support During Delivery and Installation

Construction Support, Media Installation Assistance	\$
Hours (specify)	

Item No. 3: System Startup and Testing

System Installation Inspection, Media Installation Services, Testing Assistance,	\$
Hours (specify)	

Item No. 4: OWNER Operations Staff Training

Owner Operations Staff Training	\$
Hours (specify)	
Provide 10 copies of an O&M Manual	

Total of Items 1 through 4

BIDDER's Total Price	\$
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BIDDER's brochure or full resumes of key personnel shall be included in an appendix. The BIDDER's designated representative shall be identified. Replacement of the designated representative must be approved by OWNER. The appendix is not included in the 15-page proposal limitation.

BIDDERS SIGNATURE PAGE

The undersigned BIDDER certifies that he/she has fully reviewed the RFP, has fully responded to each of the items listed, and is fully prepared to enter into a binding agreement with OWNER, consistent with the information provided in the RFP.

BIDDER

Authorized Representative

Title

Date

VII. APPENDIX MATERIAL

**DISCUSS AND ACTION APPROVE
THE DISTRICT'S REVISED CROSS
CONNECTION CONTROL PLAN**

LA HABRA HEIGHTS COUNTY WATER DISTRICT

MEMORANDUM

DATE: APRIL 22, 2025
TO: BOARD OF DIRECTORS
FROM: JOE MATTHEWS, SECRETARY/GENERAL MANAGER
**SUBJECT: APPROVE DISTRICT'S CROSS CONNECTION CONTROL
PROGRAM AND ADOPTING RESOLUTION 25-05, REVISING
SECTION 42 OF THE DISTRICT'S RATES, RULES, AND
REGULATIONS**

According to the State Water Resource Control Board's Cross Connection Control Policy Handbook, every water system in California is required to submit a new Cross Connection Control Plan by July 1, 2025. The District is working with PWAG to amend our current program to comply with the State requirements.

Agenda item 8e is for approval of our new cross connection control program which is included for reference. Agenda item 8f is the resolution we are required to adopt as part of the state requirements and to revise our Rates, Rules, and Regulations Policy.

Lastly, I am researching consulting firms to perform hazard assessments that our staff is unable to perform for the District. Some consultants provide platforms for residents to self-assess and have suggested fees for those residents required to install backflow prevention assemblies. This will help re-cooperate costs to the District. I will also continue to research this and other options. Once I have more information in the coming months, I will provide my recommendation to the Board.

LA HABRA HEIGHTS COUNTY WATER DISTRICT CROSS CONNECTION CONTROL PROGRAM

La Habra Heights County Water District (District), designated as CA1910218, is a public agency dedicated to providing safe and reliable drinking water to the communities of La Habra Heights, unincorporated areas of Los Angeles County, and small portions of the cities of Whittier and La Habra. The District serves approximately 5650 residents and maintains nearly 2006 service connections across its service area, which spans the south eastern region of Los Angeles County. Currently, there are no recycled water distribution lines within the District's jurisdiction.

The District holds the crucial responsibility of protecting the public water supply from potential contamination caused by cross connections. Cross connections, which occur when non-potable water sources or other substances have the potential to enter the potable water system, pose significant health risks if not properly managed. To mitigate these risks, the District has established a Cross Connection Control Program to prevent backflow incidents and ensure compliance with all regulatory requirements.

Program Overview

The District's cross-connection program encompasses a total of 2006 service connections, and 9 temporary construction meters, categorized into five groups:



This Program has been developed in accordance with the California State Water Resources Control Board (SWRCB) outlines the policies, procedures, and preventative measures implemented by the District to safeguard water quality, protect public health, and maintain regulatory compliance. Through systematic testing, inspection, and enforcement of backflow prevention requirements, the District remains committed to upholding the highest standards of water system integrity and safety.

Upon adoption of Resolution 25-05, this Cross Connection Control Program repeals and replaces, in its entirety, in the District's Rates, Rules, and Regulations, Section 42 – Cross Connection Control Plan.

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1. Definitions

Air Gap Separation (AG): A physical vertical separation of at least two (2) times the effective pipe diameter between the free-flowing discharge end of a potable water supply pipeline and the flood level of an open or non-pressurized receiving vessel, and in no case less than one (1) inch. (2.54 cm).

ABPA: American Backflow Prevention Association

AWWA: American Water Works Association

Approved Backflow Prevention Assembly: Backflow prevention assemblies approved by the Foundation for Cross-Connection Control and Hydraulic Research at the University of Southern California.

Approved water supply: A water source that has been approved by the State Water Board for domestic use in a public water system and designated as such in a domestic water supply permit issued pursuant to section 116525 of the CHSC.

Auxiliary Water Supply: Any water supply on or available to the premises other than the potable water distribution system supply from the District.

Backflow Prevention Assembly: or “BPA” means a mechanical assembly designed and constructed to prevent backflow, such that while in-line it can be maintained and its ability to prevent backflow, as designed, can be field tested, inspected and evaluated.

Backflow: The undesirable reversal of flow of water or mixtures of water and other liquids, gases or other substance into the distribution pipes of the potable supply of water from any source or sources. Backpressure is one cause of backflow. Back-siphonage is the other cause.

Backpressure: Any elevation of pressure in the downstream piping system (by pump, elevation of piping, steam pressure, air pressure, etc.) above the supply pressure at the point of consideration, which would cause or tend to cause a reversal of the normal direction of flow.

Back-siphonage: A form of backflow due to a reduction in system pressure, which causes a sub-atmospheric pressure to exist in the water system.

Certified Testers and Cross-Connection Specialists: Only persons with a valid certification from an ANSI-accredited certifying organization shall satisfy the requirements of testing the Districts BPAs. Note: This does not preclude the local health agency from maintaining a BPA tester or specialist certification program for field testing BPAs in the health agency's jurisdiction.

Connection: The point of connection of a user's piping to the water supplier's facilities.

Contamination: A degradation of the quality of the potable water by any foreign substance which creates a hazard to public health, or which may impair the usefulness or quality of the water.

Cross-Connection: Any actual or potential connection or structural arrangement between a public or consumer's potable water system, and any other source or system through which it is possible to introduce into any part of the potable system any used water, industrial fluid, gas, or substance other than the intended potable water with which the system is supplied.

An indirect cross-connection: is a cross-connection that is subject to back-siphonage only.

A direct cross-connection: is a cross-connection that is subject to both back-siphonage and backpressure

DDW: Division of Drinking Water of the SWRCB

District: La Habra Heights County Water District

Double-check Valve Backflow Prevention Assembly (DC): An assembly composed of two independently acting, approved check valves including tightly closing resilient-seated shut-off valves attached at each end of the assembly and fitted with properly located resilient seated test cocks.

Health Agency: Los Angeles County Department of Public Health (LADPH), also known as LA County Health Department.

LACDPH: Los Angeles County Department of Public Health

Pollution: An impairment of the quality of the water to a degree which does not create an actual hazard to the public health, but which adversely affects such waters for domestic use.

Potable: Water that is approved and safe for human consumption (drinking).

Non-Potable: A liquid or water that is not approved for safe drinking but may have other uses (i.e. landscape irrigation).

Potable Water Distribution System: La Habra Heights County Water District's publicly owned water system operating under a valid permit from the State Water Resource Control Board to supply water for domestic purpose. This system includes all sources, facilities and appurtenances between the source and the point of delivery.

Premises: Any and all areas on a customer's property that are served or have the potential to be served by the District's potable water distribution system.

Reduced Pressure Principle Backflow Prevention Assembly (RPZ or RP): An assembly containing two independently-acting, approved check valves together with a hydraulically operating, mechanically independent pressure differential relief valve located between the check valves, and at the same time below the first check valve. The unit shall include properly located, resilient-seated test cocks and tightly closing, resilient-seated shutoff valves at each end of the assembly.

SWRCB: State Water Resource Control Board

Water Supplier: La Habra Heights County Water District or the District.

Water User: Any person obtaining water from an approved water supply sy

2. Cross-Connection Control Program Resolution

La Habra Heights County Water District (District) adopted Resolution 25-05 (Exhibit A) on April 22, 2025, granting the District the authority to implement this Cross-Connection Control Program (Program). This Program was written in collaboration with members of other public water agencies using pooled resources of Cross Connection Control Specialists. The Resolution provides the District legal authority to take corrective actions if a customer fails to comply in a timely manner with the District's requirements regarding the installation, inspection, field testing, or maintenance of backflow prevention assemblies.

The requirements of the Program are pursuant to the State Water Resources Control Board's Cross-Connection Control Policy Handbook (CCCPH), as well as the District's Rates, Rules, and Regulations, which encompasses the Program.

The District will not provide water service (except for testing purposes) until the customer complies with the District's cross connection requirements.

If the customer fails to comply with the District's installation and maintenance requirements, the District may proceed with the corrective action provisions stipulated in the Resolution. The District holds the authority to deny or discontinue water service for noncompliant customers.

3. Cross-Connection Control Coordinator

The General Manager of the District will be the Cross Connection Control Coordinator responsible for administering the Program and will employ at least one certified Cross-Connection Control Specialist (Specialist). As an alternative, or when no staff or employees are properly qualified, the District may retain a certified Specialist on contract to provide the necessary expertise and services. The Cross Connection Control Coordinator will be responsible for:

- Developing and implementing the Program
- Establishing general policy direction and risk management decisions
- Reviewing and approving all Hazard Assessments
- Reporting, tracking, and other administrative duty oversight

The District may also contract with companies or platforms authorized to engage in Cross Connection Control operations, track and distribute backflow prevention assembly notifications for testing, recordkeeping, tester verification, and other requirements of the Program.

The District's Program was developed in consultation with Cross-Connection Control Specialists from the Public Agency Water Group (PWAG) and lead by the following Cross-Connection Control Specialist:

Name of Coordinator	Tara Robinson
Telephone Number	818-429-6981
Email Address	trobinson@vcwd.org
CCCS Certification Number	01808
Certifying Agency	CA-NV AWWA

The following identifies the current authorized designees employed by the District:

Name of Designee	Ivan Ramirez
Telephone Number	562-697-6769
Email Address	Ivan@lhhcwd.com

Name of Designee	Matt Cerda
Telephone Number	562-697-6769
Email Address	Mcerda@lhhcwd.com

Name of Designee	Michelle Savage
Telephone Number	562-697-6769
Email Address	Msavage@lhhcwd.com

Name of Designee	Dale Snooks
Telephone Number	562-697-6769
Email Address	Dsnooks@lhhcwd.com

Name of Designee	Julius Cervantes
Telephone Number	562-697-6769
Email Address	Jcervantes@lhhcwd.com

Name of Designee	Michael Tafolla
Telephone Number	562-697-6769
Email Address	Mtafolla@lhhcwd.com

4. Hazard Assessments

In accordance with the CCCPH, the District will conduct both initial and ongoing hazard assessments to identify and mitigate potential cross-connection risks. These assessments will be carried out using a combination of on-site evaluations performed by the District's authorized designees and customer-completed surveys to gather essential information about potential hazards. All hazard assessments will be thoroughly reviewed and approved by the Cross-Connection Control Program Coordinator to ensure compliance.

Subsequent to the initial hazard assessment the District will perform hazard assessments under the following criteria:

- a user premises changes account holder (excluding single-family residences);
- a user premises is newly or re-connected to the District's water system;
- evidence exists of changes in the activities or materials on a customer's premises;
- backflow from a user's premises occurs;
- the State Water Board requests a hazard assessment of a customer's premises;
- the District concludes an existing hazard assessment may no longer accurately represent the degree of hazard; and
- periodically (pursuant to CCCPH section 3.1.4.).

The District will require all new residential customers to a complete Residential Cross Connection Hazard Assessment Survey (Exhibit B) with the application for water service. A completed Residential Cross Connection Hazard Assessment Survey provided by the customer may result in further investigation.

If a customer fails to provide the required information for a hazard assessment or does not submit a completed Customer Survey, the District may take corrective actions to protect the public water system. This may include requiring the installation of a Reduced Pressure Principle (RP) device or an Air Gap (AG) for premises containment, in accordance with established policies. Additionally, the District reserves the right to implement other appropriate measures as necessary to ensure compliance. Any costs associated with these actions will be billed to the customer.

As an alternative to the above requirements for a hazard assessment or survey, the customer may agree to install an approved AG or RP for premises containment as a condition of service.

The District shall not be responsible for abatement of cross-connections which may exist within a user's premises.

Cross-Connection Hazard Survey Schedule for Initial Hazard Assessments

The schedule for initial hazard assessments is outlined in the following table. The schedule starts from the date the program is established:

Initial Assessment Task	Schedule
Assessment of District facilities	Within 90 days
Assessment of all new connections	At time of application for water service
Assessment of high-hazard premises which are listed on Appendix D of the CCCPH and premises with BPA's currently in use	Within 24 months
Identification and assessment of hazardous premises supplemental to Appendix D of the CCCPH	Within 36 months
Identification of residential connections with special plumbing facilities and/or water use on the premises	On a continuous basis

Cross-Connection Hazard Survey Schedule for Subsequent Hazard Re-Assessments

The frequency of hazard re-assessments is outlined in the following table:

Type of Service	Frequency of Re-Evaluation
Any services with RP or AG installed for premises containment	If evidence exists of changes in the activities or materials on a user's premises, if a user changes account holder, excluding residential, or if backflow from a user's premises occurs (survey)
Commercial or Industrial services protected with less than a RP for premises containment	Every 5 years and upon change in use or ownership (survey)
Residential services protected with less than a RP for premises containment	Every 4-5 years (survey)

District Facilities

The District will conduct comprehensive assessments of its facilities to identify and mitigate potential cross-connection risks. All facilities producing, treating, storing, or distributing drinking water must have proper internal protection from cross-connections to ensure that all drinking water produced and delivered to customers is protected from cross-connections. The District will complete its requirements within its allotted timeframe given in its response to the SWRCB's Sanitary Survey conducted April 27, 2023.

User Supervisor

Per the CCCPH, the SWRBC and District may, at their discretion, require a customer to designate a User Supervisor when the user premises has a multi-piping system that conveys various types of fluids and where changes in the piping system are frequently made. The User Supervisor will be responsible for the avoidance of cross-connections during the installation, operation and maintenance of the customer's pipelines and equipment.

The User Supervisor represents the owner, tenant, or property manager as a liaison to the District. The Site Supervisor must have the authority to carry out any requirements of the District. It is recommended that the Site Supervisor be an employee who is permanently stationed at the use site. At a minimum, the Site Supervisor must make frequent visits to the site.

The User Supervisor will be trained on the fluids used and backflow protection for the premise, must inform the District of changes in piping, and maintain current contact information on file with the District. The designated Site Supervisor must attend a Site Supervisor Certification Workshop, provided by the District.

User Supervisors:

- Are responsible for the operation, maintenance, and prevention of potential cross connections to the potable water system
- Must be present at all hazard assessments and cross-connection control surveys
- Must inform the District of any cross-connection incidents
- Are expected to know the provisions contained in the SWRBC's CCCPH
- Are expected to know the basic concepts of backflow and cross-connection prevention, and emergency response procedures
- Are responsible for training personnel at the site on the proper protection of the potable water system

5. Backflow Prevention Requirements

The District will require that water service to all commercial customers be isolated at the meter by an approved RP device. However, at its discretion, the District may permit the continued use of an existing device, provided it offers a level of protection equal to the degree of hazard present at the customer's premises. If a device fails testing, it must be replaced with an RP device upon notification of the failure. All high-hazard connections, as specified in Appendix D of CCCPH (replicated as Exhibit C), must be isolated using an RP or AG device.

All customers requiring backflow prevention must ensure that the required premises containment meets the following conditions:

- The backflow prevention assembly must be purchased and installed by the customer (at the customer's expense) immediately downstream of the water meter, in full compliance with the District's standards.
- The assembly must be properly maintained, tested, and inspected in accordance with the District's requirements outlined in this plan.

Under special circumstances, the District may grant an exception allowing the use of a Double Check Valve (DC) device, provided it offers protection equivalent to the degree of hazard. In such cases, A written exception letter must be obtained from the District.

The District recognizes the city of La Habra Heights and Los Angeles County's authority over fire protection systems and will not override their decisions unless a customer's fire protection system is specifically designed to accommodate the pressure drop associated with a RP device. Since fire protection systems are approved and regulated by the city of La Habra Heights and Los Angeles County, any modifications to these systems fall outside the District's jurisdiction. However, in the interest of public health and water quality protection, the District will strongly advise customers against adding chemicals to their fire protection systems, as such systems are now required by the California CCCPH to have RP protection within 10 years after District adoption of this program.

Approved Backflow Preventers and Installation

Any backflow prevention device or assembly required herein shall be manufactured in full conformance with the standards established by at least one of the following:

- Standards found in Chapter 10 of the *Manual of Cross-Connection Control, Tenth Edition*, published by the University of Southern California Foundation for Cross-Connection Control and Hydraulic Research
- Certification requirements for BPAs in the Standards of ASSE International

All presently installed backflow prevention assemblies which do not meet the requirements of this section but were approved assemblies for the purposes described herein at the time of installation and which have been properly maintained, shall, except for the field testing and maintenance requirements, be excluded from the requirements of these rules so long as the District is assured that they will satisfactorily protect the District's water system. Whenever the existing device is moved from the present location, requires more than annual testing, or when the maintenance constitutes a hazard to health, the unit shall be replaced by an approved backflow prevention assembly meeting the requirements of District, at the expense of the customer.

Devices with unapproved modifications or in an unapproved configuration or orientation will be retrofitted with an approved method of backflow prevention installed in accordance with District's installation requirements, at the expense of the customer.

Existing systems with a single detector check valve will not require retrofit provided the check valves are tested in accordance with NFPA 25 requirements and do not require repair or replacement. If the existing single detector check does not meet NFPA 25 requirements and/or requires repair or replacement, then a minimum DC protection shall be installed and brought above grade. New customers are required to upgrade the backflow protection to current standards prior to water

service being provided. Notwithstanding anything contained herein, installations that create a risk to public health will require retrofit.

Schedule for Installation of Backflow Preventers

The schedule for installation of backflow preventers when deemed necessary based on the hazard evaluation is outlined in the following table:

Type of Service	Schedule
New connections with cross-connection hazards	Before service is initiated
Existing connections with Appendix D-type hazards and other high cross-connection hazards	60 days after notification
Existing connections with other than Appendix D of CCCPH or high cross-connection hazards	90 days after notification
Existing fire protection systems not using chemicals	10 years after adoption of program

The District recognizes options of fire protection systems designed to protect water quality in the event of a backflow incident.

- Those using a multipurpose configuration in which the same piping inside the customer premise supplies both domestic water fixtures and fire sprinkler heads.
- Those that use a single tapped connection line in stand-alone configuration with a passive purge feature to maintain acceptable water quality.
- Any fire protection system approved by the appropriate regulatory agency that is designed to continually circulate, leaving no stagnant water throughout a customer's water system.

The District may designate these fire protection system options as non-hazardous, provided the owner of such systems can submit documentation pre-approved by the District supporting the system was planned, permitted, and inspected by the appropriate regulatory agency prior to connection to the District's water system. Note that to negate the requirement for backflow prevention in multipurpose and passive purge (flow through systems), the sprinkler system must be constructed of materials approved for potable water.

All fire protection systems using chemical or antifreeze additives and all newly permitted fire protection systems not designated as multipurpose and passive purge systems will require the installation of an RP backflow prevention device isolating the fire protection system from the District's potable water supply and rest of the customer's water system.

The District may consider granting an extension of time for installation of backflow preventer for an existing connection if requested by the customer. A written exception must be obtained from the District.

6. Certified Backflow Prevention Assembly Testers

The District will maintain an updated list of certified backflow testers, pre-approved by the District, to conduct backflow assembly testing. This list will be reviewed and revised annually, or more frequently if necessary, and will be provided to customers alongside their annual testing notices. All testers are required to adhere to the guidelines outlined in the CCCPH and comply with all District requirements. Testers working within the District's service area must sign and agree to the Tester Code of Conduct (Exhibit F) and maintain active registration in the District's backflow prevention assembly testing portal. Active registration within the District's backflow prevention assembly testing portal requires the submission of valid, up-to-date proof of backflow prevention assembly tester certification, along with calibration and accuracy test results for backflow test kits. The District will have final approval on the acceptance of the submitted documentation.

The District's Coordinator may suspend or revoke approval of an individual backflow testers and or company from the list of approved testers if the individual or company fails or refuses to comply with the District's Cross-Connection Control Program, Policies and Regulations or engages in dishonest business practices, fails to maintain a valid backflow tester certification or installs, repairs or tests backflow assemblies in a negligent manner. Failure to abide by any of these requirements may be grounds for exclusion from the approved testers list.

The District's Coordinator will report incidences of fraud or gross incompetence or negligence on the part of any backflow to the certifying entity as well as any other agencies or authorities.

Quality Assurance

The District will review backflow preventer inspection/test report forms submitted within 30 days of receipt. The District will provide follow-up on any backflow assemblies or test reports that are found to be deficient. At the District's discretion, the District Coordinator may require additional tests on backflow assemblies previously tested by a backflow tester.

7. Backflow Prevention Assembly Testing

Inspection and Testing of Backflow Preventers

All backflow preventers that the District relies upon for protection of the water system will be subject to inspection and testing. The District will assess backflow preventers for proper application and installation.

The customer is responsible for ensuring the inspection and testing of backflow preventers at their premises. The customer must hire, at their expense, a District-approved certified backflow tester to perform the inspection and test.

If any assemblies are found to be defective, the customer must repair or replace them and provide proof of testing certification as described elsewhere herein, within 30 calendar days, or service will be discontinued. Discontinued service may be subject to fees granted by the Resolution.

Approved Test Procedures

The District will require that all assemblies relied upon to protect the public water system be tested in accordance with approved test procedures as specified in CCCPH Article 3.

Notification of Inspection and/or Testing

The District or the District's approved Consultant will provide written notice to all Customers with backflow preventers, requiring them to have their backflow preventer(s) inspected and/or tested. Notices will be sent at least 30 days before the due date of the inspection and/or test. The notice will also specify the deadline for submitting the inspection/test report to the District. If the District has not received a passing test report within the designated timeframe, enforcement policies will be applied.

Backflow Assembly Test Reports

Backflow testers must submit the completed test report via the District's backflow prevention assembly testing portal before the due date specified in the annual testing notice. Test reports will only be accepted through the District's backflow prevention assembly testing portal. Test results must be submitted electronically within five (5) calendar days of the test date. Failing test results must be submitted within 24 hours of the test date.

Repairs

Any assembly that fails routine testing shall be repaired or replaced within thirty (30) days of the initial test date. The customer must notify the District if repairs or replacement cannot be made within the specified period. District shall determine the level of risk the failed assembly presents to the water supply and, if necessary, discontinue water service.

Only Original Equipment Manufacturer (OEM) parts shall be used to repair backflow prevention assemblies. If OEM replacement parts are not available, then an approved backflow prevention assembly must be installed to replace the existing assembly.

Frequency of Inspection and Testing

Inspection and testing of backflow preventers will be conducted:

- At the time of installation;
- Annually after installation;
- After repair, reinstallation, permanent relocation, or re-plumbing;
- Any time the assembly is found to not be in good repair; and
- After a backflow incident
-

All air gap separations shall be inspected annually and after modifications to the installation when used as premises containment.

The District may require a backflow preventer to be inspected and/or tested more frequently than once a year when it protects against a high-health hazard or when it repeatedly fails annual tests or inspections.

The District will be responsible for inspection and testing of all District-owned backflow preventers and air gaps.

Enforcement

To enforce the Program, it may become necessary to discontinue water service through connection(s) to the premises. In the event water service is discontinued, the Local Health Agency may be notified.

If District decides that termination of service is either too difficult or may pose a health issue, it may have the necessary repairs, replacements, or installations completed by a contractor and pass the cost for such service and an administrative penalty on to the customer. The customer will be notified in writing specifying the corrective actions being taken and time in which it will be done. If no action is taken by the customer, then work shall begin.

8. Recordkeeping

Types of Records and Data to be Maintained

The District will maintain records on all assemblies that protect the public water system from contamination. At a minimum, the District will maintain records on all premises containment assemblies required to protect the public water system. All records shall be made available to the State Water Board upon request. The District will maintain records of the following types of information required by in Article 3, Section 3.5.1 of the CCCPH:

- Two (2) most recent premises Hazard Assessments specifying required backflow preventer(s)
- Current contact information for the user supervisor and water user, and any applicable training and qualifications as described by CCCPH section 3.2.2(f)
- Descriptions and follow-up actions related to all backflow incidents
- A copy of the current contract or agreement if any part of the cross-connection control program is carried out under contract or agreement
- The current Cross-Connection Control Plan
- Any public outreach or education materials issued for the previous three (3) calendar years
- Backflow preventer inventory and information including:
 - The associated hazard or application and the location, owner, inspection dates, inspection results, person conducting inspection and as-built plans of each AG installation being used as premises containment
 - Backflow assembly hazard, location, assembly description (type, manufacturer, make, model, size, and serial number), installation, inspection and test dates, test results and data, and person performing test
 - Results of all backflow assembly field testing and AG inspections for the previous three (3) calendar years, including the name, test date, repair date, and certification number of the backflow prevention assembly tester for each backflow assembly field test and AG

- Repairs made to, or replacement or relocation of, backflow assemblies for the previous three (3) calendar years.

How Records will be Maintained

The District will primarily maintain records using the District's online backflow prevention assembly testing portal. Electronic files, such as customer outreach material, may also be maintained on the District's server.

Reports to be Prepared and Submitted to SWRCB

The District will prepare and submit the following reports, as required by CCCPH, to the SWRCB upon request:

- Cross-connection control program activities report for the calendar year
- Cross-connection control program summary information
- Documentation when exceptions to mandatory premises containment are granted
- Backflow incident reports

The District's Coordinator will review and sign all cross connection related reports required by CCCPH before submission to SWRCB.

9. Backflow Incident Response, Reporting and Notification

Backflow Incident Response Plan

The District's Backflow Incident Response Plan (Exhibit H) is incorporated into the District's Emergency Response Program, as mandated by CCCPH Article 5. The plan outlines the procedures for investigating and responding to suspected or actual backflow incidents in accordance with Article 5 of the CCCPH.

Backflow Incident Notification

The District's Coordinator shall notify the SWRCB of any known incident of backflow within 24 hours of the determination. If required by the SWRCB, the District shall issue a Tier 1 public notification pursuant to CCR, Title 22, Section 64463.1.

If required by the SWRCB, the District shall submit, by a date specified by the SWRCB, a written incident report describing the details and affected area of the backflow incident, the actions taken by the District in response to the backflow incident, and the follow up actions to prevent future backflow incidents. The written report shall contain, at a minimum, the information requested in CCCPH Exhibit F.

9. Public Outreach and Education

Customer Education

The District will regularly distribute educational brochures to its customers, either with water bills or through other channels. These brochures will be provided to all customers every two to three years and to every new customer at the time the service agreement is signed.

For residential customers, these brochures will highlight cross-connection hazards within homes and recommend appropriate assemblies or devices that homeowners should install to mitigate risks to the public water system. The education program will emphasize the customer's responsibility in preventing contamination of the public water supply.

The information distributed by the District will include, but not be limited to, the following subjects:

- General cross-connection hazards
- Irrigation system hazards and corrective actions
- Fire sprinkler cross-connection hazards
- Importance of annual inspection and/or testing of backflow preventers
- Thermal expansion in hot water systems when backflow preventers are installed

10. Local Entity Coordination

Coordination with Local Administrative Authority

The CCCPH requires coordination between the District and the Local Administrative Authority (LAA) in matters pertaining to cross-connection control. The District will provide a copy of this Cross Connection Control Program to Los Angeles County Department of Public Health as an individual document. The District will inform the LAA of any changes in policy or procedure that may impact the LAA.

Other Provisions

Temporary Water Connections

The District will not supply water through temporary connections, such as those used for construction projects or main disinfection, except through a backflow preventer arrangement installed by the District.

Relationship to Other Planning and Operations Program Requirements

The District will evaluate the impact of the cross-connection control program on its planning and operational requirements. This includes, but is not limited to, ensuring:

- Effective communication between cross-connection personnel and other District staff;
- Proper training for all staff to identify potential cross-connection control issues;
- Consideration of cross-connection concerns during water quality investigations;
- Cross-connection control personnel are consulted in the design of water treatment facilities;
- Operations, both under normal and abnormal conditions, prevent excessive pressure losses;
- The water distribution system is designed to accommodate expected head losses from backflow assemblies; and
- Sufficient financial and administrative resources are available to implement the cross-connection control program.

Authority to Amend, Alter, and Revise

The District shall have the authority and power to amend, alter, revise, and make supplements to the Cross Connection Control Program as needed to comply with State requirements and to maintain effective water quality standards.

Exhibit A

RESOLUTION 25-05

A RESOLUTION BY THE BOARD OF DIRECTORS OF LA HABRA HEIGHTS COUNTY WATER DISTRICT TO AMEND ITS RATES, RULES AND REGULATIONS REGARDING ITS CROSS-CONNECTION CONTROL PROGRAM BY REPLACING SECTION 42 OF THE REGULATIONS

1. RECITALS

WHEREAS the State Water Resources Control Board (“SWRCB”) requires La Habra Heights County Water District (“LHHCWD”) and other public water systems to establish a Cross-Connection Control Program and Plan satisfactory to SWRCB’s Cross-Connection Control Policy Handbook (“Handbook”);

WHEREAS the purpose of this resolution is to revise LHHCWD’s current Cross-Connection Control Program and replace that program with a new plan that complies with all requirements set forth in SWRCB’s Handbook;

WHEREAS SWRCB identifies the following grounds for the required revisions:

- To protect the LHHCWD’s public water supply from the possibility of contamination or pollution by isolating, within the water user's internal distribution system(s) or its water user's private water system(s), such contaminants or pollutants which could backflow or back-siphon into the public water system;
- To promote the elimination or control of existing cross connections, actual or potential, between its water user's internal potable water system(s) and non-potable water systems, plumbing fixtures and industrial piping systems;
- To provide for the maintenance of a continuing Cross-Connection Control Program (Program) which will systematically and effectively prevent the contamination or pollution of the potable water system; and

WHEREAS the Handbook grants LHHCWD the authority to implement a new cross-connection program that complies with the Handbook and further authorizes LHHCWD to take corrective action(s) if a customer fails to comply in a timely manner with LHHCWD’s requirements regarding the installation, inspection, field testing, or maintenance of backflow prevention assemblies.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF LHHCWD AS FOLLOWS:

2. RESOLUTION

LHHCWD's Board of Directors hereby revises and replaces its Cross-Connection Control Program by rescinding Resolution 20-01 and the entirety of Section 42 of LHHCWD's Rates, Rules and Regulations, and replacing that program with the new Section 42, attached hereto as Exhibit "A."

ADOPTED, SIGNED, AND APPROVED this 22nd day of April 2025.

Brad Cooke, President
Board of Directors of
La Habra Heights County Water District

ATTEST:

Joe Matthews, Secretary

(SEAL)

EXHIBIT B

La Habra Heights County Water District Residential Cross Connection Hazard Assessment Survey

- La Habra Heights County Water District is required by the State of California to inspect all service connections to the District's public water supply for back flow prevention purposes. This survey allows residents to self - inspect their properties and report that inspection to the District. Completing and returning this form at time of new sign up is required to receive water from the District and may help prevent accidental contamination of our drinking water system.

Account Holder Information

Account Holder's Name: _____

Service Address: _____

Account Number: _____

For all Yes answers, specify whether the device is protected with a backflow preventer.

Do you have a well or water system other than the potable water provided by the District on your property?

Yes - Protected with a testable Backflow Protector

Yes - Not Protected

No

Do you heat your home with a hot water or steam boiler? (not a water heater)

Yes - Protected with a testable Backflow Preventer

Yes - Not Protected

No

Do you have a photographic lab or facilities using chemicals?

Yes - Protected with a testable Backflow Preventer

Yes - Not Protected

No

Do you have pumps which are hooked directly to the plumbing? (decorative fountain, etc.)

Yes - Protected with a testable Backflow Preventer

Yes - Not Protected

No

Do you have automatic livestock waterers or tank fillers?

Yes - Protected with a testable Backflow Preventer

Yes - Not Protected

No

Do you have an underground lawn sprinkler system?

Yes - Protected with a testable Backflow Preventer

Yes - Not Protected

No

If you have an underground lawn sprinkler system, does the system feed chemicals?

Yes

No

I do not have an underground lawn sprinkler system

Do you have a swimming pool or hot tub?

Yes - It is filled with a hose which is protected with a Hose Bib Vacuum Breaker.

Yes - It is filled with a hose but is NOT protected with a Hose Bib Vacuum Breaker.

Yes - It is filled with a direct water line which is protected with a testable Backflow Preventer.

Yes - It is filled with a direct water line but is NOT protected with a testable Backflow Preventer.

No

Do you have a water softener?

Yes - The discharge line is above the floor to produce an air gap.

Yes - The discharge line is NOT above the floor (there is no air gap).

No

Do you have a home water treatment system (reverse osmosis/water purifier)?

Yes - Protected with an Air Gap

Yes - Not Protected

No

To my knowledge, these answers are accurate.

Signature _____

Phone Number _____

Date (mm/dd/yyyy) _____

EXHIBIT C

HIGH HAZARD CROSS-CONNECTION CONTROL PREMISES LIST FROM APPENDIX D OF THE CALIFORNIA CALIFORNIA CROSS CONNECTION POLICY HANDBOOK

The list below identifies premises that require backflow protection provided by an air gap or a reduced pressure principle backflow prevention assembly, unless noted otherwise. The list below is not intended to be all-inclusive. A PWS, State Water Board, or local health agency may require an AG, RP, or both to protect a PWS from other hazards not listed below and identified in premises through the hazard assessment completed in CCCPH Chapter 3, section 3.2.1. A PWS may reduce or increase the minimum protection required for a previously hazard-assessed user premise following a hazard reassessment as described in CCCPH Chapter 3, section 3.2.1.

1. Sewage handling facilities
2. Wastewater lift stations and pumping stations
3. Wastewater treatment processes, handling, or pumping equipment that is interconnected to a piping system connected to a PWS (+)
4. Petroleum processing or storage plants
5. Radioactive material storage, processing plants or nuclear reactors
6. Mortuaries
7. Cemeteries
8. Sites with an auxiliary water supply interconnected with PWS (+)
9. Sites with an auxiliary water supply not interconnected with PWS
10. Premises with more than one connection to the PWS (++++)
11. Recycled water (++) (+++)
12. Recycled water interconnected to piping system that contains water received from a PWS (+)
13. Graywater systems, as defined in California Water Code Section 14876, that are interconnected to a piping system that is connected to a PWS
14. Medical facilities
15. Kidney dialysis facilities
16. Dental office with water-connected equipment
17. Veterinarian facilities
18. Chemical plants
19. Laboratories
20. Biotech facilities
21. Electronics manufacture
22. Dry cleaner facilities
23. Industrial or commercial laundry facilities

24. Metal-plating facilities
25. Business park with a single meter serving multiple businesses
26. Marine-port facilities
27. Car wash facilities
28. Mobile home park, RV park, or campgrounds with RV hookups
29. Hotels/motels
30. Gas stations
31. Fire stations
32. Solid waste disposal facilities
33. Pet groomers
34. Agricultural premises
35. Hazard assessment access denied or restricted
36. Railroad maintenance facilities
37. Incarceration facilities (e.g. prisons)
38. Temporary connections to fire hydrants for miscellaneous uses, including construction
39. Private water distribution mains
40. Drinking water storage tank overflow connected to a sump or storm drain (+)
41. Airports

(+) Premise isolated by air gap only except as allowed through CCCPH Section 3.2.2(c)

(++) Dual-plumbed use areas established per CCR Title 22, Section 60313 through 60316.

(+++) Residences using recycled water for landscape irrigation as part of an approved dual plumbed use area established pursuant to CCR Title 22, sections 60313 through 60316 shall use, at a minimum, a DC. If the water supplier is also the supplier of the recycled water, then the recycled water supplier may obtain approval of the local public water supplier or the State Water Board, to utilize an alternative backflow protection plan that includes an annual inspection of both the recycled water and potable water systems and an annual cross-connection test of the recycled water and potable water systems pursuant to subsection 60316(a) in lieu of any BPA.

(++++) All connections must receive at least the same level of protection excluding fire protection when connected to the PWS distribution system (e.g. if one connection requires an RP then all connections must have RPs installed).

Exhibit D

COMPANY	MAILING ADDRESS	LOCATION	MFG	MODEL	SIZE	SERIAL
Care Meridian	102 E. Avocado Crest Rd La Habra Heights, Ca 90631	102 Avocado Crest, front of property west of d/w - fire read arm	Watts	007M2-QT	3/4"	37535
Care Meridian	102 E. Avocado Crest Rd La Habra Heights, Ca 90631	102 Avocado Crest, front of property west of d/w - fire service	Ames	3000SS	4"	3CK1214
City of LHH	1245 Hacienda Rd., La Habra Heights, CA 90631	1885 N. Hacienda Rd - irrigation s/w corner of building	Wilkins	975	2"	805958
City of LHH	1245 Hacienda Rd., La Habra Heights, CA 90631	1245 N. Hacienda Rd @ Driveway	Febco	825y	2"	J035740
City of LHH	1245 Hacienda Rd., La Habra Heights, CA 90631	1245 N. Hacienda Rd @ Roof Access to Fire Dept Bldg.	Watts	LF009m2QT	2"	013495
City of LHH	1246 Hacienda Rd., La Habra Heights, CA 90631	1245 N. Hacienda Rd @ Irrigation East of MPR	Febco	825Y	2"	J037315
Hacienda Golf Club	718 East Road, La Habra Heights, CA 90631	on East Rd - holes 3,4, & 5 (IRR)	Wilkins	375AST	4"	39345C
Hacienda Golf Club	718 East Road, La Habra Heights, CA 90631	Below East Rd-Between Clubhouse & pool	Wilkins	475ST	6"	1294L
Hacienda Golf Club	780 East Road, La Habra Heights, CA 90631	75ft of driveway on 6"	Watts	007M2-QT	3/4"	86072
Hacienda Golf Club	718 East Road, La Habra Heights, CA 90631	East Rd at Deep Canyon - 6"	Watts	FA0215119	3/4"	BD0060128
Hacienda Golf Club	718 East Road, La Habra Heights, CA 90631	above Green 11 - restrooms at street	Wilkins	475 ST	6"	1295L
Hacienda Golf Club	718 East Road, La Habra Heights, CA 90631	about 75ft east of driveway	Ames	3000SS	6"	3HL0117
Hacienda Golf Club	718 East Road, La Habra Heights, CA 90631	East Rd at Deep Canyon	Ames	FA0215119	6"	BD0060129
L.A. County	900 S. Fremont Ave Alhambra, ca 91803	1501 El Travesia	Febco	825Y	3/4"	J080818
L.A. County Facilities Mgmt.	2275 Alcazar St., Los Angeles, CA 90033	north of Kashlan Rd on Harbor east side of street. 1500 block	Wilkins	375XL	2"	B460981
La Habra Christian Church	1400 Bella Vista Dr., La Habra Heights, CA 90631	next to existing meter in front of building	Febco	860	3"	9708131144
La Habra Christian Church	1400 Bella Vista Dr., La Habra Heights, CA 90631	fire service on Bella Vista, side arm 4"	Watts	7	3/4"	11237
La Habra Christian Church	1400 Bella Vista Dr., La Habra Heights, CA 90631	at service driveway, fire service at Bella Vista	Ames	3000SS	4"	31M1530
LHHCWD	1271 Hacienda Rd	office backflow device	Febco	-825Y	1-1/2"	A118727
LHHCWD	1271 Hacienda Rd	La Mirada Plant Location	Febco	LF825Y	1-1/2"	J010984
Matrix Oil Corp.	459 West Rd La habra Heights, CA 90631	site 12	Febco	825Y	2"	J010710
Matrix Oil Corp.	459 West Rd La habra Heights, CA 90631	Above site 1 Top of Ardsheal Dr.in box	Febco	825YD	4"	103170705
Matrix Oil Corp.	459 West Rd La habra Heights, CA 90631	Site 2 - Ardsheal	Wilkins	375AST	3"	800C
Matrix Oil Corp.	459 West Rd La habra Heights, CA 90631	Site 3 - Canada Sombre	Febco	825YD	3"	N11025180537
Matrix Oil Corp.	459 West Rd La habra Heights, CA 90631	Site 3 - Canada Sombre	Wilkins	375	6"	84710
Matrix Oil Corp.	459 West Rd La habra Heights, CA 90631	Site 4 - Encanada	Febco	825	2"	2705
Matrix Oil Corp.	459 West Rd La habra Heights, CA 90631	Site 5 - 2102 Hacienda	Wilkins	375	3"	L51173
Matrix Oil Corp.	459 West Rd La habra Heights, CA 90631	site 6-Top end of Las Palomas Dr.	Febco	825Y	2"	A143098
Matrix Oil Corp.	459 West Rd La habra Heights, CA 90631	site 7 - 222 East Rd.	Wilkins	375	6"	
Matrix Oil Corp.	459 West Rd La habra Heights, CA 90631	site 8 @ 2500 E. Skyline Dr.	Febco	825	6"	N1102071238
Matrix Oil Corp.	459 West Rd La habra Heights, CA 90631	site 9- 2362 Vista Rd.	Febco	825Y	2"	7824
Puente Hills Habitat	7333 Greenleaf Ave. Whittier, ca 90602	arcross from 2112 skyline dr	Wilkins	375	3"	56508
Puente Hills Habitat	7333 Greenleaf Ave. Whittier, ca 90602	To the left of 1595 Suncrest Ct. (near access road to water tank)	Wilkins	376	3"	56499
Total		33				

Exhibit E

List of Identified Untestable Fire Protection Devices

COMPANY	MAILING ADDRESS	LOCATION	MFG	MODEL	SIZE	SERIAL
Matrix Oil Corp.	459 West Rd La Habra Heights, CA 90631	Site 3 - Canada Sombre	Wilkins	375	6"	84710

EXHIBIT F
TESTER CODE OF CONDUCT FORM
LHHCWD's Cross-Connection Control Program

La Habra Heights County Water District (District) will maintain a list of certified backflow testers, pre-approved by the District, to conduct backflow assembly testing. This list will be reviewed and revised annually, or more frequently if necessary, and will be provided to customers alongside their annual testing notices.

All testers are required to adhere to the guidelines outlined in the State Water Resources Control Board's Cross Connection Control Policy Handbook (CCCPH) and comply with all District requirements. Testers working within the District's service area must sign and agree to the Tester Code of Conduct and maintain active registration in the District's portal.

The District's Cross Connection Control Coordinator may suspend or revoke approval of an individual backflow testers and or company from the list of approved testers if the individual or company fails or refuses to comply with the District's Cross-Connection Control Program, Policies and Regulations or engages in dishonest business practices, fails to maintain a valid backflow tester certification or installs, repairs or tests backflow assemblies in a negligent manner. Failure to abide by any of these requirements may be grounds for exclusion from the approved testers list.

District Contacts

Cross Connection Control Program:

Joe Matthews

562-697-6769

Joe@lhhcwd.com

Water turn on for testing, shut off for repairs/replacement:

Ivan Ramirez

562-697-6769

Ivan@lhhcwd.com

The District's Code of Conduct requires backflow assembly testers to act honestly, competently, and with integrity and to use their knowledge and skill for the enhancement of public health and the protection of District water system. The District requires that the following Code of Conduct is followed by all backflow prevention assembly testers approved to conduct tests with the District's jurisdiction:

1. Testers must notify the District as soon as possible, within 24 hours if a backflow incident or an unprotected cross-connected is observed during field testing
2. Maintain valid certification from a certifying organization pursuant to Article 4 of the California CCCPH
3. Testers are strictly prohibited from knowingly falsifying field results
4. Testers must not remove or relocate a backflow assembly without obtaining explicit approval from the District
5. Passing backflow test reports must be submitted via the District's portal within 5 calendar days
 - a. Failing test results must be submitted within 24 hours of the test date
6. Any assembly that fails routine testing shall be repaired within 30 days of the initial test date
 - a. Only Original Equipment Manufacturer parts shall be used to repair backflow
 - b. If failing device is anything other than a RP device, it must be replaced with an RP
 - i. DC's can continue to be used in fire protection if no chemicals are present
7. Any backflow prevention device or assembly installed shall be manufactured in full conformance with the standards established by at least one of the following:
 - a. Standards found in Chapter 10 of the Manual of Cross-Connection Control, Tenth Edition, published by the University of Southern California Foundation for Cross-Connection Control and Hydraulic Research
 - b. Certification requirements for BPAs in the Standards of ASSE International
8. Testers are responsible for updating their registration in the District's portal with any changes in their contact information, including address, emails or phone numbers.
9. Not misuse the certificate, logo, and marks of the District.
10. Uphold and follow all policies and procedures required by District to remain in good standing.
11. Not participate in any interest, activity, or influence purely for personal gain and not in the interest of public health and environmental safety.

By signing this document, I hereby certify that I have thoroughly read and understand this agreement and agree to fully conform to the provisions of this agreement:

Tester Name:		Certification #:	
Tester Signature:		Date:	
Company Name:			
Company Address:			
Phone Number:		Email Address:	

The District's Coordinator will report incidences of fraud or gross incompetence or negligence on the part of any backflow to the certifying entity as well as any other agencies or authorities.

EXHIBIT G

LA HABRA HEIGHTS COUNTY WATER DISTRICT BACKFLOW INCIDENT REPORT FORM

Water System Number: **CA1910218**

Incident Date: _____

Incident Time (if known): _____

Incident Location: _____

How was the incident discovered? _____

Backflow Originated from:

Premise Location: _____

Address: _____

Premise Contact Person: _____

Title: _____

Phone: _____ Email: _____

Connection Type: (please check one)

- ☐ Industrial ☐ Commercial ☐ Single-Family Residential ☐ Multi-Family Residential
☐ Irrigation ☐ Water System Facility ☐ Other:

Description and source of backflow fluid (please be as descriptive as possible):

If available, please attach an MSDS or other chemical description.

Was the backflow fluid contained within the user side? ☐ YES

☐ NO

Estimated Number of Affected Persons: _____

Number and description of consumer complaints received:

Did any consumers report illness? Please describe.

If applicable, please describe the consumer notification:

INVESTIGATION

Please describe the water system investigation including time frames:

What was the area system pressure? _____

Is this within typical range: ☐ YES ☐ NO

Was a sample of the water contaminated by the backflow incident collected and stored before flushing? YES ☐ NO ☐

Please describe location and type of all sampling:

SWRCB recommends laboratory or field sampling for the following parameters: total coliform, E. coli, free and total chlorine residual, pH, odor, turbidity, temperature, and color. Additional sampling should be collected at the PWS and regulatory agency's discretion.

CORRECTIVE ACTIONS

Please describe the corrective actions taken by the water system:

Was the chlorine residual increased after the backflow incident discovery? ☐ YES ☐ NO

Date of the last cross-connection control hazard assessment of the premise with the backflow incident conducted: _____

Did the premise have backflow prevention assemblies? ☐ YES ☐ NO

Date of most recent backflow prevention assembly test(s): _____

Was the Division or Local County Health notified within 24 hours? ☐ YES ☐ NO

Date: _____ Time: _____ Contact Person: _____

Other agencies or organizations contacted? _____

CERTIFICATION

Name: _____

Job Title: _____

Certification(s): _____

Please list all cross-connection control related certifications including number and expiration date

I certify that the forgoing information is true and correct to the best of my ability.

Signature:

Date:

Attach the following applicable documentation

1. Laboratory Test Results
2. Sketch of the cross-connection and modifications
3. MSDS or chemical information forms if chemical hazard is known
4. Applicable backflow assembly test reports including the most recent test before the incident
5. Other relevant supporting documentation

Exhibit H

Backflow Incident Response Plan

In the case of a backflow incident, the District will follow SECTION 3.3 Contamination of the Water System (e.g., Chemical, Biological, Radiological, Nuclear) that is contained in the Districts Emergency Response Plan. The Backflow Incident response Plan will include, but will not be limited to:

- Notification of affected population;
- Notification and coordination with other agencies, such as the city of La Habra Heights, Los Angeles County Department of Public Health, and the State Water Resource Control Board;
- Identification of the source of contamination;
- Isolation of the source of contamination and the affected area(s);
- Cleaning, flushing, test, and perform any other necessary measures to mitigate and correct the problem; and
- Apply corrective action to prevent future backflow occurrences.

The District will use the most recently published edition of the manual Backflow Incident Investigation Procedures published by the AWWA as a supplement to the Water Supply Emergency Response Plan.

RESOLUTION 25-05

A RESOLUTION BY THE BOARD OF
DIRECTORS OF LA HABRA HEIGHTS
COUNTY WATER DISTRICT TO
AMEND ITS RATES, RULES AND
REGULATIONS REGARDING ITS
CROSS-CONNECTION CONTROL
PROGRAM BY REPLACING SECTION
42 OF THE REGULATIONS

RESOLUTION 25-05

A RESOLUTION BY THE BOARD OF DIRECTORS OF LA HABRA HEIGHTS COUNTY WATER DISTRICT TO AMEND ITS RATES, RULES AND REGULATIONS REGARDING ITS CROSS-CONNECTION CONTROL PROGRAM BY REPLACING SECTION 42 OF THE REGULATIONS

1. RECITALS

WHEREAS the State Water Resources Control Board ("SWRCB") requires La Habra Heights County Water District ("LHHCWD") and other public water systems to establish a Cross-Connection Control Program and Plan satisfactory to SWRCB's Cross-Connection Control Policy Handbook ("Handbook");

WHEREAS the purpose of this resolution is to revise LHHCWD's current Cross-Connection Control Program and replace that program with a new plan that complies with all requirements set forth in SWRCB's Handbook;

WHEREAS SWRCB identifies the following grounds for the required revisions:

- To protect the LHHCWD's public water supply from the possibility of contamination or pollution by isolating, within the water user's internal distribution system(s) or its water user's private water system(s), such contaminants or pollutants which could backflow or back-siphon into the public water system;
- To promote the elimination or control of existing cross connections, actual or potential, between its water user's internal potable water system(s) and non-potable water systems, plumbing fixtures and industrial piping systems;
- To provide for the maintenance of a continuing Cross-Connection Control Program (Program) which will systematically and effectively prevent the contamination or pollution of the potable water system; and

WHEREAS the Handbook grants LHHCWD the authority to implement a new cross-connection program that complies with the Handbook and further authorizes LHHCWD to take corrective action(s) if a customer fails to comply in a timely manner with LHHCWD's requirements regarding the installation, inspection, field testing, or maintenance of backflow prevention assemblies.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF LHHCWD AS FOLLOWS:

2. RESOLUTION

LHHCWD's Board of Directors hereby revises and replaces its Cross-Connection Control Program by rescinding Resolution 20-01 and the entirety of Section 42 of LHHCWD's Rates, Rules and Regulations, and replacing that program with the new Section 42, attached hereto as Exhibit "A."

ADOPTED, SIGNED, AND APPROVED this 22nd day of April 2025.

Brad Cooke, President
Board of Directors of
La Habra Heights County Water District

ATTEST:

Joe Matthews, Secretary

(SEAL)

**DISCUSS AND APPROVE AUDIT
PROPOSAL FOR FISCAL YEAR
ENDING JUNE 30, 2025, 2026
AND 2027**

LA HABRA HEIGHTS COUNTY WATER DISTRICT

MEMORANDUM

DATE: APRIL 22, 2025
TO: BOARD OF DIRECTORS
FROM: JOE MATTHEWS, SECRETARY/GENERAL MANAGER
SUBJECT: AUDIT PROPOSAL FOR FY ENDING JUNE 30, 2025, FY
ENDING JUNE 30, 2026, AND FY ENDING JUNE 30, 2027

On March 24, 2025, the District sent requests for proposals for financial audits of fiscal years 2024/2025, 2025/2026, and 2026/2027 with an option to renew for two additional fiscal years to the following firms:

- Clifton Larson Allen LLP
- Davis Farr LLP
- Lance Soll & Lunghard CPA

Clifton Larson Allen LLP submitted the following:

\$26,565 for FY 2024/2025
\$27,630 for FY 2025/2026
\$28,735 for FY 2026/2027

Fees for two additional fiscal years would increase 4% per year.

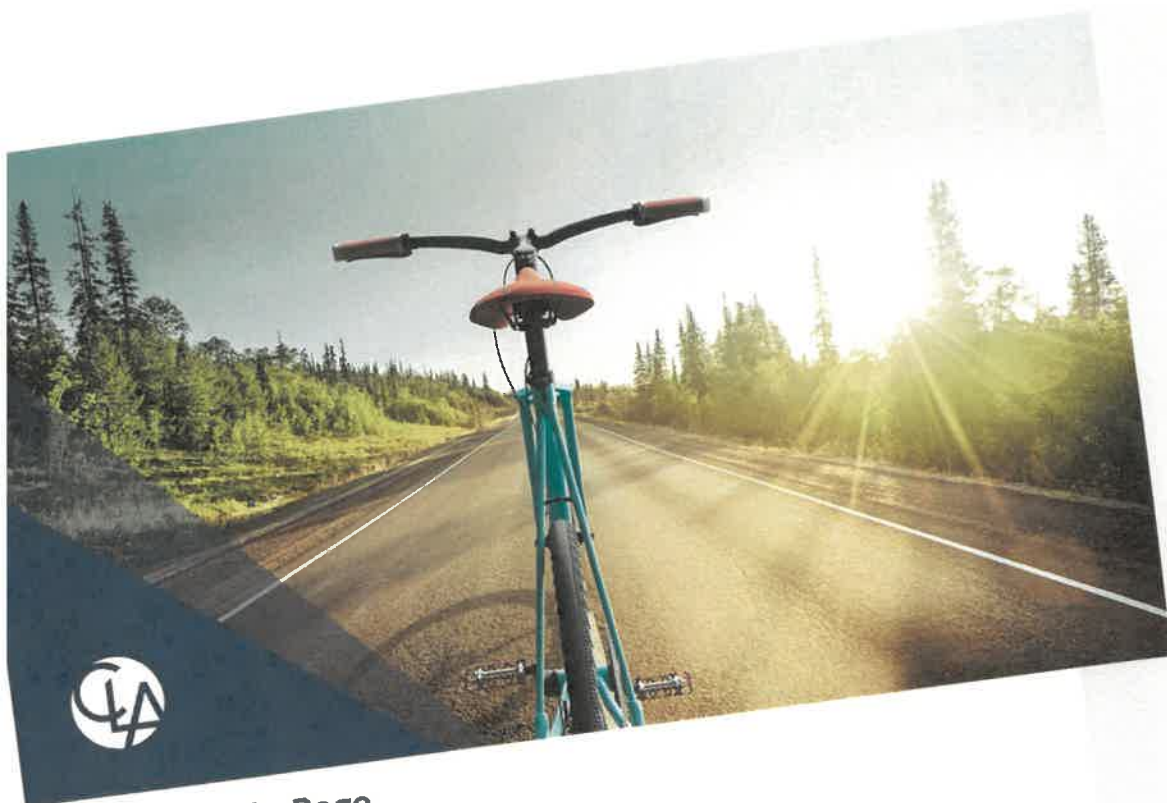
Davis Farr LLP submitted the following:

\$25,600 per year for FY 2024/2025, 2025/2026 and 2026/2027

Fees for two additional fiscal years would increase 3% per year.

Lance Soll & Lunghard CPA did not submit a proposal.

After reviewing the proposals, I recommend the Board accept the proposal from Davis Farr LLP.



1. Title Page

Proposal to provide services to:

La Habra Heights County Water District

Proposal subject	Request for Proposal for Professional Audit Services
Name of firm	CliftonLarsonAllen (CLA)
Contact person	Robert Callanan, CPA, Principal 2875 Michelle Drive, Suite 300, Irvine CA 92606 714-795-5354 bob.callanan@CLAconnect.com
Proposal date	April 14, 2025

CLAconnect.com

CPAS | CONSULTANTS | WEALTH ADVISORS

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See claglobal.com/disclaimer.
Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.

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3. Transmittal Letter



CliftonLarsonAllen LLP
CLAconnect.com

April 14, 2025

Joe Matthews, General Manager
La Habra Heights County Water District
1271 North Hacienda Road
La Habra Heights, CA 90631

Via email submission

Dear Mr. Matthews:

Thank you for inviting us to propose. We look forward to the opportunity to continue providing services to La Habra Heights County Water District (the District).

Understanding of the work to be performed

We have read the Request for Proposal (RFP) and understand the scope of the work to be performed as specified in the RFP. Should CLA be selected to serve this engagement, we will perform these services within the time period specified in the RFP and as finalized in the planning stages of the engagement.

To meet the requirements of the RFP, the audit will be performed in accordance with auditing standards generally accepted in the United States of America, as set forth by the American Institute of Certified Public Accountants; the standards set forth for financial audits in Government Auditing Standards issued by the Comptroller General of the United States; and any other applicable federal, state, and local laws or regulations.

Why CLA is qualified

We are confident that our extensive experience serving similar governmental entities, including your District, bolstered by our client-oriented philosophy and depth of resources, will make CLA a top qualified candidate to fulfill the scope of your engagement. The following differentiators are offered for the District's consideration:

- **Industry-specialized insight and resources** – As one of the nation's leading professional services firms, and one of the largest firms who specialize in regulated industries, CLA has the experience and resources to assist the District with their audit needs. In addition to your experienced local engagement team, the District will have access to one of the country's largest and most knowledgeable pools of regulated industry resources.
- **Strong methodology and responsive timeline** – In forming our overall audit approach, we have carefully reviewed the RFP and other information made available and considered our experience performing similar work for other special districts. Our local government clients are included amongst the more than 4,200 governmental organizations we serve nationally. Our staff understands your complexities not just from a compliance standpoint, but also from an operational point of view. The work plan also minimizes the disruption of your staff and operations and provides a blueprint for timely delivery of your required reports.
- **Communication and proactive leadership** – The District will benefit from a high level of hands-on service from our team's senior professionals. We can provide this level of service because, unlike other national

firms, our principal-to-staff ratio is similar to smaller firms – allowing our senior level professionals to be involved and immediately available throughout the entire engagement process. Our approach helps members of the engagement team stay abreast of key issues at the District and take an active role in addressing them.

A focus on providing consistent, dependable service – We differ from other national firms in that our corporate practice focuses on the needs of non-SEC clients, thus allowing us to avoid the workload compression typically experienced by firms that must meet public companies' SEC filing deadlines. CLA is organized into industry teams, affording our clients with specialized industry-specific knowledge supplemented by valuable local service and insight. Therefore, the District will enjoy the service of members of our state and local government services team who understand the issues and environment critical to governmental entities.

- **Fresh perspective** – By engaging CLA, the District will benefit from a fresh look at its business operations, information systems, and financial risk management policies and procedures. You will be served by an engagement team with enthusiasm and a desire to meet and exceed expectations. The engagement team will include a person who has not been involved with the District's previous audits so as to bring a fresh perspective. We are confident that our industry experience will bring to the District new ideas, creative approaches, and fresh opportunities to meet the financial management and accountability challenges before the District.

We want to serve you and we have the qualifications to deliver quality, timely work. Throughout this proposal, we take you on a journey outlining how we'll work together and the value you can come to appreciate when we exceed expectations.

Firm and irrevocable offer

Our proposal is valid for a period of 60 days from the date submitted.

We have read the RFP and understand the work to be performed. Furthermore, we commit to perform the work within the deadlines therein.

Please contact me if I can provide additional information on our firm or our proposal.

Sincerely,

CliftonLarsonAllen LLP



Robert Callanan, CPA
Principal
714-795-5354
joe.ludin@CLAconnect.com



4. Detailed Proposal

A. Firm qualifications and experience

Firm size

It takes balance.™ With CLA by your side, you will find everything you need in one firm. Professionally or personally, big or small, we can help you discover opportunities and bring balance to get you where you want to go.



As a professional services firm, we exist to create opportunities ... for you, our people, and our communities through industry-focused wealth advisory, digital, audit, tax, consulting, and outsourcing services. We do this when we live the CLA Promise — a promise to know you and help you.

Opportunities for you



Opportunities for our people

At CLA, people find meaningful work in a fun, compelling, and energizing culture. Our people design their own customized careers through our inspired careers strategic advantage. In 2024 our total headcount was relatively the same as in 2023, and we continue to witness a remarkable retention rate of 89%. Inspired by their careers, our family members develop client relationships that bring deeper knowledge and help you shine. We're one family, working together to create opportunities.

What's more, CLA is building a culture of [connection and belonging](#) that welcomes different beliefs and perspectives. We want to represent the communities we serve and foster an environment of inclusion and belonging, resulting in enhanced value for our clients, our communities, and each other.

Inclusive: *We embrace all voices and create opportunities by removing barriers and helping our people build inspired careers.*

Opportunities for our community

CLA's community impact team unifies the work of connection, belonging and the CLA Foundation with a laser focus on advancing education, employment, and entrepreneurship within CLA and throughout our society.

Since 2015, our [CLA Foundation](#) has granted more than \$13 million from nominations made by and funds raised from CLA family members. Each grant recipient's work aligns with the foundation's mission to create career opportunities through education, employment, and entrepreneurship by connecting networks inclusive of all genders and races, veterans, and the disability community.

Read more in CLA's annual [Promise Report](#).



State and local government experience

You can benefit from a close personal connection with a team of professionals devoted to governments. Our goal is to become familiar with all aspects of your operations — not just the information needed for the year-end audit so that we can offer proactive approaches in the areas that matter most to you:

- Finding new ways to operate more effectively and efficiently
- Responding to regulatory pressures and complexities
- Maintaining quality services in the face of changing budgetary priorities
- Providing transparent, accurate, and meaningful financial information to stakeholders, decision-makers, and your constituents

We understand the legislative changes, funding challenges, compliance responsibilities, and risk management duties that impact you. Our experienced government services team can help you navigate the challenges of today, all while seamlessly strategizing for the future.



Deep industry connections

CLA actively supports industry education as a thought leader and industry speaker. We focus on supporting the educational needs of the industry through nationally sponsored trade events. Our team of professionals is sought after, both as educators and as experienced speakers who are invited to speak and teach at major professional events by leading trade associations, including those shown here.



We are also actively involved in and/or are members of the following professional organizations:

- American Institute of Certified Public Accountants (AICPA)
- AICPA's State and Local Government Expert Panel
- AICPA's Government Audit Quality Center (GAQC)
- Government Finance Officers Association (GFOA)
- Special Review Committee for the GFOA's Certificate of Achievement for Excellence in Financial Reporting (Certificate) Program
- Association of Government Accountants



Our involvement in these professional organizations, combined with various technical services we subscribe to, allows us to be at the forefront of change in the constantly changing government environment. We take our responsibility for staying current with new accounting pronouncements, auditing standards, other professional standards and laws and regulations seriously.

Insight to strengthen your organization

When you're ready to go beyond the numbers to find value-added strategies, we offer resources to help you respond to challenges and opportunities including:

- [National webinars](#) — Access complimentary professional development opportunities for your team.
- [Articles and white papers](#) — Stay current on industry information as issues arise.

Curious: *We care, we listen, we get to know you.*

Support at every turn

With [dedicated services specific to state and local governments](#), you have access to guidance on all aspects of your operations.

- [Audit](#), review, and compilation of financial statements
- Compliance audits (HUD, OMB Single Audits)
- [Cybersecurity](#)
- [Enterprise risk management](#)
- [Forensic accounting, auditing, and fraud investigation](#)
- Fraud risk management
- [Grant compliance](#)
- Implementation assistance for complex Governmental Accounting Standards Board (GASB) statements
- [Internal audit](#)
- [Outsourced business operations](#)
- [Performance auditing](#)
- [Purchase card \(p-card\) monitoring and analytics](#)
- [Risk assessments](#)
- Strategic, financial, and operational consulting
- [Telecom management services](#)
- [Business opportunity assessments](#)
- [System optimization and selection](#)



Utilities experience

Our utility experience includes a broad range for utilities from investor-owned electric generation, municipal, publicly traded, and co-operative transmission and distribution utilities. Our work with municipal governments has provided our professionals with extensive experience dealing with government-operated utilities from both an assurance and consulting perspective. In fact, several of our municipal clients routinely request our assistance with adjusting utility user rates (water, sewer, electric, other service charges). We also provide interpretative guidance resulting from new state or federal legislation that may impact our clients.



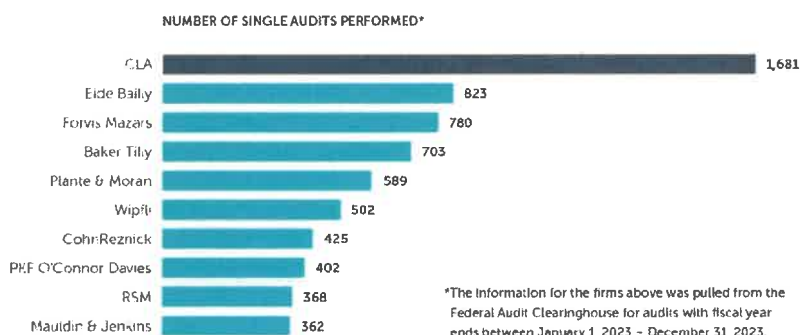
California government experience

CLA is a leading provider of government audit and consulting services in California. We serve more than 130 California municipalities, special purpose governments, and school districts, including more than 20 California counties. As such, we understand the complexities within California governments, grant funding, and the specific federal and state compliance requirements of that funding. Inherently, with the size of CLA's government practice, we are continually consulting other governments and professionals to stay current on constant changes and local issues that may affect the District.

Single audit experience

CLA performs the largest number of single audits in the United States

We audited nearly \$229 billion dollars in federal funds expended in 2023. The chart below illustrates CLA's experience in serving organizations that receive federal funds and demonstrates our firm's dedication to serving the government and nonprofit industry.



While your RFP does not identify a current need for an audit of federal grants, it is more important than ever to find qualified auditors who have significant experience with federal grants specific to the District and can enhance the quality of the District's single audit should one be needed in the future. If a single audit is required in the future, the single audit would be performed by a team of individuals who are managed by personnel who specialize in single audits in accordance with OMB's *Uniform Guidance* and who can offer both knowledge and quality for the District. As part of our quality control process, the single audit would be reviewed by a firm Designated Single Audit Reviewer.

You'll need an audit firm experienced in performing single audits and a familiarity with the specific programs in which you are involved and will benefit from CLA's experience in this area.

Office location assigned to manage the engagement

Our firm matches the necessary skill set to an engagement before considering the geographic location of the staff. Assigning team members who specialize in working with similar clients can provide the District higher-quality services and allows us to complete the engagement in a more efficient and effective manner with little interruption to your staff.

The District will be served by an industry-specialized engagement team located in our Irvine, California office.



Number and nature of professional staff to be employed on this engagement

The table below provides a breakdown by staff level and denotes full- or part-time status of the engagement team that will serve the District. This team has extensive experience working with clients similar to the District.

Level of Staff	Full-Time Staff	Part-Time Staff
Principal/Signing Director	1	-
Director/Manager	1	-
Senior	1	-
Associate	1	-
Total	4	-

Most recent peer review

In the most recent peer review report, dated November 2022, we received a rating of pass, which is the most positive report a firm can receive. We are proud of this accomplishment and its strong evidence of our commitment to technical excellence and quality service. The full report is provided on the following page. ***This quality review included a review of specific government engagements.***

In addition to an external peer review, we have implemented an intensive internal quality control system to provide reasonable assurance that the firm and our personnel comply with professional standards and applicable legal and regulatory requirements. Our quality control system includes the following:

- A quality control document that dictates the quality control policies of our firm. In many cases, these policies exceed the requirements of standard setters and regulatory bodies. Firm leadership promotes and demonstrates a culture of quality that is pervasive throughout the firm's operations. To monitor our adherence to our policies and procedures, and to foster quality and accuracy in our services, internal inspections are performed annually.
- Quality control standards as prescribed by the AICPA. The engagement principal is involved in the planning, fieldwork, and post-fieldwork review. In addition, an appropriately experienced professional performs a risk-based second review of the engagement prior to issuance of the reports.
- Hiring decisions and professional development programs designed so personnel possess the competence, capabilities, and commitment to ethical principles, including independence, integrity, and objectivity, to perform our services with due professional care.
- An annual internal inspection program to monitor compliance with CLA's quality control policies. Workpapers from a representative sample of engagements are reviewed and improvements to our practices and processes are made, if necessary, based on the results of the internal inspection.
- Strict adherence to the AICPA's rules of professional conduct, which specifically require maintaining the confidentiality of client records and information. Privacy and trust are implicit in the accounting profession, and CLA strives to act in a way that will honor the public trust.
- A requirement that all single audit engagements be reviewed by a designated single audit reviewer, thereby confirming we are in compliance with the standards set forth in the *Uniform Guidance*.





Report on the Firm's System of Quality Control

To the Principals of CliftonLarsonAllen LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP (the "Firm") applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants ("Standards").

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards, may be found at www.aicpa.org/peerreview. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The Firm is responsible for designing and complying with a system of quality control to provide the Firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The Firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the Firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards* including compliance audits under the Single Audit Act; audits of employee benefit plans; audits performed under FDICIA; and examinations of service organizations (SOC 1st and SOC 2nd engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the Firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. CliftonLarsonAllen LLP has received a peer review rating of *pass*.

Cherry Bekaert LLP

Cherry Bekaert LLP
Charlotte, North Carolina
November 18, 2022

cbh.com

Professional ethics and regulatory issues or complaints against team members

From time to time, individuals in the firm are parties to an inquiry from a regulatory or ethics body. In all cases the individual, with the firm's backing, shall cooperate in providing the information required to respond appropriately to the inquiry.

The firm and professionals within the firm presently do not have any regulatory or ethics inquiries outside the normal course of our practice.



B. Principal, supervisory, and staff qualifications and experience

Your service team

The true value in working with our team is developing a personal and professional relationship with leaders who understand your industry, challenges, and opportunities — with the full support of an entire CLA family behind them.

Meet your service team below.

Engagement Team Member	Role	Licensed in California
Robert Callanan, CPA	Engagement principal – Bob will have overall engagement responsibility including planning the engagement, developing the audit approach, supervising staff, and maintaining client contact throughout the engagement and throughout the year. Bob is responsible for total client satisfaction through the deployment of all required resources and continuous communication with management and the engagement team.	✓
Joe Ludin, CPA	Technical resource – Joe will be the technical resource for the audit team as well as the District personnel. Tiffany's many years of serving governmental entities will be an invaluable resource.	✓
Rebecca Hoang, CPA	Engagement director – Rebecca will act as the lead director on the engagement. In this role, Rebecca will assist the engagement principal with planning the engagement and performing complex audit areas. She will perform a technical review of all work performed and is responsible for the review of the annual comprehensive financial report and all related reports.	✓
Additional staff – We will assign additional staff to your engagement based on your needs and their experience providing services to similar clients.		

Detailed biographies which include qualifications and experience of the specific staff to be assigned to this engagement can be found in the **Appendix**.

Collaborative: Support from a responsive local team complemented by national resources. We consider the whole of your organization, bringing innovative teams to the table.

Right to approve or reject replacements

Engagement principals, managers/directors, other supervisory staff, and professionals may be changed if those personnel leave the firm, are promoted, or are assigned to another office. These personnel may also be changed



for other reasons with the express prior written permission of the District. In all instances, the District would retain the right to approve or reject replacements.

C. Similar engagements with other government entities

Our clients say it best. And their independent, authentic perspective is invaluable in learning about the experience you'll have when working with us. We encourage you to connect with our clients to hear it firsthand.

Below are significant engagements performed in the last three years that are similar to the District.

El Toro Water District	
Scope of Work	District Audit, Quarterly Agreed Upon Procedures
Date	FY20-FY24
Engagement Principal	Joe Ludin
Total Hours	210
Client Contact	Vishav Sharma, (949) 599-2504, ysharma@etwd.com

Cal Choice	
Scope of Work	Authority Audit, State Controllers Report
Date	FY19-present
Engagement Principal	Joe Ludin
Total Hours	165
Client Contact	Tammie Holladay, (888)639-2411 Ext. 702, tammie@calchoice.org



Sunset Beach Sanitary District	
Scope of Work	District Audit
Date	FY10-present
Engagement Principal	Joe Ludin
Total Hours	110
Client Contact	Chris Montana, (714) 889-8150, blueskyhb@aol.com

Monterey Peninsula Water Management District	
Scope of Work	District Audit, State Controllers Report
Date	FY01-present
Engagement Principal	Joe Ludin
Total Hours	250
Client Contact	Nishil Bali, (831) 658-5614, nishil@mpwmd.net

South Coast Water District	
Scope of Work	District Audit, Single Audit, JPA Audit
Date	FY18-present
Engagement Principal	Tiffany Fung
Total Hours	225
Client Contact	Jenny Pan, (949) 832-0192, jpan@scwd.org

Transparent: We place honesty and integrity at the center of all communication. We welcome you to start an open and candid conversation with those who know us best.



5. Affirmative Statements

A. Independence

CLA is not aware of any current or potential relationships that may threaten our independence of the District under the American Institute of Certified Public Accountant's Code of Professional Conduct and its interpretations and the U.S. Government Accountability Office's Government Auditing Standards and/or the U.S. Department of Labor's 29 CFR2509.2022-01 Interpretive Bulletin and/or the independence rules of the Public Company Accounting Oversight Board (PCAOB) and/or the U.S. Securities and Exchange Commission. Our firm-wide quality control policies and procedures foster strict compliance with these professional standards. In addition, the individuals assigned to your engagement are independent of the District.

B. License to practice

CLA is licensed to practice public accounting in the state of California. All assigned key professional staff are licensed certified public accountants

BOARD OF ACCOUNTANCY	ISSUANCE DATE
LICENSING DETAILS FOR: 7083	JULY 27, 2006
NAME: CLIFTONLARSONALLEN LLP	EXPIRATION DATE
LICENSE TYPE: CPA - PARTNERSHIPS	JULY 31, 2026
LICENSE STATUS: CLEAR	CURRENT DATE / TIME
PREVIOUS NAMES: LARSONALLEN LLP ♦ LARSON, ALLEN, WEISHAIR & CO., LLP	JULY 19, 2024
ADDRESS	6:17:15 AM
5901 PRIESTLY DRIVE	
SUITE 204	
CARLSBAD CA 92008	
SAN DIEGO COUNTY	



6. Audit Approach

Audit methodology

Many organizations view an audit as a requirement that doesn't contribute to their overall operations or value. At CLA, we believe an audit should be an annual check-up that gives you insight into your organization, allowing you to take advantage of opportunities and improve your operations.

Our industry experience makes it easier — CLA auditors are industry aligned, making our audit process fast and smooth. We focus on operational efficiency and leverage our industry experience to bring you meaningful insights that can positively impact your organization. A dedicated team of professionals will listen to your goals and concerns, then work with you to navigate industry pressures, changing markets, and complex standards, all with a common goal to drive your organization toward success.

Your time has value — Your day is filled with competing priorities and constant distractions. We elevate your experience by using a variety of communication tools, such as a web-based document portal, video conferencing, email, and phone calls, to keep everyone informed and on track. We focus on operational efficiency and leverage our industry experience to bring you meaningful insights that can positively impact your organization.

No surprises — We will provide the District with a no-surprises approach to our services, based on frequent and timely communication and clarity around roles and expectations. If issues arise during your audit, we engage the right people in a frank discussion to resolve them.

Significant involvement of principals, signing directors, and directors — Our principals, signing directors, and directors are directly involved in your engagement and can proactively identify significant issues and resolve them with management. Your time is best spent with key decision makers so you can ask clarifying questions, discuss organizational strategies, and navigate sensitive reporting issues.

We tailor the audit just for you — While our audit programs provide typical approaches for given audit areas, CLA designs a client-specific, risk-based audit approach for each client. We use custom, industry-tailored programs, procedures, and tools designed specifically to focus on applicable risks.

You'll learn about what we're doing and what we've found in plain, everyday language — By working closely with your staff, CLA continuously learns about your organization. This involvement enables us to offer recommendations for improvements in your systems and procedures that are more comprehensive and better understood, enhancing your ability to implement them.

When performing an audit, we are sensitive and understanding of the fact that we report to those charged with governance. We maintain objectivity and independence to be able to issue our audit opinions. We will act within our philosophy of total client service, maintain the professional relationship refined with management, and fulfill our responsibilities with the utmost professionalism.

Year-long support — We encourage your staff to take advantage of our accessibility throughout the year for questions that may arise. Our people can provide proactive advice on new accounting or GAAP pronouncements and their potential impact; help with immediate problems, including answers to brief routine questions; and share insights and leading practices to assist in planning for your future success.



Easing the transition

We recognize that a move to a new firm presents an opportunity as well as a challenge. Over our 60-year history, we have transitioned many clients and have a collegial and professional relationship with many firms.

The CLA Seamless Assurance Advantage (SAA)

The CLA Seamless Assurance Advantage (SAA) is an innovative approach to auditing that utilizes leading technologies, analytics, and audit methods to help solve client problems and create a seamless experience.



A different approach

SAA is unlike any conventional audit process. SAA does not depend on physical location. It reduces the time our professionals spend on site, creates fewer disruptions, enables more efficient use of resources (yours and ours), and allows for more impactful interactions with your people.



Insights through analytics

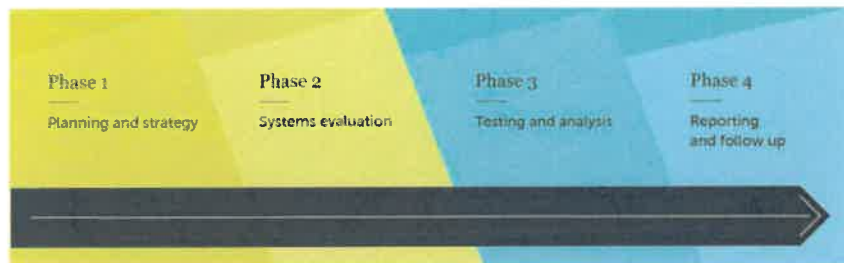
CLA uses strategic data analysis to evaluate whole data sets to gain a deeper understanding of your organization. Insights that were once impossible can now come into focus to help you measure performance, enhance strategic decision making, and understand your competitive opportunities.



Effective technology

CLA embraces technologies that help solve client problems and create a seamless experience. Assurance Information Exchange (AIE) is a web-based application developed by CLA to digitally request and obtain audit documents through a secure and efficient online portal.

Financial statement audit approach



Phase 1: Planning and strategy

The main objective of the planning phase is to identify significant areas and design efficient audit procedures.

- Conduct an entrance meeting. Joe Ludin and staff will meet with the District personnel to agree on an outline of responsibilities and time frames
 - Establish audit approach and timing schedule
 - Determine assistance to be provided by the District personnel
 - Discuss application of generally accepted accounting principles
 - Address initial audit concerns
 - Establish report parameters and timetables
 - Progress reporting process
 - Establish principal contacts
- Gain an understanding of your operations, including any changes in organization, management style, and internal and external factors influencing the operating environment
- Identify significant accounts and accounting applications, critical audit areas, significant provisions of laws and regulations, and relevant controls over operations
- Determine the likelihood of effective Information Systems (IS) - related controls
- Perform a preliminary overall risk assessment
- Confirm protocol for meeting with and requesting information from relevant staff
- Establish a timetable for the fieldwork phase of the audit
- Determine a protocol for using TeamMate Analytics and Expert Analyzer (TeamMate), our data extraction and analysis software, to facilitate timely receipt and analysis of reports from management
- Compile an initial comprehensive list of items to be prepared by the District, and establish deadlines

We will document our planning through:

- **Entity profile** — This profile will help us understand the District's activities, organizational structure, services, management, key employees, and regulatory requirements.
- **Preliminary analytical procedures** — These procedures will assist in planning the nature, timing, and extent of auditing procedures that will be used to obtain evidential matter. They will focus on enhancing our understanding of the financial results and will be used to identify any significant transactions and events that have occurred since the last audit date, as well as to identify any areas that may represent specific risks relevant to the audit.
- **General risk analysis** — This will contain our overall audit plan, including materiality calculations, fraud risk assessments, overall audit risk assessments, effects of our IS assessment, timing, staffing, client assistance, a listing of significant provisions of laws and regulations, and other key planning considerations.



- **Account risk analysis** — This document will contain the audit plan for the financial statements, including risk assessment and the extent and nature of testing by assertion.
- **Prepared by client listing** — This document will contain a listing of schedules and reports to be prepared by the District personnel with due dates for each item.
- **Assurance Information Exchange (AIE)** — CLA uses a secure web-based application to request and obtain documents. This application allows clients to view detailed information, including due dates for all items CLA is requesting. Clients can attach electronic files and add commentary directly on the application.

The audit engagement will be planned under the direction of the engagement leader and in-charge. We will clearly communicate any issues in a timely manner and will be in constant contact as to what we are finding and where we expect it will lead.

Using the information we have gathered and the risks identified, we will produce an audit program specifically tailored to the District that will detail the nature and types of tests to be performed. We view our programs as living documents, subject to change as conditions warrant.

Phase 2: Systems evaluation

We will gain an understanding of the internal control structure of the District for financial accounting and relevant operations. Next, we will identify control objectives for each type of control material to the financial statements, and then identify and gain an understanding of the relevant control policies and procedures that effectively achieve the control objectives. Finally, we will determine the nature, timing, and extent of our control testing and perform tests of controls. This phase of the audit will include testing of certain key internal controls:

- Electronic data, including general and application controls reviews and various user controls
- Financial reporting and compliance with laws and regulations

We will test controls over certain key cycles, not only to gather evidence about the existence and effectiveness of internal control for purposes of assessing control risk, but also to gather evidence about the reasonableness of an account balance. Our use of multi-purpose tests allows us to provide a more efficient audit without sacrificing quality.

Our assessment of internal controls will determine whether the District has established and maintained internal controls to provide reasonable assurance that the following objectives are met:

- Transactions are properly recorded, processed, and summarized to permit the preparation of reliable financial statements and to maintain accountability over assets
- Assets are safeguarded against loss from unauthorized acquisition, use, or disposition
- Transactions are executed in accordance with laws and regulations that could have a direct and material effect on the financial statements

We will finalize our audit programs during this phase. We will also provide an updated prepared by client listing based on our test results and anticipated substantive testing.

During the internal control phase, we will also perform a review of general and application information services/information technology (IS/IT) controls for applications significant to financial statements to conclude whether IS general controls are properly designed and operating effectively.

Based on our preliminary review, we will perform an initial risk assessment of each critical element in each general control category, as well as an overall assessment of each control category. We will then assess the significant computer-related controls.



For IS/IT-related controls we deem to be ineffectively designed or not operating as intended, we will gather sufficient evidence to support findings and will provide recommendations for improvement. For IS controls we deem to be effectively designed, we will perform testing to determine if they are operating as intended through a combination of procedures, including observation, inquiry, inspection, and re-performance.

Phase 3: Testing and analysis

The extent of our substantive testing will be based on results of our internal control tests. Audit sampling will be used only in those situations where it is the most effective method of testing.

After identifying individually significant or unusual items, we will decide the audit approach for the remaining balance of items by considering tolerable error and audit risk. This may include (1) testing a sample of the remaining balance; (2) lowering the previously determined threshold for individually significant items to increase the percent of coverage of the account balance; or (3) applying analytical procedures to the remaining balance. When we elect to sample balances, we will use TeamMate to efficiently control and select our samples.

Our workpapers during this phase will clearly document our work as outlined in our audit programs. We will provide the District with status reports and be in constant communication with the District to determine that all identified issues are resolved in a timely manner. We will hold a final exit conference with the District to summarize the results of our fieldwork and review significant findings.

Phase 4: Reporting and follow up

Reports to management will include oral and/or written reports regarding:

- Independent Auditors' Report
- Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
- Independent Auditors' Report on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance, and Report on the Schedule of Expenditures of Federal Awards Required by the *Uniform Guidance*
- Management Letter
- Written Communication to Those Charged with Governance, which includes the following areas:
 - Our responsibility under auditing standards generally accepted in the United States of America
 - Changes in significant accounting policies or their application
 - Unusual transactions
 - Management judgments and accounting estimates
 - Significant audit adjustments
 - Other information in documents containing the audited financial statements
 - Disagreements with the District
 - The District's consultations with other accountants
 - Major issues discussed with management prior to retention
 - Difficulties encountered in performing the audit
 - Fraud or illegal acts

Once the final reviews of working papers and financial statements are completed, our opinion, the financial statements, and management letter will be issued.



the District will be given a draft of any comments we propose to include in the management letter. Items not considered major may be discussed verbally with management instead of in the management letter. Our management letter will include items noted during our analysis of your operations.

We will make a formal presentation of the audit results to those charged with governance, if requested.

Elevating with artificial intelligence (AI)

CLA is committed to harnessing cutting-edge technology to enhance client service. We may use AI to enhance your audit engagements. This can include:

- **Research and document drafting:** CLA professionals may use Microsoft Copilot to ask questions and make requests of generative AI with secure access to CLA-specific resources.
- **Document summarization:** We may use CLA Family Assistant to help extract and summarize information relevant to our audits, including minutes review, leases, debt agreements, and other document types.
- **Invoice extraction:** CLA may use AI tools to extract relevant fields from invoices and other documents.

When AI is used, the work is supervised by CLA professionals who verify results before making final decisions. Client information remains confidential when working with these tools.

Communication process

Effective communication is critical to a successful engagement. This includes weekly status meetings where observations, potential exceptions, and leading practices are discussed. To avoid surprises at the end of the engagement, we discuss and document our observations, clarify fact patterns, and confirm management's understanding and agreement with our findings.

CLA adheres to all auditing standards related to reporting observations, recommendations, and findings. All significant deficiencies and material weaknesses will be reported to the audit committee/governance in writing. Best practices, observations, and other matters will be reported to management in a management letter that can be used as a tool to track the implementation of our recommendations.

Report to those charged with governance — In addition to observations and recommendations, we will inform the audit committee of:

- Significant accounting policies
- Management judgments and accounting estimates
- Significant audit adjustments and passed adjustments, if any
- Disagreements with management, if any
- Management consultation with other accountants, if any
- Major issues discussed with management prior to retention
- Difficulties encountered in performing the audit, if any

We are sensitive and understanding of the fact that we report to those charged with governance, and our audit professionals maintain objectivity and independence in issuing audit opinions. If we identify significant fraud, illegal acts, or significant delays during the audit process, we will alert the audit committee timely.

Information related to overall fiscal health or other concerns of your organization observed during audit testing will be presented in the exit presentation and as part of the management letter. We will also help you create opportunities for improvement through recommendations and suggestions for strengthening your policies, accounting procedures, and processes.



7. Fee Proposal

A. Name of the firm

CliftonLarsonAllen (CLA)

B. Certification statement

I, Robert Callanan, your engagement principal, will serve as the District's primary contact person for this engagement. As a principal of CLA, I am authorized to sign, bind, and commit the firm to the obligations contained in this proposal and the District's RFP. My contact information is:

Robert Callanan, CPA, Principal
Office: 714-795-5354
Email: bob.callanan@CLAconnect.com

C. Total all-inclusive maximum price

Having upfront conversations builds relationships.

The value we can provide your organization goes beyond meeting your compliance needs. We can help you discover opportunities to enhance your performance and achieve your strategic goals. Our insights and strategies are tailored to your specific situation and represent a return on your investment.

Based on our understanding of your requirements, we propose the following fees:

Professional Services	2025	2026	2027
Financial statement audit*	\$26,565	\$27,630	\$28,735

*Fee includes a 5% technology and client support fee

Fees for the option to renew audit services for the 2028 and 2029 fiscal year ends, will be increased 4% each year.

Our fee quote is designed with an understanding that:

- District personnel will provide documents and information requested in a timely fashion.
- The operations of your organization do not change significantly and do not include any future acquisitions or significant changes in your business operations.
- There are not significant changes to the scope, including no significant changes in auditing, accounting, or reporting requirements.

The 5% technology and client support fee supports our continuous investment in technology and innovation to enhance your experience and protect your data.

Commented [DW1]: Joe - The format they asked for here makes me think they might want the fee proposal as a separate document. what is your opinion? The Q&A period is still open if you want to ask them about this (ends on the 14th) by submitting a question to ask their preference.

Commented [JL2R1]: I have asked - will let you know



Out-of-pocket expenses

Please note that these are firm-fixed fees and include out-of-pocket costs associated with the engagement such as local travel. We understand that clients do not want fee surprises; our fee and billing practices reflect this understanding.

D. Rates for additional professional services

The table below shows our standard hourly billing rates by classification:

Staff Level	Hourly Rate
Principal/Signing Director	\$345+
Director	\$230 - \$320
Manager	\$185 - \$285
Senior	\$160 - \$220
Associate	\$140 - \$170

No surprises

Our clients don't like fee surprises. Neither do we. If changes or complexities occur — or any "out-of-scope" work is required — we'll discuss a revised fee proposal with you first.

It's not our policy or practice to bill our clients every time we receive a phone call or email. We're invested in our relationships and strongly encourage intentional and frequent communication. Contact us year-round as changes or questions arise.

Our last word on fees: we're committed to serving you and creating a long-standing relationship. If fees are a deciding factor in your selection of a professional services firm, give us a call and let's discuss.

Transparent: Clear, authentic communication and market-based fees.



Appendix

Your service team biographies





Joseph Ludin, CPA

CLA (CliftonLarsonAllen LLP)

Principal
Irvine, California

714-795-5483
joe.ludin@CLAconnect.com



Profile

Joe is an assurance principal at CLA's Irvine office. He has been a valued member to the team since 2009. He has performed all phases of local governmental audits including cities, successor agencies/redevelopment agencies, single audit of federal grants, special districts, retirement systems and agreed-upon procedures engagements. Joe is involved with planning the audit, performing fieldwork for all aspects of the audit, supervising staff accountants, and preparation of financial statements. Joe's knowledge lies in performing audit, assurance, and consulting for governmental agencies as well as private companies. He works with clients in a variety of industries, including, but not limited to, construction, electronics manufacturing, and staffing industries.

Technical experience

- Local government
- Special districts

Education and professional involvement

- Bachelor of business administration and management from California Polytechnic University, San Luis Obispo
- Certified Public Accountant in the state of California
- California Society of Municipal Finance Officers (CSMFO)

Key relevant clients

- | | | | |
|---------------------------------|---------------------|--------------------------|------------------|
| • Chino | • Irvine | • Newport Beach | • Cerritos |
| • Covina | • Pasadena | • Orange | • Industry |
| • Del Mar | • Lancaster | • Santa Barbara | • Pico Rivera |
| • La Habra | • Sunset Beach | • El Toro Water District | • Yorba Linda |
| • Heights County Water District | • Sanitary District | | • Water District |

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Robert J. Callanan, CPA

CLA (CliftonLarsonAllen LLP)

Principal
Irvine, California

714-795-5354
bob.callanan@CLAconnect.com



Profile

Robert is an assurance principal at CLA's Irvine office, formerly White Nelson Diehl Evans LLP (WNDE). He has more than 30 years of experience. Bob's focus knowledge is in audit, assurance, and consulting services for governmental agencies, including cities, special districts, and nonprofit organizations.

Technical experience

- Local government, including nonprofits, cities, and special districts

Education and professional involvement

- Bachelor of arts in business administration from Aquinas College, Grand Rapids, Michigan
- Bachelor of science in accounting from Aquinas College, Grand Rapids, Michigan
- American Institute of Certified Public Accountants (AICPA)
- California Society of Certified Public Accountants (CalCPA)
- California Society of Municipal Finance Officers (CSMFO)
- California Governmental Accounting and Auditing Committee
- California Committee on Municipal Accounting
- Government Finance Officers Association (GFOA)

Relevant client experience

- | | | |
|--|---|--|
| • Greater Los Angeles County Vector Control District | • Pico Rivera Water Authority | • Sunset Beach Sanitary District |
| • La Habra Heights County Water District | • Pomona Walnut Rowland Joint Water Line Commission | • Surfside Colony Stormwater Protection District |
| • Orange County Mosquito and Vector Control District | • Rowland Water District | • Surfside Community Services District |
| | • Southeast Water Coalition | |

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Rebecca Hoang, CPA

CLA (CliftonLarsonAllen LLP)

Director
Irvine, California

714-795-5442
rebecca.hoang@CLAconnect.com



Profile

Rebecca is a director at our CLA Irvine office with more than 12 years of experience and has been an integral part of the team. She specializes in state and local governmental agencies. Her expertise lies in evaluating compliance with governmental regulations, ensuring financial integrity and enhancing operational efficiency within governmental agencies.

Technical experience

- Local government audits, including cities and special districts
- Audits of federal award expenditures

Education and professional involvement

- Bachelor of arts in business economics from the University of California, Irvine, Irvine, California
- Certified Public Accountant in the state of California
- American Institute of Certified Public Accountants (AICPA)
- California Society of Certified Public Accountants (CalCPA)

Local government experience

- City of Escondido
- City of Rancho Palos Verdes
- City of Colton
- City of Pico Rivera
- City of Santa Ana
- City of Lancaster
- Laguna Beach County Water District
- Midway Sanitary District

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PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Prepared By:

Davis Farr LLP
18201 Von Karman Ave | Suite 1100
Irvine, CA 92612

Contact Person:

Jonathan Foster, CPA | Partner
Office: 949.474.2020 | Direct: 949.783.1744
Email: jfoster@davisfarr.com



LA HABRA HEIGHTS COUNTY WATER DISTRICT

1271 North Hacienda Road
LA Habra Heights, CA 90631

February 7, 2025



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APPENDIX

Peer Review Documentation

April 14, 2025

La Habra Heights County Water District
1271 North Hacienda Road
La Habra Heights, CA 90631

Re: Proposal for Professional Auditing Services

We are pleased to provide our proposal to perform auditing services to the La Habra Heights County Water District (the "District") for the year ending June 30, 2025 through 2029.

Our service philosophy is one of open and constant communication, a proactive approach and responsive, value-added services. We will listen to your ideas and concerns and will bring creative solutions to you in both financial and other operational areas. We are aware that while the District has solicited numerous proposals, Davis Farr LLP would be your best selection for the following reasons which are set forth in greater detail in our proposal:

- We take a proactive leadership role in local government accounting and auditing issues. We serve on the Government Accounting and Audit Committee of the Cal CPA Society, the CSMFO Professional Standards Committee and are frequent speakers on technical topics at conferences and training events throughout California.
- We currently provide audit services to Special Districts throughout California including Cucamonga Valley Water District and Big Bear City Community Services District. Our deep understanding of the issues facing California governments enables us to provide high quality audit services to the La Habra Heights County Water District.
- We extensively utilize data mining software to evaluate anomalies in your accounting data. This helps focus our auditors' attention on potential errors in the accounting records and transactions that could be more susceptible to fraud.

We appreciate the opportunity to share our credentials and look forward to developing our professional relationship. Our proposal remains a firm and irrevocable offer for 90 days. I look forward to you contacting me so that I may answer further any questions which you may have. You may contact me at (949) 783-1744.

Very truly yours,



Jonathan Foster, CPA
Partner

Section A – About Davis Farr LLP

Background Information – Davis Farr LLP is a full-service regional accounting firm that specializes in providing attest and advisory services to federal, state, and local governments as well as non-profit entities out of our Irvine and Carlsbad offices. This engagement would be serviced by our Irvine office. Our personnel have served governmental and non-profit entities for over 40 years. A breakdown of our government audit personnel by classification is as follows:



License to Practice in California – Davis Farr LLP and all key personnel are licensed with the California State Board of Accountancy to practice as independent certified public accountants.

Independence – Davis Farr LLP is independent with respect to the La Habra Heights County Water District or any of its component units as defined by U.S. General Accounting Office's *Government Auditing Standards* and Generally Accepted Auditing Standards. Neither Davis Farr LLP nor the key personnel have any potential or real conflicts of interest.

Insurance – Davis Farr LLP has sufficient insurance coverage to meet or exceed the District's requirements and will provide insurance certificates to the District prior to entering into a contract.

Quality Control – Davis Farr LLP and its Partners are members of the American Institute of Certified Public Accountants (AICPA) and is a member of the AICPA's Government Audit Quality Center. Our firm is a voluntary participant in the AICPA Peer Review Program. Included in the appendix is our most recent Peer Review report where our firm received a *Pass*. A *Pass* demonstrates the highest level of quality control in a Peer Review. The Peer Review included a review of government engagements.

Training – Every professional of the firm must enroll in continuing professional education courses. Each person is required to take at least 80 hours of training over a two-year period including 24 hours a year specific to government accounting and audit topics. Courses cover a wide spectrum of professional and technical subjects, and include Fraud Auditing, Professional Ethics and Governmental Accounting and Auditing topics to help the practitioner maintain his/her professional expertise.

	Classification	Number of Employees	
	<i>Partners</i>	8	
	<i>Managers</i>	9	
	<i>Supervisors</i>	4	
	<i>Seniors</i>	17	
	<i>Staff</i>	15	
	<i>Administrative</i>	4	
	<i>Total personnel</i>	57	

Professional Affiliations

Government Audit Quality Center – Davis Farr LLP is a member of the Government Audit Quality Center (GAQC). The GAQC promotes the importance of quality governmental audits and the value of such audits to purchasers of governmental audit services. GAQC is a voluntary membership center for CPA firms and state audit organizations that perform governmental audits.

National Registry of CPE Sponsors – Davis Farr LLP is registered to provide continuing professional education through the National Association of State Board of Accountancy (NASBA). NASBA recognizes CPE program sponsors who provide continuing professional education programs in accordance with nationally recognized standards.

Cal CPA – Many of the CPAs employed by Davis Farr LLP are members of Cal CPA and regularly participate in chapter meetings, education, and events. Jonathan Foster, Partner, is **Chair** of the **Governmental Accounting and Auditing Committee** of the CalCPA.

American Institute of CPAs – Davis Farr LLP and the firm's Partners are members of the American Institute of CPAs (AICPA). The AICPA develops standards for audits, provides educational guidance materials to its members, and monitors and enforces compliance with the profession's technical and ethical standards.

CSMFO – The Partners of Davis Farr LLP are members of the California Society of Municipal Finance Officers (CSMFO), the statewide organization serving all California municipal finance professionals. Firm personnel regularly attend CSMFO Chapter Meetings and Conferences. The Partners of Davis Farr LLP are frequent presenters on accounting and auditing technical topics at Chapter Meetings and Conferences and have presented at numerous conferences and training events.

GFOA – The Government Finance Officers Association (GFOA) enhances and promotes the professional management of governmental financial resources by identifying, developing, and advancing fiscal strategies, policies, and practices for the public benefit. The Partners of Davis Farr LLP are members of the Certificate of Achievement Program's Special Review Committee. The Committee reviews Comprehensive Annual Financial Reports submitted to GFOA for the ACFR Award Program.



Section B – Our Prior Experience Auditing Government Agencies

Davis Farr LLP is a leader in the local government sector throughout California. Currently, we service approximately 60 local, state, and federal government entities. Davis Farr LLP services routinely provided to our clients include, but are not limited to:



Our government expertise includes Cities, Special Districts, and other Governmental entities. Among the government agencies that the professionals of Davis Farr LLP have served recently are the following:

- City of Avalon
- City of Carlsbad
- City of Commerce
- City of Coronado
- City of Costa Mesa
- City of Dana Point
- City of Delano
- City of Encinitas
- City of Fontana
- City of Fountain Valley
- City of Garden Grove
- City of Huntington Beach
- City of Laguna Niguel
- City of Mission Viejo
- City of Poway
- City of Rancho Santa Margarita
- City of Santee
- City of Victorville
- County of Woodland
- County of Fresno Housing Authority
- County of San Diego
- Cucamonga Valley Water District
- Eastern Municipal Water District
- Hass Avocado Board
- Irvine Ranch Water District
- Leucadia Wastewater District
- Metropolitan Water District of Southern CA
- Municipal Water District of Southern CA
- Orange County LAFCO
- Oxnard Housing Authority
- Placer County Water Agency
- Salton Sea Authority
- San Diego County Water Authority
- San Diego Association of Governments
- San Diego LAFCO
- San Dieguito Riverpark Authority
- Sweetwater Authority
- Tahoe Regional Planning Agency
- Tahoe Transportation District
- Vallecitos Water District
- Walnut Valley Water District
- West Basin Municipal Water District

Section C – Client References

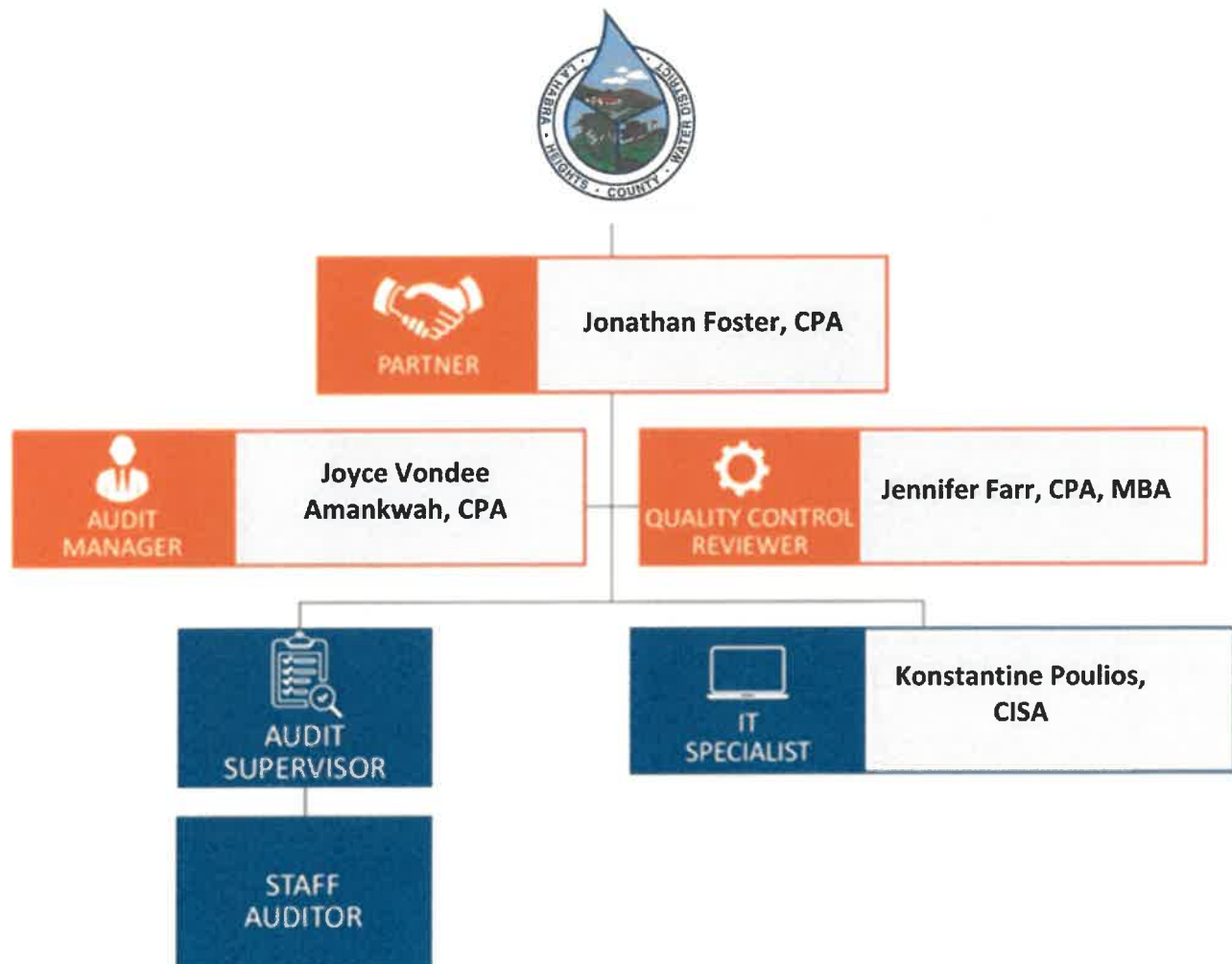
For your convenience, we have listed below references for audit work currently being performed by Davis Farr LLP personnel for several agencies throughout Southern California. For each of the references, we currently serve as independent auditors and have served these clients for a number of years.

CLIENT 1	Placer County Water Agency 144 Ferguson Road Auburn, CA Carrie Parks, Deputy Director of Financial Services 530.823.4840 cparks@pcwa.net	<i>Financial Statement Audit of Special District</i>
CLIENT 2	Tahoe Transportation District 128 Market Street, Suite 3F Stateline, NV Joanie Schmitt, District Accountant 775.589.5227 jschmitt@tahoetransportation.org	<i>Financial Statement Audit of Special District</i>
CLIENT 3	Tahoe Regional Planning Agency 128 Market Street Stateline, NV Chris Keillor, Finance Director 775.589.5222 ckeillor@trpa.org	<i>Financial Statement Audit of Special District.</i>
CLIENT 4	Irvine Ranch Water District 15600 Sand Canyon Ave. Irvine, CA Eileen Lin, Controller 949.453.5300 lin@irwd.com	<i>Financial Statement Audit of Special District.</i>
CLIENT 5	Cucamonga Valley Water District 10440 Ashford Street Rancho Cucamonga, CA Jennifer Fillinger, Accounting Supervisor 909.483.7453 jenniferf@cvwdwater.com	<i>Financial Statement Audit of Special District.</i>

Section D – Partner, Supervisory and Staff Qualifications and Experience

The successful outcome of any audit requires personnel with managerial and technical skills to perform the work required. The engagement team who will serve the La Habra Heights County Water District have served together as a team of professionals on numerous financial audit examinations of local government entities. While not anticipated, any personnel substitutions will be of equally qualified personnel.

We believe that efficient administrative management and supervision of the audits is an extremely critical factor in achieving the desired results for La Habra Heights County Water District. In that regard, our proposal organizational structure for providing independent auditing services is as follows:





Jonathan Foster, CPA

Partner

Mr. Foster will serve as the *Engagement Partner* to the District. He has 18 years of audit experience with government agencies. The types of audits Mr. Foster are involved in include financial audits of cities and special districts and Single Audits in accordance with the Uniform Guidance. Mr. Foster is also a Budget reviewer for the CSMFO award and is a regular presenter at firm wide training and external training events as requested. Mr. Foster has presented at various CSMFO conferences and teaches an annual Capital Assets course on behalf of CSMFO.

Employment History

- Davis Farr LLP – Since 2015
- National CPA Firm – 9 years

Education

- Bachelor of Accountancy (University of San Diego)

Licenses / Registrations

- California CPA Certificate No. 117853

Professional Affiliations & Awards

- American Institute of Certified Public Accountants
- California Society of Certified Public Accountants
- Cal CPA Government Audit & Accounting Committee (Current Chair)
- California Society of Municipal Finance Officers

AUDITS OF SPECIAL DISTRICTS AND AGENCIES

- | | |
|---|---|
| ✓ Big Bear Area Regional Wastewater | ✓ San Diego Association of Governments |
| ✓ Big Bear Community Facilities District | ✓ Santiago Aqueduct Commission |
| ✓ Cucamonga Valley Water District | ✓ Saticoy Sanitary District |
| ✓ East Orange County Water Agency | ✓ Soquel Creek Water District |
| ✓ Irvine Ranch Water District | ✓ Tahoe Truckee Sanitation Agency |
| ✓ Orange County Sanitary District | ✓ Trabuco Canyon Water District |
| ✓ Placer County Water Agency | ✓ Valley Sanitation District |
| ✓ Rancho California Water District | ✓ Ventura Regional Sanitation District |
| ✓ San Bernardino Municipal Water Department | ✓ West Basin Municipal Water District |
| | Municipal Water District of Orange County |

ADDITIONAL RELEVANT EXPERIENCE

Irvine Ranch Water District – Proposition 218 Agreed-Upon Procedures
Irvine Ranch Water District/Orange County Sanitation District – Fund Specific Audit
Metropolitan Water District of Southern California - Local Resource Program Audits
Municipal Water District of Orange County - Consulting

Jonathan Foster, CPA

(continued)

Partner

Mr. Foster has significant experience working with federal grant programs typically awarded to local governments. These federal awarding agencies include Department of Housing and Urban Development, Department of Homeland Security, Department of Energy, Department of Justice, Department of the Interior, Environmental Protection Agency, and the Executive Office of the President

Mr. Foster has also worked on various financial statement, compliance and in SOC1 Type II audits (formerly SAS 70) audits for various commercial companies and Federal agencies.

AUDITS OF CITIES

- ✓ City of Avalon
- ✓ City of Carlsbad
- ✓ City of Commerce
- ✓ City of Costa Mesa
- ✓ City of Dana Point
- ✓ City of Delano
- ✓ City of Fontana
- ✓ City of Huntington Beach
- ✓ City of Indian Wells
- ✓ City of Laguna Niguel
- ✓ City of Rancho Santa Margarita
- ✓ City of Santee

AUDITS OF FEDERAL GOVERNMENT

- ✓ Centers for Medicare and Medicaid Services
- ✓ Special Inspector General for Afghanistan Reconstruction

AUDITS OF COMMERCIAL ENTITIES

- ✓ Cal Domestic Water Company
- ✓ Cahaba GBA
- ✓ CGS Administrators LLC
- ✓ Delta Dental of Arizona
- ✓ DHS Consulting
- ✓ Montebello Land and Water Company
- ✓ Mutual Insurance Company of Arizona
- ✓ Sunnyslope Water Company

Joyce Vondee Amankwah, CPA



Manager

Ms. Amankwah will serve as the manager of this engagement. She has been conducting financial statement audits, reviews, agreed-upon procedures, and compilations for over six years. Her engagements include nonprofits, and governmental entities such as cities, counties, special districts, and state agencies. She has performed financial and compliance audits of federal awards in accordance with Uniform Guidance, and her single audit experience includes programs from the Department of Health and Human Services, Department of Children and Family Services, Department of Housing and Urban Development, and a variety of other agencies.

Employment History

- Davis Farr LLP – Since December 2024
- Citrin Cooperman LLP, Maryland – 2022 - 2024
- Eide Bailly LLP – 2019 -2022
- Green Hasson Janks– 2017 -2018

Education

- Bachelor of Science in Accountancy & Finance
(California State University, Northridge)

Licenses / Registrations

- California Certified Public Accountant (CPA)
(License Number: 148989)

Professional Affiliations & Awards

- American Institute of Certified Public Accountants
- California Society of Certified Public Accountants

AUDITS OF GOVERNMENTAL AGENCIES

- | | |
|--------------------------------|---------------------------------------|
| ✓ City of Rancho Mirage, CA | ✓ First 5 California, Los Angeles, CA |
| ✓ City of Withier, CA | ✓ First 5 California, Riverside, CA |
| ✓ City of Walnut, CA | ✓ Riverside County, CA |
| ✓ City of Jurupa Valley, CA | ✓ Temple City, CA |
| ✓ City of Paramount, CA | ✓ Omnitrans, CA |
| ✓ County of San Bernardino, CA | ✓ Ventura Council of Governments, CA |
| ✓ County of Ventura, CA | ✓ North County Transit District, CA |
| ✓ County of San Bernardino, CA | ✓ County of San Bernardino, CA |

AUDITS OF NON-PROFITS

- | | |
|---|---|
| ✓ Therapeutic Living Centers for the Blind, CA | ✓ Boys and Girls Club of Laguna Beach, CA |
| ✓ Norton Simon Museum, CA | ✓ Visit Huntington Beach, CA |
| ✓ Community Action Partnership of SB County, CA | ✓ Irvine Adult Day Health Services Inc., CA |
| ✓ Baker Institute of Children with Hearing Loss, CA | ✓ Ayn Rand Institute |



Jennifer Farr, CPA, MBA

Quality Control Reviewer

Ms. Farr will serve as the Quality Control Reviewer on this audit. She will provide technical assistance to the audit teams, and review audit reports and workpapers. Ms. Farr is a Certified Public Accountant with over 25 years of experience in local government auditing. Ms. Farr is a frequent speaker and author on matters pertaining to technical accounting and audit issues including new GASB pronouncements.

Employment History

- Davis Farr LLP – Founding Partner
- Shareholder – National CPA Firm

Education

- Bachelor of Arts in Business Administration & Accounting (California State University, Fullerton)
- Bachelor of Arts in English (California State University, Fullerton)
- Master of Business Administration (California State University, Fullerton)

Licenses / Registrations

- California CPA Certificate No. 76292, October 1998

Professional Affiliations & Awards

- California Society of Certified Public Accountants
- Government Accounting & Auditing Committee
- California Society of Municipal Finance Officers
- American Institute of Certified Public Accountants
- Government Finance Officers Association
 - Financial Review Committee

AUDITS OF SPECIAL DISTRICTS AND SPECIAL PURPOSE GOVERNMENTS

- | | |
|---|--|
| ✓ Coachella Valley Assoc of Governments | ✓ Rancho California Water District |
| ✓ Cucamonga Valley Water District | ✓ Salton Sea Authority |
| ✓ Eastern Municipal Water District | ✓ San Diego Association of Governments |
| ✓ Inland Empire Utilities Agency | ✓ San Diego County Water Authority |
| ✓ Irvine Ranch Water District | ✓ Santa Rosa Regional Resources Auth |
| ✓ Leucadia Wastewater District | ✓ South Coast Water District |
| ✓ Los Angeles Homeless Services Authority | ✓ Southern CA Association of Governments |
| ✓ Mesa Water District | ✓ Sweetwater Authority |
| ✓ Middle Fork Financing Authority | ✓ Vallecitos Water District |
| ✓ Moulton Niguel Water District | ✓ Vista Irrigation District |
| ✓ Orange County Sanitation District | ✓ Walnut Valley Water District |
| ✓ Hawaii Green Infrastructure Authority | ✓ West Basin Municipal Water District |
| | ✓ Yucaipa Valley Water District |

Konstantine Poullos, CISA

Senior Manager



Konstantine Poullos, a Senior Manager with the firm, has over 20 years of experience in information technology audit, compliance, and consulting for the financial services, healthcare, and cloud services industries. Mr. Poullos has vast experience in the performance of System and Organization Controls (SOC) examinations for many commercial Information Technology companies nationwide. Mr. Poullos has also conducted information security reviews on financial systems based on ISO/IEC 27001, as well as assisted companies with the compliance of the Sarbanes-Oxley Act. Mr. Poullos will serve as the IT Auditor and Information Technology Specialists for the financial statements audit.

Employment History

- Davis Farr LLP: February 2018 – Present
- TrueCar: 2015 – 2017
- Cornerstone OnDemand: 2014 - 2015
- Top 10 National CPA Firm: 2008 – 2014
- First Data Corporation: 2001 – 2007
- US OPM / OIG: 1998 – 2001

Education

- Bachelor of Science in Accounting, University of Scranton

Licenses / Registrations

- Certified Information Systems Auditor, Certificate No. 0126702, November 2001

Professional Affiliations & Awards

- Information Systems Audit and Control Association (ISACA)

IT RISK ASSESSMENTS:

Local Government IT Assessments - Mr. Poullos assists the firm's financial statement auditors by reviewing information systems of our municipal clients and identifying and communicating IT risks to the auditors to assist the planning and risk assessment of the audit and communicated deficiencies and recommendations to the client.

Los Angeles County Metropolitan Transportation Authority (METRO) -Mr. Poullos served as the IT Manager on the Information Technology Risk Assessments. The Risk Assessment included a review of METRO Operations and the IT Organization to determine if Information Technology Services (ITS) is meeting the needs of the organization.

IT Internal Audit / Compliance: - Mr. Poullos served as an IT Internal Auditor/Consultant for nearly 10 years with First Data Corporation and the U.S. Office of Personnel Management. In addition, Mr. Poullos served as the Security Compliance Manager for over 3 years with Cornerstone OnDemand and TrueCar. Mr. Poullos performed information technology reviews based on ISO 27001 and the Federal Information System Controls Audit Manual (FISCAM), coordinated with internal/external audit and technology personnel in the performance of internal control projects (including SOC engagements), documented policies/procedures, reviewed third party security controls, performed user access reviews of SOX significant systems, and monitored internal vulnerabilities using third party tools (e.g., Nessus).

Section E – Audit Approach

Davis Farr plans and conducts our engagements in the most efficient manner possible, and our audit approach is unique with regard to the following:

- Our firm is sensitive to the priorities and work requirements of our clients. We work around the schedules of our clients when scheduling segments of the audit or requesting documentation in order to minimize disruption of District staff and to complete the audit in a timely manner.
- Whenever possible, we use accounting support already prepared by the District staff to avoid duplication or unnecessary requests for audit supporting schedules. Typically, we request support for balance sheet items, the year ending trial balance and cash and long-term debt confirmations.
- Our firm's expertise is in governmental auditing. Our auditors are GASB experts and skilled at addressing audit issues that are specific to local governments. You will not spend time training our personnel.
- When formulating internal control recommendations, we obtain a thorough understanding of the specific circumstances at your District to provide a tailored, practical recommendation.
- Throughout the year we are a resource to our clients in providing accounting advice, researching technical questions, dealing with tax problems, and helping with other problems as they arise.

Audit Software - We utilize CaseWare audit software for the electronic workpapers. We have the ability to accept audit documentation in either hard copy or electronic format. CaseWare allows us the ability to import trial balances that can be provided in either excel or a text document. Some of the benefits of using CaseWare trial balance software are as follows:

- We create our own lead sheets (i.e., analytical review comparison schedules). This limits the amount of time finance staff spends creating audit schedules. Our software automatically generates analytical review reports by account number for ease of analyzing significant fluctuations between fiscal years.
- We can link the financial statement schedules directly to the CaseWare trial balances. Additionally, journal entries are easy to post to the financial statement schedules and the risk of data entry error is minimized.
- We can provide the District with reports showing the coding of the financial statement schedules for ease of review by District staff. These reports show each account coded to a specific financial statement line item as well as journal entries that are posted during the audit.

Data Mining Software - We have a dedicated team of personnel trained to use special data mining software, IDEA. Our software uses source data from your accounting system to search for anomalies, such as duplicate or voided checks, cross-referencing vendor addresses with employee addresses, detecting accounting transactions recorded on the weekend, reviewing journal entry postings for unauthorized individuals. The IDEA software identifies specific transactions for the auditors to review for potential fraud or error.

Internal Control Evaluation - Our approach to evaluating internal controls involves observation and inquiry. We spend time with the personnel responsible for the accounting cycles to gain an understanding of the processes. We also carefully evaluate your policies and procedures. After our initial evaluation, we identify key controls in your processes and design test to evaluate the effectiveness of those processes. In the initial year of the audit, we will focus on the following accounting cycles:

- Billing and cash receipting
- Capital assets
- Purchase and disbursements
- Payroll
- Investment and cash controls
- Information systems

In future years, we will review the accounting cycles noted above but also look at other processes such as credit card transactions, petty cash, inventory controls, offsite cash receipting, employee reimbursements, contract compliance, and other areas. Our goal is to modify our audit approach every year to further evaluate your internal controls.

Audit Stage	Procedures Performed
Planning and Inquiry	<p>During the planning phase of the audit, we plan to perform the following procedures:</p> <ul style="list-style-type: none"> ✓ Meet with finance personnel to obtain an understanding of significant transactions during the year. ✓ Communicate with the Board of Directors regarding fraud, compliance with laws, and any concerns they have regarding the finances of the District. ✓ Perform internal control evaluations as noted on the previous page. ✓ Determine materiality levels that will be used in selecting audit transactions. ✓ Perform a risk assessment to develop the audit plan for the year. ✓ Review minutes of Board of Directors meetings. ✓ Review important new contracts, bond documents, and agreements. ✓ Evaluate compliance with investments. ✓ Test purchase orders and contract management. ✓ Test a sample of cash disbursements to determine adherence to policies and internal controls. ✓ Perform a review of the organization's information systems and controls. ✓ Perform compliance testing of federal grants, as necessary. ✓ Review the prior audited financial statements and provide feedback to District staff regarding best practices for financial reporting. ✓ Provide a GASB Update and templates for implementing new accounting standards as needed.
Year-End Testing	<p>After the books are closed and ready for audit, we will perform our year-end procedures which include the following:</p> <ul style="list-style-type: none"> ✓ Confirm 100% of all cash and investment balances and test market values provided by your investment custodians. ✓ Test for proper cutoffs of accounts receivable and other receivables. ✓ Test additions and deletions to capital assets. We will review depreciation expense for reasonableness. ✓ Test current liabilities and perform a search for unrecorded liabilities. ✓ Test the balances of accrued payroll and employee related liabilities. ✓ Confirm long-term debt with independent parties. ✓ In years of new debt issuances, we will review the journal entry to record the debt to ensure the accuracy of the accounting. ✓ Testing of actuarial valuations and calculations related to Pension and OPEB obligations and disclosures under GASB 68 and 75. ✓ Testing of leases and SBITA's under GASB 87 and 96 ✓ Evaluation of claims and judgments payable. ✓ Testing of restrictions and classifications of net position. ✓ Analytically and substantively test revenues and expense reported in the financial statements. ✓ Analyze grant revenues and expenses, if any, to ensure proper matching within the fiscal year. ✓ Test the reasonableness of interest income, realized, and unrealized gains/losses on investments. ✓ Analytically and substantively test revenues and expenses reported in the financial statements. ✓ We will incorporate an element of unpredictability every year that will focus on an audit area that is not typically considered a high or significant risk area such as petty cash, credit card purchases, new vendors, travel expenses, etc. <p>The aforementioned tests are only a few of the tests performed during the examination and by no means is it meant to be all inclusive. During the final stage of the audit, we will meet with Finance staff to review our audit findings and any adjusting journal entries.</p>

Audit Stage	Procedures Performed
Single Audit Approach	<p>As part of our Single Audit for the years in which the District expends greater than \$750,000, we will perform the following procedures in accordance with the Uniform Guidance:</p> <ul style="list-style-type: none"> ✓ Perform an evaluation of the major programs required to be tested. ✓ Review OMB guidance and the OMB Compliance Supplement for the grant program audited. ✓ Review internal controls for each of the applicable 14 compliance areas for each program audited. ✓ Using AICPA sampling guidance, we will select a sample for each of the applicable 14 compliance areas for each program audited. We will test the sample for compliance with those 14 areas. ✓ Test the indirect cost rate, if applicable. ✓ Review monitoring reports for noncompliance and follow up on the resolution of past noncompliance, if applicable. ✓ Issue a single audit report of federal expenditures. ✓ File the data collection form within the specified deadline.
Completion of the Audit and Preparation of Financial Statements	<p>The nature and extent of the work required is dependent on our assessment of the likelihood of misstatements in the financial statements together with our conclusions from the planning and testing stages of the audit. All of the audit information is then used to reach a conclusion on whether the financial statements taken as a whole conform with generally accepted accounting principles.</p> <ul style="list-style-type: none"> ✓ We will review significant events after year end. ✓ We will review attorney letters for significant legal matters. ✓ We will prepare and ensure accurate and complete disclosures in the notes to the financial statements. ✓ We will meet with the Board of Directors to present the results of the audit.

Section F – Implementation of New GASB Pronouncements

The District will be required to implement the following accounting standards during the upcoming fiscal years. Part of our service to you includes consulting on these new auditing standards. A sampling of significant new GASB pronouncements planned or proposed for local governments that may impact the La Habra Heights County Water District are listed below:

GASB 101: Compensated Absences

The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

GASB 102: Certain Risk Disclosures

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition.

GASB 103: Financial Reporting Model Improvements

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

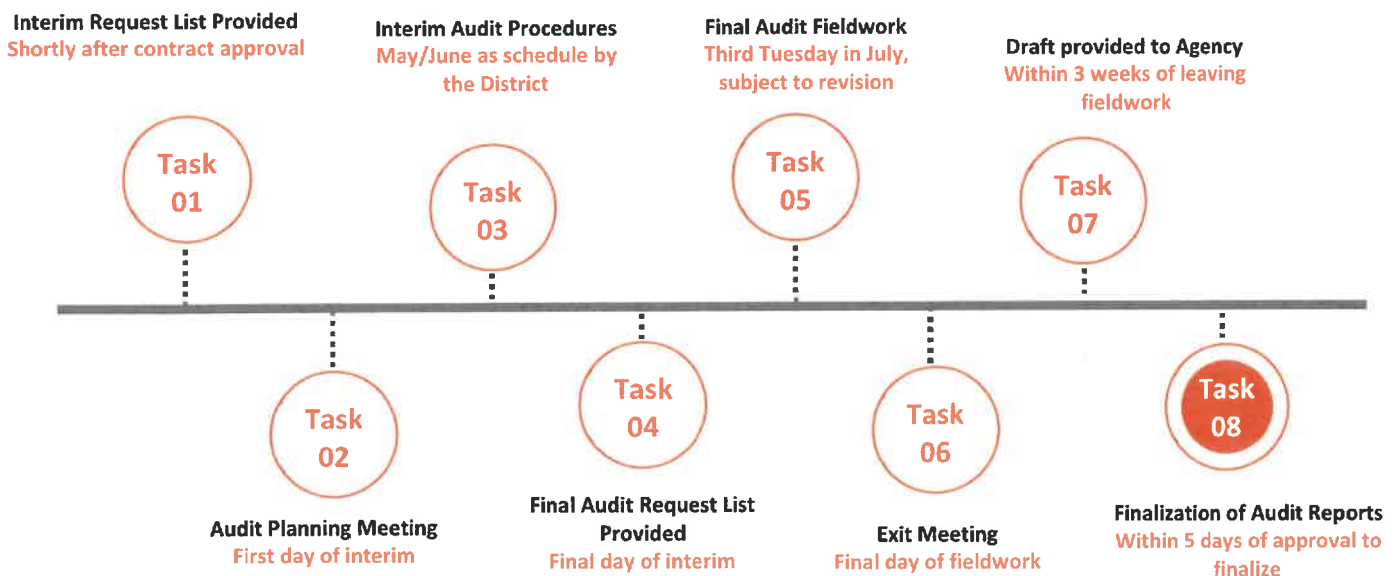
Section G – Scope of Work

Our understanding of the objectives and scope of the work to be performed is as follows:

- We will perform an audit examination of the financial statements of the La Habra Heights County Water District for the fiscal years ending June 30, 2025. Our examination will be conducted in accordance with generally accepted auditing standards, the AICPA Audit and Accounting Guide, Audits of State and Local Government Units, and the Government Auditing Standards issued by the Comptroller General of the United States. We will prepare the Annual Comprehensive Financial Report (ACFR). We will ensure that the report is prepared in conformity with the most recent edition of the GAAFR, the GAAFR Update, and subsequent GASB pronouncements.
- We will prepare the financial statements with information prepared by the District.
- We will prepare a letter to the Board of Directors summarizing the audit results in accordance with the Codification of Auditing Standards Section 260.
- We will prepare a letter to the Board of Directors reporting matters dealing with internal control that meet the threshold of being a significant deficiency or material weakness, as defined by the Codification of Auditing Standards Section 265. We will immediately report any irregularities or illegal acts that come to our attention to management and/or those charged with governance.
- We will meet with the Board of Directors to discuss the results of the audit.
- Finally, we perceive the scope of our work as being advisors to the District regarding generally accepted accounting principles. Throughout the year, the management and other finance personnel of the District will have access to us to seek advice in the application of generally accepted accounting principles, advice regarding debt issuance, financial statement preparation and content, and any other matters relating to the District. Each year, we will go over upcoming accounting standards in a meeting with District staff.

Section H – Proposed Timing of the Audit

The following proposed timing is subject to the District's revision and approval:



Section I – Proposed Costs and Audit Segmentation

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>Total</u>
Financial Statement Audit	\$ 25,600	\$ 25,600	\$ 25,600	\$ 26,368	\$ 27,159	\$ 76,800

* no price increases for three years

Subsequent years after year three include a 3% price increase

Estimated Hour Segmentation for Financial Statement Audit

	Rate	Hours	Cost
Partner	\$ 175	16	\$ 2,800
Manager	\$ 150	24	3,600
Supervisor	\$ 130	80	10,400
Staff	\$ 110	80	8,800
		<u>200</u>	<u>\$ 25,600</u>



A close-up photograph of a person's hand holding a gold-colored pen, writing on a document held by a black clipboard. The person is wearing a light blue long-sleeved shirt. To the left of the clipboard, a pair of black-rimmed glasses is visible on a white surface. The word "APPENDIX" is overlaid in large, bold, red capital letters across the center of the image.

APPENDIX



Report on the Firm's System of Quality Control

Davis Farr LLP
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Davis Farr LLP (the firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/community. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and examination of a service organization (SOC 1 engagement).

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

CPAs • Advisors

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Peer Review Report
Page 2 of 2

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Davis Farr LLP in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Davis Farr LLP has received a peer review rating of *pass*.

GYL LLP

Ontario, California
August 8, 2022



DavisFarr
CERTIFIED PUBLIC ACCOUNTANTS

DISCUSS AND ACTION PURSUING
POSSIBLE FUNDING FROM SAN
GABRIEL & LOWER LOS ANGELES
RIVERS & MOUNTAINS
CONSERVANCY TO FUND SYLINE
DRIVE WATER MAIN REPLACEMENT

LA HABRA HEIGHTS COUNTY WATER DISTRICT

MEMORANDUM

DATE: APRIL 22, 2025
TO: BOARD OF DIRECTORS
FROM: JOE MATTHEWS, SECRETARY/GENERAL MANAGER
**SUBJECT: POSSIBLE GRANT FUNDING FOR WATER MAIN
REPLACEMENT ON SKYLINE DRIVE**

The Puente Hills Habitat Authority informed the District of a possible funding opportunity for replacing the water main that delivers water to the Heli-Hydrant on Skyline Drive. The District may qualify for two grants from the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC). We will discuss the opportunity at the board meeting.

Joe Matthews

From: Andrea Gullo <agullo@habitatauthority.org>
Sent: Friday, April 11, 2025 11:26 AM
To: Joe Matthews
Subject: RE: Prop 1 or other funding

The limit of that grant program is 2 million, however the RMC may have another grant program to match it if more funding is needed.

From: Joe Matthews <joe@lhhcwa.com>
Sent: Thursday, April 10, 2025 8:33 AM
To: Andrea Gullo <agullo@habitatauthority.org>
Subject: RE: Prop 1 or other funding

Andrea,

Thank you for sending the info for this possible grant opportunity.

Joe Matthews
General Manager
La Habra Heights County Water District

From: Andrea Gullo <agullo@habitatauthority.org>
Sent: Wednesday, April 9, 2025 5:01 PM
To: Joe Matthews <joe@lhhcwa.com>
Cc: Sulic, Ivan <ISulic@bos.lacounty.gov>
Subject: FW: Prop 1 or other funding

Joe-

See below potential funding source for an improved water line improvements to the heli-tank.

From: Chad Oberly <coberly@rmc.ca.gov>
Sent: Wednesday, April 2, 2025 9:06 AM
To: Andrea Gullo <agullo@habitatauthority.org>
Cc: Michelle Mariscal <mymariscal@habitatauthority.org>
Subject: RE: Prop 1 or other funding

Good Morning Andrea,

This project could potentially qualify for RMC funding, but we would need some additional information in the form of a concept proposal. In brief, we use a two-step application process. We accept Concept Proposal applications year-round and may take up to 30 days for a response from one of our team members. If the Concept Proposal is approved, we invite the proposer to a full application that must be completed within 60 days. We will advise the proposer which

full application (ex. Prop 68, Wildfire) and help them during the process. For details on the various grant programs, guidelines, and application, please visit our website at <https://rmc.ca.gov/grants/>.

Please let us know if you would like to discuss further or if there is any other information I can provide.

Best,

Chad Oberly

Natural Resources & Tribal Affairs Manager (SSM 1)

coberly@rmc.ca.gov



From: Andrea Gullo <agullo@habitatauthority.org>

Sent: Thursday, March 27, 2025 1:36 PM

To: RMC Info <info@rmc.ca.gov>

Cc: Michelle Mariscal <mmariscal@habitatauthority.org>

Subject: Prop 1 or other funding

Hello-

Would the following project qualify under Prop 1 or other RMC funding:

Replacing a water line to regional heli-hydrant. Expected to cost at least \$2 million. Grantee project would be lead by a special district.

Project goal would be to increase the water volume to the heli-hydrant so it fills up faster, increasing response time for regional firefighting efforts.

Regards,

Andrea Gullo

Executive Director

office: 562.945.9003

Puente Hills Habitat Preservation Authority

HabitatAuthority.org

MONTHLY REPORT ON PFAS

LA HABRA HEIGHTS COUNTY WATER DISTRICT

MEMORANDUM

DATE: APRIL 22, 2025
TO: BOARD OF DIRECTORS
FROM: JOE MATTHEWS, SECRETARY/GENERAL MANAGER
SUBJECT: MONTHLY REPORT ON PFAS

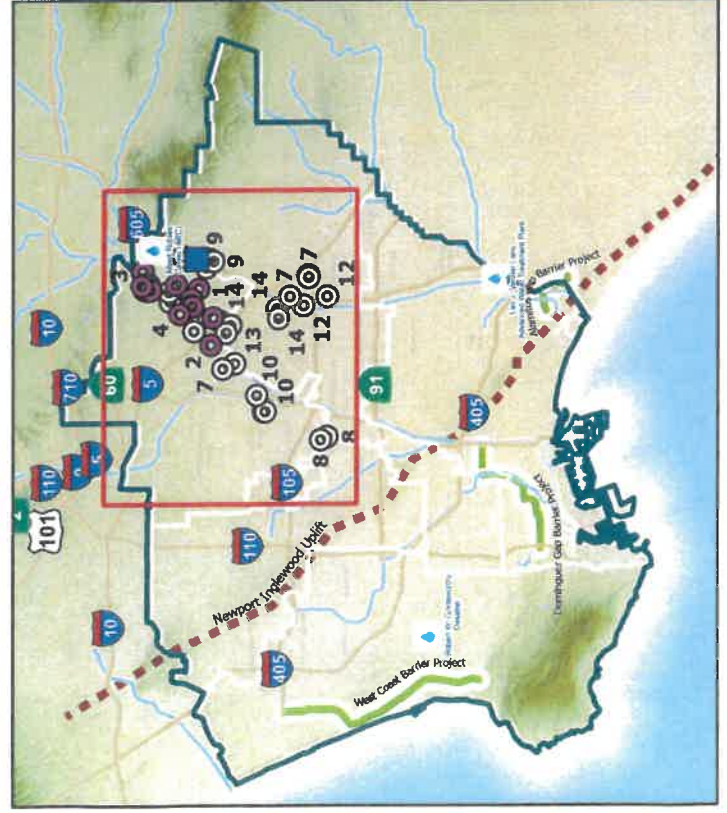
I recently attended a Department of Drinking Water (DDW) regulatory update presented by Deputy Director of California DDW Darrin Polehemus. During his presentation, Mr. Polehemus discussed the following timeline for state MCL for PFOA and PFOS:

-
- A pre-rule making workshop will be held in Q3 of 2025.
 - A notice of proposed rule making will tentatively be scheduled for Q4 of 2025. This can be delayed based on responses from the pre-rule making workshop.
 - California is working to adopt an MCL for PFOA and PFOS of at least 4.0 PPT in Q1 of 2026. Again, this can be delayed depending upon the outcome of the workshop and proposed rulemaking.
-

The Water Replenishment District (WRD) held a Groundwater Quality Committee meeting on April 8, 2025, at the same time as Mr. Polehemus's presentation so I was unable to attend. I have included the attachments from the WRD quality meeting for reference. I will study the minutes from this meeting once available and report back any relevant information. I hope to attend all WRD groundwater quality meetings in the future.

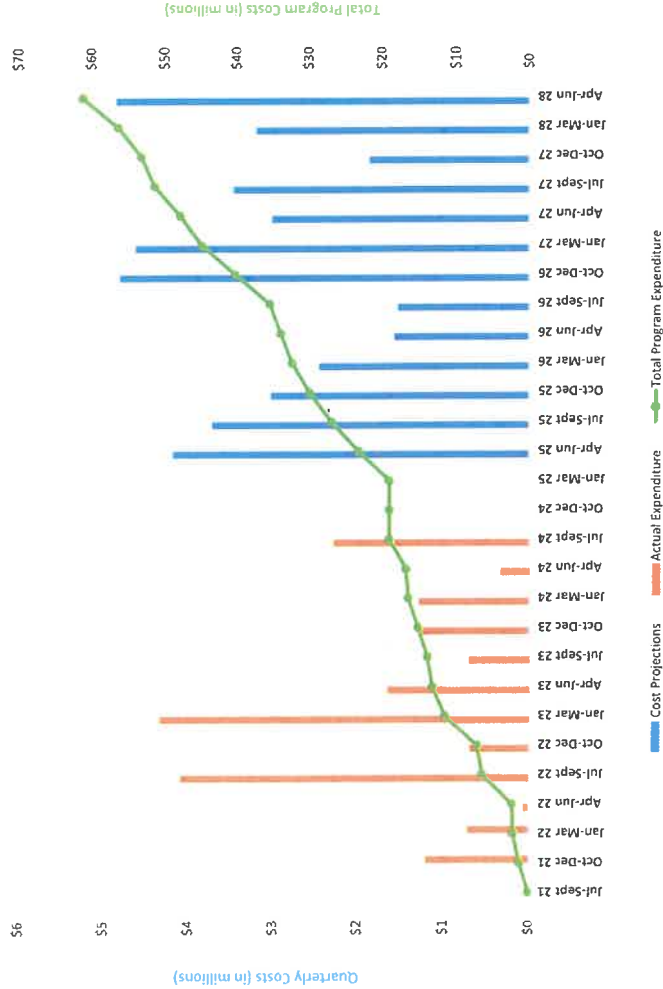
WRD PFAS REMEDIATION PROGRAM

PROJECT NO.	PUMPER	CITY
1	Pico Water District	Pico Rivera
2	City of Commerce	Commerce
3	City of Pico Rivera	Pico Rivera
4	California Service Water Company	East Los Angeles
5	Montebello Land and Water Company	Montebello
6	South Montebello Irrigation District	Montebello
7	Golden State Water Company	Bell Gardens/Norwalk
8	City of Compton	Compton
9	Orchard Dale Water District	West Whittier
9	La Habra Heights County Water District	West Whittier
10	City of South Gate	South Gate
11	City of Montebello	Montebello
12	Liberty Utilities	Bell Gardens/Norwalk
13	City of Bell Gardens	Bell Gardens
14	City of Downey	Downey
15	San Gabriel Valley Water Company	West Whittier



WRD PFAS Remediation Program - Cash Flow

GRAPH 1: Projected Quarterly Cash Flow - PFAS Remediation Program



Fiscal Year	Actual Expenditures	Projected Costs	Estimated Total Cost
FY21-22	\$2.1M		\$2.1M
FY22-23	\$10.8M		\$10.8M
FY23-24	\$3.5M		~\$3.5M
FY24-25	\$2.1M	~\$7M	~\$9M
FY25-26	-	~\$9.5M	~\$9.5M
FY26-27	-	~\$13M	~\$13M
FY27-28	-	~\$13M	~\$13M
TOTAL:	\$18.5M (To Date)	~\$43M	~\$61M



WRD PFAS Remediation Program - Status of Projects

No.	Pumper	Type of Funding Requested	PFAS-Impacted Wells Proposed for Treatment	Quantity of Proposed PFAS Treatment Systems	Estimated Total Project Cost	Program Funding Amount (\$1k/AFY)	Executed Funding Amount	Reimbursement to Date	Annual Pumping Requirement (AFY)	3-Year Average Annual Pumping (AFY)	Status
1	Pico Water District	Funding Support	Total of 3 wells: Wells 11, 8, 5A	3	\$5.4M	NA	\$4.2M	\$4.0M	2,765 (entire system)	NA	Funding Agreement executed on 9/23/21. WRD processing monthly reimbursements.
2	City of Commerce	Funding Support	Only 1 well: Well 7-01	1	\$2.5M	NA	\$2.5M	\$0	1,576 (entire system)	NA	Funding Agreement executed on 1/20/22. Pumper preparing reimbursement request.
3	City of Pico Rivera	Funding Support	Total of 5 wells: Wells W1, W2, W3, W4, W5	3	\$10.9M	NA	\$5.9M	\$4.6M	3,444 (entire system)	NA	Funding Agreement executed on 4/7/22. WRD processing monthly reimbursements.
4	California Water Service Company (Cal Water), East Los Angeles (ELA)	Funding Support	Only 1 well: Well 63-01	1	\$4.2M	NA	\$4.2M	\$0	4,111 (treated well)	NA	Funding Agreement executed on 6/2/22. Pumper preparing reimbursement request.
5	Montebello Land and Water Company (MLWC)	Funding Support	Total of 7 wells: Wells 7, 8A, 9, 10, 12, 14, 15	1	\$11.1M	NA	\$6.5M	\$4.8M	2,898 (entire system)	NA	WRD Board approved Funding Agreement on 11/17/22. WRD processing monthly reimbursements.
6	South Montebello Irrigation District (SMID)	Funding Support	Total of 3 wells: Wells 3, 5, 8	1	\$7.5M	\$1.8M	TBD	NA	TBD	TBD	Pumper revising Funding Application for WRD evaluation.
7	Golden State Water Company (GSWC)	Funding Support	Total of 4 wells: Wells Clara 2, Imperial 2, Imperial 3, Studebaker 3	3	\$6.3M	\$3.0M	TBD	NA	TBD	TBD	Pumper reviewing Funding Agreement template.
8	City of Compton	Funding Support	Total of 2 wells: Wells 18, 19	1	\$18.9M	\$4M	TBD	NA	TBD	TBD	WRD evaluating Funding Application from pumper.
9a	La Habra Heights County Water District (LHCWD)	Funding Support	Total of 4 wells: Wells 8, 9, 10, 11	1	\$6M	\$5M	TBD	NA	TBD	TBD	WRD evaluating revised Funding Applications from pumper.
9b	Orchard Dale Water District (ODWD)	NA	Same as above	NA	NA	NA	NA	NA	TBD	TBD	WRD evaluating revised Funding Applications from pumper.



WRD PFAS Remediation Program - Status of Projects

No. Pumper	Type of Funding Requested	PFAS-Impacted Wells Proposed for Treatment	Quantity of Proposed PFAS Treatment Systems	Estimated Total Project Cost	Program Funding Amount (\$1k/AFY)	Executed Funding Amount	Reimbursement to Date	Annual Pumping Requirement (AFY)	3-Year Average Annual Pumping (AFY)	Status
10	City of South Gate	Funding Support	Total of 3 wells: Wells 14, 18, 24	TBD	TBD	TBD	NA	NA	NA	WRD has not yet received Funding Application from Pumper. Pumper reviewing Funding Agreement template.
11	City of Montebello	TBD	Only 1 well: Well MONT1	TBD	TBD	TBD	NA	NA	NA	WRD has not yet received Funding Application from Pumper.
12	Liberty Utilities	Funding Support	Total of 2 wells: Wells 41A, 46C	TBD	TBD	TBD	NA	NA	NA	WRD has not yet received Funding Application from Pumper.
13	City of Bell Gardens	TBD	Only 1 well: Well 1	TBD	TBD	TBD	NA	NA	NA	Pumper pursuing amendment on their existing State grant agreement. WRD has not yet received Funding Application from Pumper.
14	City of Downey	TBD	Total of 5 wells: Wells 2, 4, 15, 16, 24	TBD	TBD	TBD	NA	NA	NA	WRD has not yet received Funding Application from Pumper.
COMPLETED PROJECTS										
15	San Gabriel Valley Water Company (SGWVC)	Funding Support	Total of 2 wells: Wells W6C, W6D	\$4.0M	NA	\$4.0M	\$4.0M	2,561 (all Central Basin wells)	2,642 (all Central Basin wells)	Funding Agreement executed on 8/18/22. Project and funding by WRD has been completed. Pumper preparing Annual Reports.
TOTAL:			44 wells	>\$76.8M	>\$13.8M	\$27.3M	\$17.4M	18,235	2,642	